

Pioneering Disruptive Fintech Solutions Globally



What's inside

REGISTERED OFFICE

Nucleus Software Exports Ltd.
CIN : L74899DL1989PLC034594
33-35 Thyagraj Nagar Market, New Delhi - 110 003, India
Tel: +91 - 11 - 24627552
Fax: +91 - 11 - 24620872

CORPORATE OFFICE

Nucleus Software Exports Ltd.
A-39, Sector 62, NOIDA, UP-201 307, INDIA
Tel: +91-120-4031400 | Fax: +91-120-4031672
Email: investorrelations@nucleussoftware.com
Website: www.nucleussoftware.com

Perspectives	02	Chairman's Message MD's Message
	03	CEO's Message
Our offerings	05	FinnOne Neo™
	06	FinnAxia™
	07	Services
About us	08	Environmental, Social & Governance
	10	Board of Directors
	11	Performance at Glance
Financial statements	12	Year at a Glance
	14	Director's Report
	46	Report on Corporate Governance
	79	Business Responsibility Report
	86	Management's Discussion & Analysis of Financial Condition & Results of Operations
	99	Auditor's Report
	108	Balance Sheet
	109	Profit & Loss Account
	111	Statement of Cash Flow
	113	Notes forming part of the Financial Statements
	167	Management's Discussion & Analysis of Financial Condition & Results of Consolidated Operations
	177	Risk Management Report
	180	Auditor's Report
	186	Consolidated Financial Statements
	245	Shareholders' References
	247	Segment Information and Ratio Analysis
	249	Glossary
	250	Notice of Annual General Meeting

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report are based on assumptions and expectations of future events and may be considered as forward-looking statements. Such statements must be reviewed in conjunction with the risks that the Company faces. Although the Management has considered future risks as part of the discussions, future uncertainties are not limited to the Management perceptions.

Chairman's Message



The financial year 2021-2022 has been one of those years in which multiple storms test the strength of the ship. Nucleus software has weathered many challenging storms- from losing some of our dear associates to the second wave of Covid, a cyber-attack from which we emerged stronger, and last but not the least "The Great Resignation". We overcame these ordeals by continuing to focus on fundamentals and provide value to our customers and to our society at large. The Board took significant decisions to retain our talent and provided substantial raises as their resilience during the tough times made all the difference. Our decades-long relationships with our customers are testaments to their understanding and appreciating this value.

While we continue to relentlessly chase profitable growth, we look to the new year with a renewed focus on customer centricity, and expanding our presence in the local and global markets.

SM Acharya

CHAIRMAN

MD's Message

Over the course of our journey, we have seen and mastered many challenging moments. This would not have been possible without the commitment, humility, integrity and result orientation of our leaders and team members.

Going forward, in our pursuit to deliver value to our customers in a speedy manner, we are experimenting with novel and proactive ways of approaching product development. Our customers continue to support us in our long journey of IP development on Indian soil by recognizing the value we provide. Another focus this year would be to substantially increase our focus on Gender Diversity and Inclusion initiatives.

Vishnu R Dusad

MANAGING DIRECTOR



CEO's Message

I am happy to share that our bold commitment to continue investing into our future is paying results. We came out with Product GA releases for FinnOne Neo and FinnAxia while Nucleites were working in purely offline mode encountering no interruptions, security or connectivity issues. We also managed multiple product activations, upgrades and data migrations in a remote mode to provide continuity; despite the Work From Home and restricted travel situation.

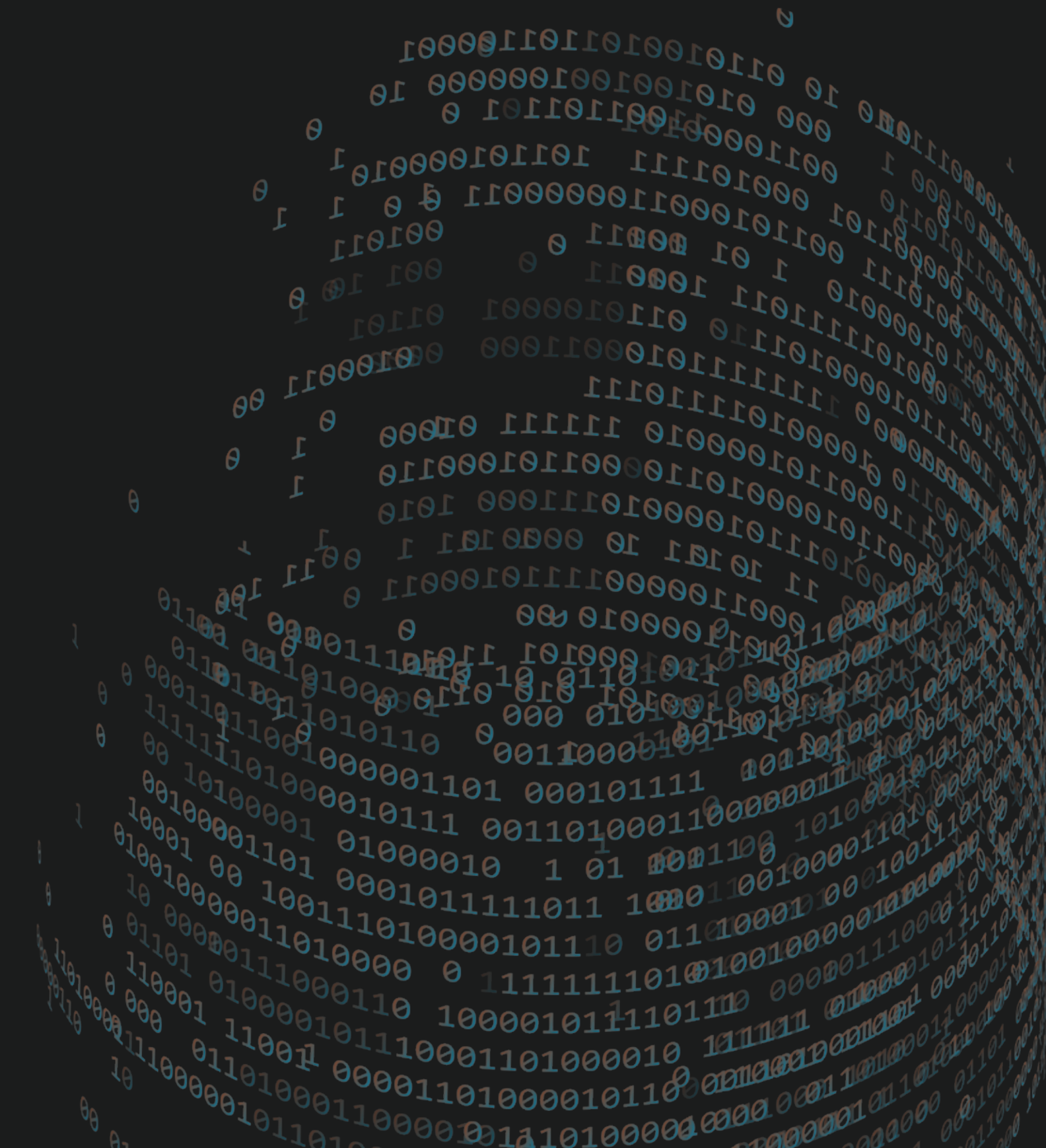
Aligned to our growth plan and our ESG commitment we recruited 400 freshers across 45 cities in India with a commitment to mentoring and training them. We continue to focus on operational excellence with a sharp focus on productivity gains in various areas in order to absorb the increase in manpower costs. We have seen success in our Digital Services Space with our Cloud solutions, RPA, Portal & Microservices. We will strive to take this success forward as I look to unleash the potential of each one of us and build innovatively as we ride along our next growth phase.

Parag Bhise

CHIEF EXECUTIVE OFFICER



Our Offerings



Nucleus Lending Solutions

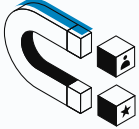



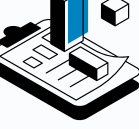





FINNONE NEO™

The FinnOne Neo™ suite is an end-to-end solution for Lending Businesses. The Customer Acquisition System (CAS) module covers the entire customer on-boarding process, with a multi-channel front end and a solid credit process backend. The Loan Management system (LMS) module takes care of the entire servicing life cycle of a loan including Accounting, Repayment, Special Transaction, Non-Performing Asset Management and Self-Service through channels. The Collections module takes over in managing defaulters and possible defaulters. The Collaterals Management system takes care of the entire collateral life cycle management. The Sales Assist is a specialized loan sourcing channel for sales staff (what does this do, explain in a line. The Enterprise Content Management (ECM) provides image-based processing capabilities to store and retrieve various contents like document images, letters, communications etc. The FinnOne Neo™ Mobility suite is a portfolio of mobile solutions aimed at creating end customer empowerment while digitalizing various lending business processes

In its half-yearly releases, i.e. GA version 6.0 & 6.5, FinnOne Neo™ has introduced Corporate Lending Lines of Business like Business Term Loans, Working Capital, Bill Discounting & Letter of Credit / Bank Guarantee. In addition, a Payout Management System, which specialises in calculating payout of commission & incentive for collection agents, has been added to FinnOne Neo™. Today, the FinnOne Neo™ lending platform covers a vast expanse of solutions for Retail, SME & Corporate Lending.

In the increasingly digitised world, integrability and compatibility of a software solution with other software providers become more and more critical. Nucleus's FinnOne Neo™ has been a leader on this front and by carrying a large number of APIs: 463 in its API stack that facilitate robust, secure, quick and agile integration. FinnOne Neo™ supports both cloud and on-premise deployments. It can be deployed quickly in partnership with leading cloud providers.

FINNONE NEO™ PRODUCT SUITE

 <p>Customer Acquisition System (CAS)</p>	 <p>Loan Management System (LMS)</p>	 <p>Collections</p>	 <p>Collateral Management System</p>	 <p>Enterprise Content Management (ECM)</p>
 <p>Mobility Apps: mCAS, mApply, mCollect, mServe & mFin</p>	 <p>Portal: eApply & eServe</p>	 <p>Sales Assist</p>	 <p>Payout</p>	 <p>API Center</p>

Nucleus Payments Solutions

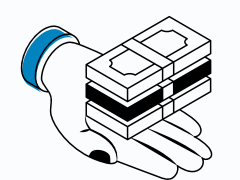
FINNAXIA™

The FinnAxia™ suite offers an enterprise solution for Transaction Banking Operations of Corporate Banks. It offers a wide range of capabilities including Receivables Management, Payable Management and Liquidity Management, all of which are designed to allow banks to support the needs of their corporate customers. The Product modules, including the Financial Supply Chain platform, can be used as independent product systems or together to form a single integrated platform.

FinnAxia™ 8.5 enables corporates to make informed decisions on their cash position by through an integrated solution. It enables cash forecasting capabilities for the banks’ corporate customers and provides enriched MIS.

Our Global payments solution enables banks to leverage our API’s to serve their corporate customers with a single stop solution platform, that complies with central bank regulations on LEI (Legal Identity Identifier) to regulate high value payments. Our Global Receivables solution enables banks to help corporates collect FCY inward payments and comply with NPCI DDI PGP encryption guidelines. Centralized control using virtual accounts enriched with faster reconciliation provides an enhanced view of cash positions, hence eliminating trapped liquidity.

FINNAXIA™ PRODUCT SUITE



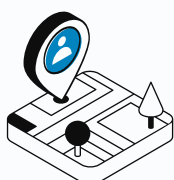
Global Receivables



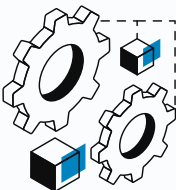
Global Payments



Global Liquidity Management



Virtual Account Management (VAM)



Financial Supply Chain Management (FSCM) and Electronic Invoice Presentment and Payment (EIPP)



e-Trade Finance



Electronic Bill Presentment and Payment (EBPP)



Digital Compass – Corporate Front End Channel

Nucleus Software

SERVICES

The Services division of Nucleus Software plays a crucial role in digital transformation of organizations by delivering seamless customer experiences, operational efficiencies, and actionable insights. This division leverages a broad spectrum of disruptive digital services like Cloud Services, Application Modernization, Data Engineering / Virtualization & Analytics, Robotic Process Automation (RPA), Infra Services and more. The Services wing of Nucleus has operations in India, South East Asia, Japan, Middle East and Europe.

Nucleus Software recently migrated the lending suite of a top Indian NBFC onto the cloud which unlocked considerable cost savings for the NBFC.

Nucleus automated cloud operations of one of the top Banks in the Middle East, helping them to achieve scalability & compliancy to the regulatory requirements.

For a top bank in South East Asia, Nucleus designed & implemented a customer onboarding solution to enhance the customer experience of the users.

1. Data Engineering & Analytics

2. Cloud Services

3. Application Modernization

4. Robotic Process Automation

5. Infra Services





ESG

Environment, Social and Governance at Nucleus Software

Sustainability has been a top priority for Nucleus Software as it impacts our environment, our health and our economic growth. Achieving sustainability requires us to advance towards a “circular economy”, that designs out waste and pollution. It demands a change in how we plan not only product development, but the very work models that drive our organisation. Measuring or pursuing sustainability continues to be challenging, however Nucleus Software has taken up many measures to lead the Indian Fintech industry into going beyond the traditional measures of profit, return on investment and shareholder value to include environmental and social dimensions.



**NUCLEUS
SOFTWARE
FOUNDATION**

Meeting Environmental, Social and Governance criteria has been an important goal for Nucleus Software. With this belief in mind Nucleus Software Foundation (NSF) was founded.

