

# Europe market, new software to drive growth this fiscal, says Nucleus

**Moumita Bakshi Chatterjee**

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For two straight years, Nucleus Software has seen a drop in revenues. But it is hoping a new version of its flagship product FinnOne will reverse the trend in fiscal 2012.

The mid-tier banking software company also says rising demand in Europe, India and Latin America will offset the sluggishness in Japan and West Asia.

The new version of its lending software product - FinnOne Pro - is being tested in India and will be commer-

cially released in July. It will be based on Java platform. The enhanced version will offer greater flexibility to clients - for instance, a provision for 'bullet payment' could be useful for banks that want to offer their customers the facility of paying their annual bonus towards their housing loan repayment.

The Nucleus Software CEO, Mr Vishnu R Dusad, refutes that the company has not been able to ride the recovery in global banking and financial services sector. "In fiscal 2011, our products



revenue grew even though there was reduction in our overall revenue. The fall in the overall revenue was be-

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**Mr Vishnu R Dusad,  
CEO of Nucleus**

cause we were dependent on specific customers for projects and services side of business, and that has re-

duced substantially," he said.

In fiscal 2011, the projects and professional services revenue accounted for about 28 per cent of Nucleus' total revenue. The rest came from products. The mix is likely to remain the same in future, he says. Typically in a product business, the revenue flows in through licences sold and related support work done for the client. In a project engagement, Nucleus designs, develops and tests solutions based on client specifications for, say, the latter's corporate credit approval process.

In FY11, revenue from both Far East and Middle East regions fell by almost 20 per cent but Nucleus saw an uptick in demand from India and Europe.

Mr Dusad points out that in certain cases, European companies were looking to shift from old, hard-wired and expensive banking solutions to sophisticated and robust alternatives. "Some players have already experienced the agility and value of new solutions in markets like Asia, and now want to replicate it in Europe," he adds.