



NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Fifth Annual General Meeting (AGM) of the Members of Nucleus Software Exports Limited will be held on Tuesday, the 8th day of July 2014 at 11:30 A.M. at Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003 to transact the following business:

Ordinary Business:

1. To review, consider and adopt the Audited Balance Sheet as at March 31, 2014 and Profit and Loss account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend @ ₹ 3 per share and a special dividend @ ₹ 3 per share on equity shares for the financial year ended March 31, 2014.
3. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration. M/s Deloitte Haskins & Sells, Chartered Accountants, the retiring auditors are eligible for reappointment.

Special Business:

4. To appoint Mr. N. Subramaniam (DIN 00166621), as an Independent Director and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. N. Subramaniam (holding DIN 00166621), Non-Executive Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019, whose office shall not be liable to retire by rotation".

5. To appoint Mr. Janki Ballabh (DIN 00011206), as an Independent Director and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Janki Ballabh (holding DIN 00011206), Non-Executive Director of the Company whose period of office is liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to

31st March, 2019, whose office shall not be liable to retire by rotation"

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :
"RESOLVED that the vacancy caused by the retirement of Mr. Sanjiv Sarin, Director, who retires by rotation at the AGM not be filled".
7. To approve the related party transaction with M/s Praxis Consulting and Information Services Pvt. Ltd. for a period from Oct 3, 2013 to Oct 2, 2014 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:-

Post facto approval in terms of the Regional Director approval no. 4/463/T-1/2013/D/7174 dated 17th October 2013

"RESOLVED THAT pursuant to Section 297 of the erstwhile Companies Act, 1956 and approval of the Regional Director, Ministry of Corporate Affairs vide no. 4/463/T-1/2013/D/7174 dated 17th October 2013 and other applicable provisions of the Companies Act 2013, if any, consent of members be and is hereby given to the Company to enter into a contract with M/s Praxis Consulting & Information Services Pvt. Ltd., for availing of services relating to creation, maintenance and hosting of Investors Relation Website of M/s Nucleus Software Exports Limited for a period from Oct 3, 2013 to Oct 2, 2014 as per the terms and conditions set out in the agreement entered into with the latter and approved by the Regional Director.

RESOLVED FURTHER THAT it is hereby confirmed that:

- (a) the Contract entered into with M/s Praxis Consulting & Information Services Pvt. Ltd. is competitive, at arm's length, without conflict of interest and is not less advantageous to it as compared to similar contracts with other parties and the Company has not made any default under Section 297 of the Companies Act, 1956 in the past and there is no default in repayment of any of its debts (including public deposits) or debenture or interest payable thereon and has filed its up to date balance sheet and annual return with the Registrar of companies;
- (b) the contract is falling within the provisions of Section 297 of the Companies Act, 1956 and provisions of Section 198, 269, 309, 314 and 295 are not applicable in the proposed contract; and
- (c) the Company and its Directors have complied with the provisions of Section 173, 287, 299, 300, 301 and other applicable provisions of the Companies Act, 1956 with regard to the proposed contract."

"RESOLVED FURTHER THAT the Board of Directors be and hereby authorised to do all such acts, deeds or things as may be necessary to give effect to the above resolution subject to the compliance of terms of the said approval letter."

8. To approve the related party transaction with M/s Praxis Consulting & Information Services Pvt. Ltd. for a period from Oct 3, 2014 till Oct 2, 2017 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:-

"RESOLVED that, pursuant to Section 188 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to enter into a contract with M/s Praxis Consulting & Information Services Pvt. Ltd., for availing of services relating to maintenance, updation and hosting of Investors Relation Website of M/s Nucleus Software Exports Limited for a period of 3 years from Oct 3, 2014 till Oct 2, 2017, in a manner and on such terms and conditions as may be mutually agreed upon between the Board of Directors of the Company and M/s Praxis Consulting & Information Services Pvt. Ltd.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution."

9. To approve the payment of remuneration to Non-Executive Directors and in this regard to consider and, if, thought fit, to pass with or without modification, the following resolution(s) as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, be paid to and distributed amongst the Directors other than the Managing Director or Whole-time Directors of the Company in such amounts or proportions and in such manner and in all respects as may be decided and directed by the Board of Directors and such payments shall be made in respect of the profits of the Company for each financial year, for a period of five financial years commencing from 1st April, 2014.

RESOLVED FURTHER that the above remuneration shall be in addition to fee payable to the Director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings."

**By Order of the Board
For Nucleus Software Exports Limited**

Place : NOIDA

Date : May 3, 2014

(Poonam Bhasin)

Company Secretary

ACS -10865

**Regd. Office – 33-35, Thyagraj Nagar Market
New Delhi-110003**

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/

AUTHORITY, AS APPLICABLE. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Members/Proxies should bring duly filled attendance slips attached herewith for attending the meeting.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out under the notice is annexed hereto.
4. The Board of Directors have recommended final Dividend on Equity Shares, of ₹ 3.00 per share, for the financial year ended March 31, 2014. On account of completion of 25 years of the Company, the Board has also recommended a one time special dividend of ₹ 3.00 per share, making in all ₹ 6.00 per share as dividend for the year. The Register of Members and Share Transfer Books of the Company will remain closed from July 1 to July 8, 2014 (both days inclusive), in connection with the Annual General Meeting and payment of dividend.

Subject to the provisions of the Companies Act 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid to those members whose names appear on the Register on Members as on June 30, 2014.

5. Members whose shareholding(s) are in electronic mode are requested to direct changes relating to address, bank mandate and Electronic Clearing Service (ECS) details to their respective Depository participants.
6. Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (D.P.) ID number on all correspondence with the Company.
7. Members who are holding shares in more than one folio are requested to intimate to the Company the detail of all folio numbers for consolidation into a single folio.
8. Members/Proxy holders are requested to bring their copies of the Annual Report with them to the Annual General Meeting, as extra copies will not be provided.
9. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with to the Registrar and Share Transfer Agents, Karvy Computershare Private Limited. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), be transferred to the Investor Education and Protection Fund.
10. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment
11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

12. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

13. Members are requested to send to the Company their queries, if any, on accounts and operations of the Company at least ten days before the meeting so that the same could be suitably answered at the meeting.

14. Copies of the Annual Report 2014 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode.

15. Electronic copy of the Notice of the 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

16. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website www.nucleussoftware.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email Id: investorrelations@nucleussoftware.com

17. MEMBERS MAY NOTE THAT NO GIFTS/GIFT COUPONS SHALL BE DISTRIBUTED AT THE VENUE OF THE MEETING.

18. Voting through electronic means

1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services provided by Karvy Computershare Pvt. Ltd.:

2. The instructions for E-Voting are as under:

I. To use the following URL for E-Voting:

a. From Karvy website : <https://evoting.karvy.com>

II. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cutoff date i.e. June 6, 2014, may cast their vote electronically.

III. Enter the login credentials [i.e., user ID and password] mentioned in the E-Voting instructions.

IV. After entering the details appropriately, click on LOGIN.

V. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (e-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

VI. You need to login again with the new credentials.

VII. On successful login, the system will prompt you to select the EVENT i.e., Nucleus Software Exports Limited.

VIII. On the voting page, enter the number of shares as on the cutoff date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.

IX. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.

X. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.

XI. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.

XII. The Portal will remain open for voting from: 10 A.M. on July 1 to 5.30 P.M. on July 3, 2014.

XIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd. at Tel. No. 1800 345 4001 (toll free).

3. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of June 6, 2014.

4. Ms. Stuti Bansal, Advocate (Bar Council Registration No. R/3847/2010) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

5. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

6. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.nucleussoftware.com and on the website of Karvy Computershare within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the respective Stock Exchanges.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Mr. N. Subramaniam is a Non-Executive (Independent) Director of the Company. He joined the Board of Directors in July 2012.

Mr. N. Subramaniam retires by rotation at the ensuing AGM under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. N. Subramaniam being eligible and seeking re-appointment, is proposed to be appointed as an Independent Director for a term of five years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. N. Subramaniam for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. N. Subramaniam (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. N. Subramaniam as an Independent Director of the Company up to March 31, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. N. Subramaniam, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. N. Subramaniam as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM. The Board considers that his continued association would be of immense benefit to the Company.

No Director, Key Managerial personnel or their relatives, except Mr. N. Subramaniam, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

ITEM NO. 5

Mr. Janki Ballabh is a Non-Executive (Independent Director) of the Company. He joined the Board of Directors of the Company in November 2008.

Mr. Janki Ballabh is the Non-Executive Chairman of the Board of Directors. Mr. Janki Ballabh is a Director whose period of office is liable to determination by retirement of Directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Janki Ballabh being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 1,00,000/- proposing the candidature of Mr. Janki Ballabh for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Janki Ballabh (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Janki Ballabh as an Independent Director of the Company up to March 31, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Janki Ballabh, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Janki Ballabh as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM. The Board considers that his continued association would be of immense benefit to the Company.

No Director, Key Managerial personnel or their relatives, except Mr. Janki Ballabh, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

ITEM NO. 6

Mr. Sanjiv Sarin is a Non-Executive Director of the Company. He joined the Board of Directors of the Company in June 2001.

Mr. Sanjiv Sarin retires by rotation at the ensuing AGM under the erstwhile applicable provisions of the Companies Act, 1956 and the Board has decided not to fill the vacancy caused due to his retirement.

No Director, Key Managerial personnel or their relatives, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 6 for approval of the members.

ITEM NO. 7

The Company has entered into a contract in October 2013 with Praxis Consulting & Information Services Pvt. Ltd. (PRAXIS), for creation, maintenance and hosting of Nucleus Investor Relations (IR) website.

PRAXIS is working on this project in partnership with National Stock Exchange(NSE), the most authentic and primary source of updated information on listed companies, information that is critical to investors, capital market intermediaries, corporates, regulators and researchers, amongst others.

PRAXIS has built a reputation over 23 years for providing complete, correct, timely and analysed information on the Indian primary capital market. PRAXIS is credited with the most authentic information on the Indian primary market.

Mr. Prithvi Haldea, a Director of the Company is also a Director of Praxis Consulting & Information Services Pvt. Ltd. (Contractee Company) and therefore the proposed contract attracts the provisions of Section 297 of the erstwhile Companies Act, 1956. The Company submitted an application under Section 297 to the Central Government (power delegated to Regional Director, Ministry of Corporate Affairs, Noida) for entering into contract with Praxis Consulting & Information Services Pvt. Ltd.

The Regional Directors in its approval no. 4/463/T-1/2013/D/7174 dated 17th October 2013 had, inter-alia, prescribed the Company to place the contract in the next Annual General Meeting of the Shareholders for their post facto approval. The contract and the Regional Director approval, referred to in resolution no. 7, would be available for inspection by the members at the Registered Office of the Company on any working day upto the date of AGM.

No Director, Key Managerial personnel or their relatives, except Mr. Prithvi Haldea, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 7 for the approval of the members.

ITEM NO.8

The Company after expiry of the Contract on Oct 2, 2014, as mentioned in Item No. 7, proposes to enter into a fresh contract for a further period of 3 years with Praxis Consulting & Information Services Pvt. Ltd. for the continued services of Updation, Maintenance and Hosting of Company's Investors Website.

Praxis Consulting & Information Services Pvt. Ltd., is a 'related party' within the meaning of Section 2 (76) of the Companies Act, 2013, and thus the transaction requires the approval of members by a Special Resolution under Section 188 of the Companies Act, 2013.

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under :

1. Name of the related party : Praxis Consulting and Information Services Pvt. Ltd.
2. Name of the Director or Key Managerial personnel who is related : Mr. Prithvi Haldea.
3. Nature of relationship : Mr. Prithvi Haldea a Director of the Company is also a Director of Praxis Consulting and Information Services Pvt. Ltd.
4. Monetary value : PRAXIS would charge an annual fee of ₹ 4.275 lakhs per annum for updation and maintenance. All out-of-pocket expenses, if any, incurred by PRAXIS shall be reimbursed on actual basis.

Payment Schedule: 50% of Annual fee shall be payable in

advance and the balance 50% shall be payable 6 months into the year.

5. Nature, material terms and particulars of the arrangement:

The proposed contract is for Updation, Maintenance and Hosting of Investors Website.

Duration of the contract: The engagement shall continue for a period of 3 years starting 3rd October 2014 - 2nd October 2017.

Within 3 months prior to the expiry of the Term, the parties shall mutually decide on the renewal of this Agreement for a further period of 3 years, on the terms and conditions as may be mutually agreed.

6. Any other information relevant or important for the members to make a decision on the proposed transaction : None.

No Director, Key Managerial personnel or their relatives, except Mr. Prithvi Haldea, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 8 for the approval of the members as a special resolution.

ITEM NO. 9

At the Annual General Meeting of the Company held on 8th July, 2009, the members had approved, under the provisions of Section 309 of the erstwhile Companies Act 1956, the payment of commission to Non-Executive Directors of the Company not exceeding one percent per annum of the net profits of the Company w.e.f. April 1, 2009 for a period of 5 years.

In view of Sections 197 and any other relevant provisions of the Companies Act, 2013 and taking into account the roles and responsibilities of the Non-executive Directors, it is proposed that the Directors other than Managing Director and the Whole-time Director be paid for each of the five financial years of the Company commencing from April 1, 2014, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013.

This remuneration shall be in addition to fee payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board and other meetings.

The Non-Executive Directors with their diverse knowledge, experience and expertise provide valuable contribution in the deliberations and decisions of the Board. Taking into account the increase in Company's activities and the consequent increase in the responsibilities of the Non-Executive Directors, it is proposed that the one per cent commission to Non-Executive Directors be continued to be paid for further period of five years commencing April 1, 2014.

This commission will be distributed amongst all of the Non-Executive Directors including Independent Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013.

Accordingly, a fresh approval of the Members is sought by way of a Special Resolution under the applicable provisions of the Companies Act, 2013 for payment of remuneration by way of commission to the Directors of the Company other than Managing Director and Whole-time Directors, for a period of five years commencing from April 1, 2014 as set out in the Resolution at Item No. 9 of the Notice. Except, Non-Executive Directors, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 09 of the Notice.

Annexure-A

PROFILE OF THE DIRECTORS RECOMMENDED FOR APPOINTMENT/REAPPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Mr. Janki Ballabh

Mr. Janki Ballabh, an eminent banker and former Chairman of the State Bank of India and State Bank Group, has vast experience and expertise in finance, banking and corporate management. He is presently a Director on the Boards of Tata AIG Life Insurance Co. Ltd., Tata Capital Ltd., Tata Capital Housing Finance Ltd., Tata Capital Financial Services Ltd., and Tata AIG General Insurance Company Ltd. In addition to his general corporate experience, his vast and rich experience, consistent with Nucleus strategy provides operational excellence to the Company and a capability to drive innovation.

Mr. Janki Ballabh does not hold any Equity Shares of the Company.

Directorships held in other Companies

1. TATA AIA Life Insurance Co. Ltd.

2. TATA Capital Ltd.

3. TATA Capital Housing Finance Limited

4. TATA Capital Financial Services Limited

5. TATA AIG General Insurance Limited

Memberships/Chairmanships of committees of other Companies (includes only Audit Committee and Shareholders/ Investor Grievance Committee)

1. Chairman – Audit Committee of TATA AIA Life Insurance Co. Ltd.

2. Chairman – Audit Committee of TATA Capital Ltd.

3. Member – Investor Grievance Committee of TATA Capital Ltd.

4. Chairman – Audit Committee of TATA Capital Housing Finance Ltd.

5. Chairman – Audit Committee of TATA Capital Financial Services Ltd.

6. Member – Investor Grievance Committee of TATA Capital Financial Services Ltd.

7. Chairman – Audit Committee of TATA AIG General Insurance Company Ltd.

8. Member – Investor Protection Committee of TATA AIG General Insurance Company Ltd.

Mr. N Subramaniam

Mr. N. Subramaniam is a post graduate from IIM Ahmedabad and is also CA, CS and CWA by qualification. Having a corporate experience of over 30 years, he founded M Cap Fund Advisors and is its Managing Partner. He is currently an Independent Director on the Board of L&T Finance Ltd and Eagle Energy Services Private Limited. In the past, he has been the Chairman of Venture Capital Association of India, Infrasoft Technologies, Vice Chairman of Mphasis, Chairman of Audit Committee of Mphasis and Director of Auro Mira Energy, Maples ESM Technologies, SECOVA, Cybernet Software Systems and SlashSupport Inc. He was also the member of Board at Integra Software Services, SlashSupport, Jyothy Laboratories, SRA Systems and B&M Hotbreads Pvt Ltd. His interests, beyond finance, include a passion for Executive Coaching and Green Energy Technologies.

Mr. Subramaniam joined the Board of Directors of Nucleus Software Exports Ltd. in July 2012.

Mr. N. Subramaniam holds 7,684 Equity Shares of the Company.

Directorships held in other Companies

1. NS Equity Advisors Private Limited

2. MCAP Fund Advisors Private Limited

3. L&T Finance Limited

4. L&T Finance Holdings Limited

5. Eagle Energy Services Private Limited

6. Nucleus Software Australia Pty. Ltd.

Memberships/Chairmanships of committees of other Companies (includes only Audit Committee and Shareholders/ Investor Grievance Committee)

Nil

Disclosure in terms of Clause 49 (IV)(G)(ia) of the Listing Agreement

There are no inter-se relationships between the Board members.