



**NUCLEUS
SOFTWARE**

NUCLEUS SOFTWARE EXPORTS LTD.

CIN : L74899DL1989PLC034594

Corporate Office

A-39, Sector-62, Noida,
Uttar Pradesh, 201307. India.

T.: + 91 . 120 . 4031 . 400

F.: +91 . 120 . 4031 . 672

E.: nsl@nucleussoftware.com

W.: www.nucleussoftware.com

January 16, 2015

To,

The Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra-Kurla Complex
Bandra (E)
Mumbai-400051
Fax Nos. 022-26598236/237/238

Dear Sir,

REF: Clause 31(c) of the Listing Agreement
SUB: Postal Ballot Notice & Form

We enclose herewith, three copies of the Notice of Postal Ballot pursuant to Section 110 of the Companies Act 2013, together with three copies of the Postal Ballot Form being sent to the Members of the Company, seeking the approval of shareholders for the items listed in the Postal Ballot Notice dated December 17, 2014.

Kindly take the same on record.

Thanking you

Yours Sincerely

For Nucleus Software Exports Limited

Poonam Bhasin
Company Secretary



Encl : A/a

Regd. Office

33-35 Thyagraj Market, New Delhi, 110003. India.

T.: + 91 . 11 . 2462 . 7552 **F.:** +91 . 11 . 2462 . 0872

www.nucleussoftware.com



NUCLEUS SOFTWARE EXPORTS LIMITED

CIN : L74899DL1989PLC034594

Registered Office : 33-35, Thyagraj Nagar Market, New Delhi-110003

Tel.: 91-120-4031400 Fax : 91-120-4031672.

Email : investorrelations@nucleussoftware.com, Website : www.nucleussoftware.com



NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013 and Rules made thereunder)

Dear Member(s),

Notice is hereby given, pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 22 & 20 of the Companies (Management and Administration) Rules, 2014, Clause 35B of the Equity Listing Agreement and other applicable laws and regulations including any statutory modification(s) or re-enactment thereof, for the time being in force, that the resolutions appended below are proposed to be passed as special resolutions by way of Postal Ballot which includes voting by electronic means.

The explanatory statement pertaining to the said Resolutions setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form for your consideration. The Board of Directors of the Company has appointed Mr. Sanjay Grover, Company Secretary in whole time practice (Membership No. FCS 4223; C.P. No. 3850) as Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed, in the enclosed self addressed postage-prepaid envelope (if posted in India) so as to reach the Scrutinizer not later than the closing of working hours (i.e. upto 6.00 p.m.) on February 17, 2015. The envelope may also be deposited personally at the address given thereon. Forms received after this date will not be considered. Also, no other form or photocopy thereof is permitted.

In compliance with Clause 35B of the Listing Agreement with the Stock Exchange(s) and the provisions of Section 110 the Act, read with the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate, for its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form(s). Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically.

The Scrutinizer will submit his report to the Chairman or any other Director of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The result of postal ballot (including e-voting) shall be declared on or before February 20, 2015 and communicated to the Stock Exchanges, the Depository, the Registrar and Share Transfer Agent and would also be displayed on the Company's website www.nucleussoftware.com.

Your consideration and approval by Postal Ballot is sought for the Resolutions appended below:

Special Business:

1. Approval of Nucleus Employee Stock Option Plan 2015 and grant of Employee Stock Options to the employees of the Company thereunder

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, 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), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBEB Regulations") and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consent of the Members be and are hereby accorded respectively to the 'Nucleus Employee Stock Option Plan 2015' (hereinafter referred to as the "ESOP 2015"/"Plan") and to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time up to 4,50,000 (Four Lac Fifty Thousand Only) Employee Stock Options to the permanent employees, existing and future, including the Whole-time Directors (excluding Independent Directors) of the Company, as may be decided solely by the Board under the Plan, exercisable into not more than 4,50,000 (Four Lac Fifty Thousand only) fully paid-up Equity Shares of face value of Rs.10/- (Rupees Ten only) each in the Company, which shall be acquired from the secondary market through an Employee Welfare Trust (herein after referred to as "Trust") set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with the applicable laws and regulations.

RESOLVED FURTHER THAT the number of Employee Stock Options that may be granted to any employee including any Whole-time Director (excluding Independent Directors) of the Company, in any financial year and in aggregate under the ESOP 2015 shall be less than 1% of the Paid-up Share Capital of the Company.

RESOLVED FURTHER THAT in case of any

corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division / undertaking or any other re-organisation, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid of 4,50,000 (Four Lac Fifty Thousand only) Employee Stock Options and Equity Shares respectively shall be deemed to increase / decrease in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2015 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2015 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations or any amendment thereto or modification thereof and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2015.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP 2015 as also to submit applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals , and/or to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with SEBI / Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

2. Grant of Employee Stock Options to the employees of the Subsidiary Company(ies) of the Company under Nucleus Employee Stock Option Plan 2015

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, 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) the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as “SEBI SBEB Regulations”) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consent of the Members be and is hereby accorded respectively to the Nucleus Employee Stock Option Plan 2015 (hereinafter referred to as the “ESOP 2015”/ “Plan”) and to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time up to 50,000 (Fifty thousand only) Employee Stock Options to the permanent employees, existing and future, including the Whole-time Director(s) (excluding Independent Directors) of the any existing and future Subsidiary Company(ies) of the Company whether in or outside India, as may be decided solely by the Board under the 'Nucleus Employee Stock Option Plan 2015' (hereinafter referred to as the “ESOP 2015”/ “Plan”), exercisable into not more than 50,000 (Fifty Thousand only) fully paid-up Equity Shares of face value of Rs.10/- (Rupees Ten only) each in the Company, which shall be acquired from the secondary market through an Employee Welfare Trust (herein after referred to as “Trust”) set-up by the Company, at such price or prices, in one or more tranche(s) and on such term(s) and condition(s), as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with the applicable laws and regulations.

RESOLVED FURTHER THAT the number of Employee Stock Options that may be granted to any employee including any Whole-time Director (excluding Independent Directors) of the Subsidiary Company(ies) of the Company, in any financial year and in aggregate under the ESOP 2015 shall be less than 0.50% of the Paid-up Share Capital of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid of 50,000 (Fifty Thousand only) Employee Stock Options and Equity Shares respectively shall be deemed to increase / decrease in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2015 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2015 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations or any amendment thereto or modification thereof and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2015.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP 2015 as also to submit applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals and/or to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard."

3. Approval of acquisition of equity shares from secondary market through Employee Welfare Trust for the implementation of Nucleus Employee Stock Option Plan 2015

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, 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), the Memorandum and Articles of Association of the Company, Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBEB Regulations") and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such

approvals, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to constitute an Employee Welfare Trust (hereinafter referred to as "Trust") which shall acquire from the secondary market, hold and deal in such number of Equity Shares of the Company, not exceeding 5,00,000 (Five Lac) fully paid-up Equity Shares of face value of Rs. 10/- (Rupees Ten only) each, being below the ceiling of 5% of the Paid-up Equity Share Capital as on March 31, 2014 prescribed under the SEBI SBEB Regulations, for the purpose of implementation of the 'Nucleus Employee Stock Option Plan 2015' (hereinafter referred to as the "ESOP 2015"/"Plan").

RESOLVED FURTHER THAT Equity Shares that can be acquired from the secondary market in any financial year by the Trust shall not exceed 2% of the Paid-up Equity Share Capital as at the end of the previous financial year.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid of 5,00,000 (Five Lac only) Equity Shares shall be deemed to increase / decrease in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment."

4. Provision of Loan by the Company for purchase of its own shares by the Trust/ Trustees for the benefit of employees under Nucleus Employee Stock Option Plan 2015

To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 67 and all other applicable provisions, if any, 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), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBEB Regulations"), Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 (hereinafter referred to as "Companies Rules") and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any

Committee, including the Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to grant an interest free loan, provide guarantee or security in connection with a loan to the Employee Welfare Trust (hereinafter referred to as "Trust") set-up by the Company in one or more tranches not exceeding Rs.15,00,00,000/- (Rupees Fifteen Crore only) in aggregate, being within the statutory ceiling of 5% of the aggregate of the Paid-up Share Capital and Free Reserves as per audited accounts of the Company as on March 31, 2014, for the purpose of acquisition/purchase of Equity Shares of the Company by the Trust/ Trustees, from the secondary market from time to time in one or more tranches, subject to the ceiling of Equity Shares prescribed under 'Nucleus Employee Stock Option Plan 2015' (hereinafter referred to as the "ESOP 2015"/ "Plan"), with a view to deal in such Equity Shares in line with contemplated objectives of the Plan.

RESOLVED FURTHER THAT any loan provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the ESOP 2015 subject to exercise price being paid by the employees on exercise of Employee Stock Options under the Plan or by sale of unappropriated inventory of equity shares not backed by grant, acquired from secondary market.

RESOLVED FURTHER THAT the Trust shall not deal in derivatives, and shall undertake only delivery based transactions for the purposes of secondary acquisition as permitted by the SEBI SBEB Regulations.

RESOLVED FURTHER THAT the Trustee of the Trust shall not vote in respect of the shares held by such Trust.

RESOLVED FURTHER THAT for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as non-promoter and non-public shareholding.

RESOLVED FURTHER THAT the Trustee of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Companies Act 2013 and Rules or any amendment thereto or modification thereof and all other applicable laws at all times in connection with dealing with the shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

By Order of the Board of Directors
For NUCLEUS SOFTWARE EXPORTS LIMITED
 Sd/-

Poonam Bhasin
Company Secretary

ACS-10865

Place : Noida

Date : December 17, 2014

Registered Office :

33-35, Thyagraj Nagar Market, New Delhi

Website: www.nucleussoftware.com

CIN : L74899DL1989PLC034594

NOTES:

1. A Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 and rules made thereunder setting out material facts is annexed hereto.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear on the Register of Members /List of beneficial owners as received from National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) as on the close of business hours on 29th day of December, 2014.
3. The Board of Directors has appointed Mr. Sanjay Grover, Company Secretary in whole time practice (Membership No. FCS 4223, C.P. No. 3850) as Scrutinizer for conducting the Postal Ballot / e-voting process in a fair and transparent manner.
4. Pursuant to the Clause 35B of the Listing Agreement and Section 108 and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company is pleased to provide members facility to exercise their right to vote by electronic means and the business may be transacted through e-voting Services provided by Karvy Computershare Pvt. Ltd.
5. Dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Hindi newspaper, each with wide circulation in the State of Delhi, where the registered office of the Company is situated, and published on the Company website.
6. Each Member can opt for only one mode of voting i.e. either by physical postal ballot or by e-voting. In case Members cast their vote by both physical postal ballot and e-voting, it may be noted that votes cast by them through valid physical postal ballot shall prevail and votes cast by e-voting will be treated as invalid.
7. The instructions for e-voting are as under:
 - i. Launch internet browser by typing the URL for e-voting: <http://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. December 29, 2014, may cast their vote electronically.
 - iii. Enter the login credentials [i.e. user id and password mentioned in the Postal Ballot Form]. Your Folio No/DP ID and Client ID will be your User-ID.
 - iv. After entering these 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 (a-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 E-Voting EVENT i.e. Nucleus Software Exports Limited.
 - viii. On the voting page, enter the number of shares as on the cut-off 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.
 - ix. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folios / demat accounts.
 - 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. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (P D F F o r m a t) o f t h e B o a r d Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: sanjaygrover7@gmail.com/ with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVEN NO.
 - xii. Once the vote on the resolution is cast by the shareholder, he/ she shall not be allowed to change it subsequently.
 - xiii. The Portal will remain open for voting from: 10.00 A.M. on January 19, 2015 to 6.00 P.M. on February 17, 2015
 - xiv. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders is available at the download section of <https://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd at Tel. No. 1800 345 4001 (toll free).
8. Members are requested to carefully read the instructions given in the enclosed Postal Ballot Form. Postal Ballot Form duly completed with the assent (for) or dissent (against), and signed should be returned directly to the Scrutinizer so as to reach the Scrutinizer not later than close of working hours on February 17, 2015 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. The Scrutinizer will submit his report to the Chairman or any Director of the Board after completion of the scrutiny and the results of Postal Ballot will be announced on or before February 20, 2015 at the Registered Office of the Company, 33-35, Thyagraj Nagar Market, New Delhi-110003.
 9. The resolutions shall be taken as passed effectively on the date of declaration of the result. The result will be submitted to the Stock Exchanges where shares of the Company are listed and will also be published in at least one English and one vernacular newspaper circulating in the state of Delhi. The result of the Postal Ballot will also be displayed along with the Scrutinizers' Report on website of the Company.
 10. Notice of Postal Ballot along with Postal Ballot Form containing the process, instructions and the

manner of conducting e -voting is being sent electronically to all the Members whose email ID's are registered with the Company / Depository Participant(s). For Members who request for a hard copy and for those who have not registered their email addresses, physical copies of the same are being sent through the permitted mode.

11. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Member as on December 29, 2014. Members can vote for their entire voting rights as per their discretion.
12. In case of joint-holding, the Postal Ballot Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member.
13. Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Forms shall be rejected.
14. All the relevant documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection by the Members at the Registered Office of the Company during working hours on all working days, except Saturday and Sunday between 11:00 a.m. and 1:00 p.m. from January 19, 2015 up to February 17, 2015.
15. Members who have not registered their email addresses so far are requested to register their e-mail address so that they can receive the communications from the Company electronically.

Explanatory Statements under Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013

Item no. 1 and 2

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation schemes / plans. Your Company believes in rewarding its employees including Whole Time Directors of the Company as well as that of the Subsidiary Company(ies) for their continuous hard work, dedication and contribution to the Company's goals. The Company intends to implement Nucleus Employee Stock Option Plan 2015 ("ESOP 2015"/ "Plan") with a view to attract and retain key talent working with the Company and its Subsidiary Company(ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The ESOP 2015 has been formulated in accordance with SEBI SBEB Regulations. ESOP 2015 contemplates dealing in acquisition of secondary shares through an Employee Welfare Trust (Trust). This is in accordance with the Securities and Exchange Board of India (Stock Based Employee Benefits) Regulations, 2014 (SEBI SBEB Regulations) which states that a Company may implement ESOP scheme either directly or by setting up an irrecoverable trust(s). Further if the schemes / plans involves acquisition from secondary market or gift or both then it is mandatory for the Company to implement such scheme(s) through a trust(s).

The Board of Directors ("the Board") of the Company at its meeting on December 17, 2014 approved ESOP

2015, set-up of an Employee Welfare Trust and authorised the Compensation Committee to formulate detailed terms and conditions of the Employee Stock Options to be granted to the employees from time to time subject to the approval of ESOP 2015 by the members.

The Company seeks members' approval in respect of ESOP 2015 and grant of Stock Options to the eligible employees / Directors of the Company that of its Subsidiary Company(ies) as decided by the Compensation Committee from time to time in accordance with SEBI SBEB Regulations, or any amendment thereto or modification thereof.

The main features of ESOP 2015 are as under:

1. Total number of Options to be granted:

Total number of options to be granted shall be 5,00,000 (Five Lac) which consist of 4,50,000 (Four Lac Fifty Thousand) and 50,000 (Fifty Thousand) Options for grant to the eligible employees of the Company and eligible employees of the Subsidiary Company(ies) respectively under ESOP 2015, in one or more tranches. These shall be exercisable into Equity Shares not exceeding 5,00,000 (Five lac) Equity Share of face value of Rs. 10/- (Rupees Ten only) each fully paid-up.

Vested Options which have lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation / termination of the employees or otherwise, would be available for re-grant at a future date. The Board / Compensation Committee is authorized to re-grant such lapsed / cancelled options as per the provisions of ESOP 2015.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional Equity Shares are required to be issued pursuant to any corporate action, the above ceiling of Options or Equity Shares shall be deemed to increase in proportion of such additional Equity Shares issued subject to compliance of the SEBI SBEB Regulations.

2. Identification of classes of employees entitled to participate in ESOP 2015

Following classes of employees are entitled to participate in ESOP 2015:

- a) Permanent employees of the Company working in India or out of India;
- b) Whole-time Directors of the Company; and
- c) Permanent employees and Whole-time Directors of the Subsidiary Company(ies).

Following persons are not eligible:

- a) an employee who is a Promoter or any person belonging to the Promoter Group;
- b) a Director who either by himself / herself or through his / her relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director within the meaning of the Companies Act, 2013 and / or Clause 49 of the Equity Listing Agreement.

3. Transferability of Employee Stock Options:

The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees.

4. Requirements of vesting and period of vesting:

The Options granted shall vest so long as an employee continues to be in the employment of the Company or the Subsidiary Company as the case may be on the date of vesting. The Compensation Committee may, at its discretion, lay down certain performance metrics on the achievement of which such Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest subject to a minimum vesting period of 1 year.

5. Maximum period within which the Options shall be vested:

Options granted under ESOP 2015 would vest within a maximum period of 5 years from the date of grant of such Options.

6. Exercise price or pricing formula:

The exercise price per Option shall be equal to the market price of an Equity Share of the Company as on date of grant of Option.

Market price in this context refers to the meaning assigned to it under the SEBI SBEB Regulations which is the latest available closing price on a recognised stock exchange on which the share of the Company are listed on the date immediately prior to the grant date.

7. Exercise period and the process of Exercise:

The vested Options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 2 years from the date of vesting of such Options.

The vested Option shall be exercisable by the employees by a written application to the Trust or Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Trust/ Compensation Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

In case of cashless system of exercise of vested Options, the Compensation Committee shall be entitled to specify such procedures and/or mechanisms for the Shares to be dealt with thereon as may be necessary and the same shall be binding on the Option grantees.

8. Appraisal process for determining the eligibility of employees under ESOP 2015:

The appraisal process for determining the eligibility of the employees will be decided by the Compensation Committee from time to time.

The employees would be granted Options under the ESOP 2015 based on various parameters such

as performance rating, period of service, rank or designation and such other parameters as may be decided by the Compensation Committee from time to time.

9. Maximum number of Options to be issued per employee and in aggregate:

The number of Options that may be granted to any identified employee of the Company or of its Subsidiary Company under the Plan shall be less than the numbers equivalent to 1% and 0.5% respectively of the total Paid-up Equity Shares of the Company per grant and in aggregate.

10. Accounting and Disclosure Policies:

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

11. Method of Option Valuation:

To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the Options granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' report.

Consent of the members is being sought pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI SBEB Regulations.

A copy of the ESOP 2015 shall be kept for inspection by the members for 3 days i.e. from February 15, 2015 to February 17, 2015 at the Registered Office during office hours.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolution, except to the extent of their entitlements, if any, under the Plan.

The Board recommends the resolution for approval of members

Item no. 3

The Company intends to implement Nucleus Employee Stock Option Plan 2015 ("ESOP 2015"/ "Plan") with a view to attract and retain key talent working with the Company and its Subsidiary Company(ies). ESOP 2015 contemplates dealing in acquisition of shares from secondary market through an Employee Welfare Trust (Trust). ESOP 2015 envisages acquisition / use of 5,00,000 (Five Lac) Equity Shares within the term of the Plan.

The Board of Directors of the Company at its meeting on December 17, 2014 approved ESOP 2015 envisaging aforesaid number of Equity Shares which is below the statutory ceiling of 5% of Paid-up Equity Share Capital as on March 31, 2014 prescribed under SEBI SBEB Regulations.

Consent of the members is being sought by way of a special resolution pursuant to Regulation 6 of the SEBI

SBEB Regulations or any amendment thereto or modification thereof.

A copy of the ESOP 2015 shall be kept for inspection by the members for 3 days i.e. from February 15, 2015 to February 17, 2015 at the Registered Office during office hours.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolution, except to the extent of their entitlements, if any, under the Plan.

The Board recommends the resolution for approval of members.

Item no. 4

The Company intends to implement Nucleus Employee Stock Option Plan 2015 ("ESOP 2015"/ "Plan") with a view to attract and retain key talent working with the Company and its Subsidiary Company(ies) by dealing in/ acquisition of shares from the secondary market for its implementation. The SEBI SBEB Regulations govern share based employee benefit schemes/ plans being implemented by a Company. These Regulations require Trust route as a prerequisite in case any shares are acquired from secondary market.

Accordingly, the Board of Directors at its meeting on December 17, 2014 set-up an Employee Welfare Trust namely Nucleus Employee Welfare Trust (Trust) and approved the proposal for sanction of an interest free loan of Rs. 15,00,00,000 (Rupees Fifteen crore only) by the Company to the Trust. This proposed amount of loan is within the statutory limit of 5% of the aggregate of Paid-up Share Capital and Free Reserves as per audited accounts of the Company as on March 31, 2014, as prescribed under SEBI SBEB Regulations read with Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014 (Companies Rules).

Pursuant to Section 67(3)(b) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the Company shall provide interest free loan to the Employee Welfare trust from time to time, on such terms as it may think fit, for the purchase of fully paid up equity shares of the Company from the secondary market. The equity shares as held by trustees / trust shall be for benefit of employees and shall be transferred to the employees on exercise of employee stock options as granted under ESOP 2015.

The trust would be required to purchase Equity Share from secondary market and hold these shares acquired for a minimum period of six months. The Equity Shares will be transferred by the trust to the employees on the exercise of options granted. The trust shall not become a mechanism for trading in shares and hence shall not sell the shares in secondary market except under the prescribed circumstance in SEBI SBEB Regulations. The un-appropriated inventory of shares which are not backed by grants, acquired from secondary market by the trust shall be appropriated within a reasonable period which shall not extend beyond the end of the subsequent financial year. The un-appropriated inventory of shares can be sold in secondary market by the trust for repaying the loan if that inventory is not appropriated within the time line as detailed above.

a) The class of employees for whose benefit the Plan is being implemented and money is being provided for purchase of the shares:

The Plan is being implemented and money is being provided for purchase of shares for the benefit of employees within the meaning of the Plan. The class/ classes of employees who are eligible subject to selection by the Compensation Committee are as under:

- Permanent employees of the Company working in India or out of India;
- Whole-time Directors of the Company; and
- Permanent employees and Whole-time Directors of the Subsidiary Company(ies).

Following persons are not eligible:

- an employee who is a Promoter or any person belonging to the Promoter Group;
- a Director who either by himself / herself or through his/ her relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- an Independent Director within the meaning of the Companies Act, 2013.

b) The particulars of the Trustee and name, address, occupation and nationality of Trustee or employees in whose favour such shares are to be registered:

It is contemplated that designated Trustee shall acquire and hold the Shares in due compliance of the relevant provisions of SEBI SBEB Regulations and other applicable provisions. The Trustee shall transfer the Shares in favour of the employees on exercise of the Employee Stock Options after realisation of exercise price and applicable income tax.

c) The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:

Trust is set-up in the nature of an irrevocable Employee Welfare Trust with the name Nucleus Employee Welfare Trust having its registered office at 33 Thyagraj Nagar Market, New Delhi - 110003.

Particulars of the Trustees

S. No.	Name	Address	Occupation	Nationality
1.	IL&FS Trust Company Limited	The IL&FS Financial Centre, Plot C-22, G Block, Bandra Kurla Complex, Bandra (E), Mumbai-400 051	Business	Indian Entity

The Trustees are neither Promoters, Directors nor Key Managerial Personnel of the Company nor are they related to the Promoters, Directors or Key Managerial Personnel in their personal capacity.

a) Any interest of key managerial personnel, Directors or promoters in such scheme or trust and effect thereof:

Promoters are not eligible to be covered under the Plan. However, Key Managerial Personnel, Directors may be covered under the Plan as provided in the Plan in due compliance with the SEBI SBEB Regulations.

Any Key Managerial Personnel, Director or Promoter does not relate to the Trust.

b) The detailed particulars of benefits which will accrue to the employees from the implementation of the Plan:

The eligible employees shall be granted Employee Stock Options under the Plan which would vest subject to vesting conditions prescribed by the Compensation Committee. After vesting and on exercise of the Options, the Trust/ Trustees shall transfer corresponding number of Equity Shares to the employees. The employees may like to sell the Shares immediately after exercise or may hold and sale after a definite period of time at his/ her discretion. The employees would get the benefit on sale of shares depending on sale price of such Shares.

c) The details about who would exercise and how the voting rights in respect of the shares to be purchased under the Plan would be exercised:

As per SEBI SBEB Regulations, the Trustees shall not vote in respect of Shares held in the Trust. In these circumstances, the voting rights can be exercised by an employee only when the Shares are transferred to them after due process of exercise of Options.

Consent of the members is being sought by way of a special resolution pursuant to Regulation 3 (8) of the SEBI SBEB Regulations read with Rule 16 of the Companies Rules or any amendment thereto or modification thereof.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the Trust/ resolution, except to the extent of their entitlements, if any, under the Plan.

The Board recommends the resolution for approval of members.

By Order of the Board of Directors
For NUCLEUS SOFTWARE EXPORTS LIMITED

Sd/-
Poonam Bhasin
Company Secretary
ACS-10865

Place : Noida

Date : December 17, 2014

Registered Office :
33-35, Thyagraj Nagar Market, New Delhi
Website: www.nucleussoftware.com
CIN : L74899DL1989PLC034594



**NUCLEUS
SOFTWARE**

NUCLEUS SOFTWARE EXPORTS LIMITED

CIN : L74899DL1989PLC034594

Registered Office : 33-35, Thyagraj Nagar Market, New Delhi-110003

Tel.: 91-120-4031400 Fax : 91-120-4031672

Email : investorrelations@nucleussoftware.com, Website : www.nucleussoftware.com

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POSTAL BALLOT FORM

Serial No.

1. Name(s) and registered address
of the Sole/First named Shareholder

2. Name(s) of the Joint-Holder(s),
if any

3. DP ID No./ Client ID No./
Registered Folio No.*
(*Applicable to investors holding Shares
in physical form)

4. Number of Equity Share(s) held

5. I / We hereby exercise my / our vote in respect of the following Special Resolutions to be passed through Postal Ballot / e-voting for the business stated in the notice of Postal Ballot issued by the Company dated December 17, 2014 by sending my / our assent or dissent to the said resolutions by placing tick (✓) mark in the appropriate box below:

Sl. No.	Brief particulars of the items	No. of ordinary Shares for which Votes cast	I/ We assent to the Resolutions (For)	I/ We dissent to the Resolutions (Against)
1.	Approval of Nucleus Employee Stock Option Plan 2015 and grant of Employee Stock Options to the employees of the Company thereunder			
2.	Grant of Employee Stock Options to the employees of the Subsidiary Company(ies) of the Company under Nucleus Employee Stock Option Plan 2015			
3.	Approval of acquisition of equity shares from secondary market through Employees Welfare Trust for the implementation of Nucleus Employee Stock Option Plan 2015			
4.	Provision of Loan by the Company for purchase of its own shares by the Trust/ Trustees for the benefit of employees under Nucleus Employee Stock Option Plan 2015			

E-VOTING INFORMATION

EVEN (E-Voting Event Number)	User ID	Password

Place :

Date :

Signature of the Shareholder

(must be as per specimen signature registered with the Company)

Note : Please read the instructions printed overleaf carefully before exercising your vote.

Notes / Instructions:

1. Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement assent or dissent of the shareholders in respect of the resolutions contained in the Notice dated December 17, 2014 is being taken through postal ballot / e-voting.
2. The Company has appointed Mr. Sanjay Grover, Practicing Company Secretary, as the Scrutinizer for conducting the postal ballot / e-voting process.
3. The notice of postal ballot / e-voting is being sent to the members, whose names appear in the register of members as on December 29, 2014 and Members holding equity shares shall have one vote per share as shown against their holding. The same shall also be placed on the website of the Company viz. www.nucleussoftware.com.
4. The Scrutinizer will submit his final report as soon as possible after the last date of receipt for postal ballot / e-voting i.e. February 17, 2015
5. The results of Postal Ballot shall be declared by the Chairman or any Director duly authorized by the Board on or before February 20, 2015 at Registered office of the Company situated at 33-35, Thyagraj Nagar Market, New Delhi-110003. The date of declaration of the results of postal ballot / e-voting will be taken to be the date of passing of the resolution.
6. The result of the Postal Ballot / e-voting will also be published in the newspapers and will also be placed at the website of the Company viz. www.nucleussoftware.com.
7. The members can opt for only one mode of voting i.e. either through Postal Ballot or e-voting. If the shareholder decides to vote through Postal Ballot, they are advised not to vote through e-voting and vice versa. In case of voting through both the modes, voting through a valid physical Postal Ballot Form will be considered and counted and e-voting of such shareholder will be treated as invalid.
8. There will be one Postal Ballot Form / e-voting for every folio / client id irrespective of the number of joint holders.
9. Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy.
10. Incomplete, unsigned or incorrect Postal Ballot forms will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot forms shall be final and binding.

PROCESS FOR MEMBERS OPTING FOR VOTING IN PHYSICAL FORM

11. A member desiring to exercise voting right by Postal Ballot may complete the Postal Ballot Form and send it in the attached self-addressed Business Reply Envelope, so as to reach the Scrutinizer not later than closing of working hours on February 17, 2015. The Postal Ballot Forms received after this date will be treated as if the reply from the member has not been received. However, envelopes containing Postal Ballot Form, if sent by courier or by registered post or by speed post at the expense of the registered member will also be accepted. The Postal Ballot Form(s) may also be deposited personally.
12. The votes should be casted either in favour or against the resolution by putting the tick [✓] mark in the column provided for assent or dissent. Postal Ballot Form bearing tick [✓] mark in both the columns will render the Form invalid.
13. Please convey your assent / dissent in the Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
14. The Postal Ballot Form should be completed and signed by the sole / first named shareholder. In the absence of the first named member in a joint holding the Form may be completed and signed by the next named shareholder. (However, where the Form is sent separately by the first named shareholder and the joint holder(s), the vote of the first named shareholder would be valid).
15. In case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the board resolution / authority letter, with signatures of authorised signatory(ies), duly attested.
16. Incomplete, unsigned or incorrectly filled Postal Ballot Forms will be subject to rejection by the Scrutinizer.
17. Members are requested to fill the Postal Ballot Form in indelible ink and not in any erasable writing mode.
18. Members are requested not to send any other matter along with the Postal Ballot Form in the enclosed postage pre-paid self addressed business reply envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.
19. A member may request for a duplicate Postal Ballot Form, if so required. A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write to the Company's Registrars i.e. Karvy Computershare Private Limited, Plot No. 17-24, Vithal Rao Nagar, Madhapur, Hyderabad-500 081 or e-mail us at mailmanager@karvy.com or investorrelations@nucleussoftware.com. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date and time specified in Point No. 11 above.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

The instructions for e-voting are as under:

- i. Launch internet browser by typing the URL for e-voting: <http://evoting.karvy.com>
- ii. Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. December 29, 2014, may cast their vote electronically.
- iii. Enter the login credentials [i.e. user id and password mentioned in Postal Ballot Form]. Your Folio No/DP ID and Client ID will be your User-ID.

User-ID	For Members holding shares in Demat Form
	a) For NSDL : 8 Character DP ID followed by 8 Digit Client ID b) For CDSL : 16 digits beneficiary ID
	For Members holding shares in Demat Form
	EVEN no. followed by Folio Number registered with the Company
Password	Your Unique password is printed on the Postal Ballot Form / mentioned in the email received from Karvy
Captcha	Enter the Verification code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons

- iv. After entering these 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 (a-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 cut-off 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.
- ix. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folios / demat accounts.
- 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. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: sanjaygrover7@gmail.com / investorrelations@nucleussoftware.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name _ EVEN NO. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- xiii. The Portal will remain open for voting from: 10 A.M. on January 19, 2015 to 6 P.M. on February 17, 2015
- xiv. 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)**.