Oracle (OFSS) Processing Services Limited

Financial Statements

for the year ended March 31, 2022

INDEPENDENT AUDITOR’S REPORT

To the Members of Oracle (OFSS) Processing Services Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Oracle (OFSS) Processing Services Limited (“the Company”), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Ind AS Financial Statements’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor’s report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The annual report is not made available to us at the date of this auditor’s report. We have nothing to report in this regard.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) According to the information and explanations given by the management, no managerial remuneration has been paid / provided by the Company during the year ended March 31, 2022;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 33 to the Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b)) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 33 to the Ind AS financial statements, no funds have been received by the company from any persons or entities, including foreign entities with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 22048966AIJORP2659
Place of Signature: Mumbai
Date: May 04, 2022

ANNEXURE 1 REFERRED TO IN PARAGRAPGH 1 UNDER REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE

Re: Oracle (OFSS) Processing Services Limited (the 'Company')

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance, value added tax, sales tax and duty of excise are not applicable to the Company for the year ended March 31, 2022.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given by the management, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of paragraph 3(xii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under paragraph 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) (a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 24 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 19 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note to the financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 22048966AIJORP2659
Place of Signature: Mumbai
Date: May 04, 2022

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ORACLE (OFSS) PROCESSING SERVICES LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Oracle (OFSS) Processing Services Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 22048966AIJORP2659
Place of Signature: Mumbai
Date: May 04, 2022

Oracle (OFSS) Processing Services Limited

Balance sheet as at March 31, 2022

	Notes	March 31, 2022	March 31, 2021
		(Amounts in ₹ thousand)	
ASSETS			
Non-current assets			
Property, plant and equipment	3	6,347	16,438
Capital work-in-progress	3	-	96
Financial assets			
Investment in fellow subsidiary	4	167	167
Other non-current financial assets	5	134	135
Deferred tax assets (net)	14 (c)	2,364	6,698
Income tax assets (net)		60,722	46,507
		69,734	**70,041**
Current assets			
Financial assets			
Trade receivables	6	18,429	337,208
Cash and cash equivalents	7(a)	32,901	76,907
Other bank balances	7(b)	366,705	60,030
Other current financial assets	5	17,598	3,367
Other current assets	8	15,448	1,552
		451,081	**479,064**
TOTAL		**520,815**	**549,105**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	13,000	13,000
Other equity	10	473,345	436,835
Total equity		**486,345**	**449,835**
Non-current liabilities			
Provision	13	3,297	13,269
		3,297	**13,269**
Current liabilities			
Financial liabilities			
Trade payables			
Payable to micro and small enterprises	11(a)	-	20
Payable to others	11(a)	1,426	27,833
Other current financial liabilities	11(b)	8,349	14,712
Other current liabilities	12	16,753	28,614
Provision	13	4,645	14,822
		31,173	**86,001**
TOTAL		**520,815**	**549,105**
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

For and on behalf of the Board of Directors of
Oracle (OFSS) Processing Services Limited

per Govind Ahuja
Partner
Membership No. 048966

Priyanshu Bhatt
Director
DIN 08445621

Manish Bhandari
Director
DIN 03583180

Mumbai India
May 4, 2022

Mumbai, India
May 4, 2022

Oracle (OFSS) Processing Services Limited

Statement of profit and loss for the year ended March 31, 2022

(Amounts in ₹ thousand, except share data)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
INCOME			
Revenue from operations	15	281,288	439,502
Finance income	16	11,069	3,317
Other income, net	17	(1,475)	(6,601)
Total income		**290,882**	**436,218**
EXPENSES			
Employee benefit expenses	18	188,865	288,754
Travel related expenses		66	563
Professional fees		27,263	28,652
Other operating expenses	19	11,775	15,307
Depreciation and amortization expenses	3	10,918	10,902
Total expenses		**238,887**	**344,178**
Profit before tax		**51,995**	**92,040**
Tax expenses	14		
Current tax		10,922	24,227
Deferred tax charge/(credit)		4,392	(782)
Total tax expenses		**15,314**	**23,445**
Profit for the year		**36,681**	**68,595**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Actuarial (loss)/ gain on gratuity		(229)	2,801
Deferred tax credit / (charge)		58	(705)
Total other comprehensive (expense)/income for the year, net of tax		**(171)**	**2,096**
Total comprehensive income for the year		**36,510**	**70,691**
Earnings per equity share of par value of ₹10 each (March 31, 2021 ₹10 each) (in ₹)	20		
Basic		28.22	52.77
Diluted		28.22	52.77
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors of
Oracle (OFSS) Processing Services Limited

per Govind Ahuja
Partner
Membership No. 048966

Priyanshu Bhatt
Director
DIN 08445621

Manish Bhandari
Director
DIN 03583180

Mumbai India
May 4, 2022

Mumbai India
May 4, 2022

Oracle (OFSS) Processing Services Limited

Statement of changes in equity for the year ended March 31, 2022

(a) Year ended March 31, 2022 **(Amounts in ₹ thousand, except share data)**

Particulars	Equity share capital		Other equity		Total equity attributable to equity share holders of the Company
	Number of shares	Share Capital	Retained earnings	Other comprehensive income: Remeasurement of defined benefit obligation	
Balance as of April 1, 2021	**1,300,000**	**13,000**	**436,835**	**-**	**449,835**
Changes in equity for the year ended March 31, 2022.					
Profit for the year	-	-	36,681	-	36,681
Actuarial gain / (loss) on gratuity including deferred tax thereon	-	-	-	(171)	(171)
Actuarial gain / (loss) on gratuity including deferred tax thereon transferred to retained earnings	-	-	(171)	171	-
Balance as of March 31, 2022	**1,300,000**	**13,000**	**473,345**	**-**	**486,345**

(b) Year ended March 31, 2021

Particulars	Equity share capital		Other equity		Total equity attributable to equity share holders of the Company
	Number of shares	Share Capital	Retained earnings	Other comprehensive income: Remeasurement of defined benefit obligation	
Balance as of April 1, 2020	**1,300,000**	**13,000**	**366,144**	**-**	**379,144**
Changes in equity for the year ended March 31, 2021.					
Profit for the year	-	-	68,595	-	68,595
Actuarial gain / (loss) on gratuity including deferred tax thereon	-	-	-	2,096	2,096
Actuarial gain / (loss) on gratuity including deferred tax thereon transferred to retained earnings	-	-	2,096	(2,096)	-
Balance as of March 31, 2021	**1,300,000**	**13,000**	**436,835**	**-**	**449,835**

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors of
Oracle (OFSS) Processing Services Limited

per Govind Ahuja
Partner
Membership No. 048966

Priyanshu Bhatt
Director
DIN 08445621

Manish Bhandari
Director
DIN 03583180

Mumbai India
May 4, 2022

Mumbai India
May 4, 2022

Oracle (OFSS) Processing Services Limited

Statement of cash flow for the year ended March 31, 2022

	(Amounts in ₹ thousand) Year ended March 31,2022	Year ended March 31,2021
Cash flows from operating activities :		
Profit before tax	51,995	92,040
Adjustments to reconcile profit before tax to cash flows from operating activities :		
Depreciation and amortization expense	10,918	10,902
Impairment loss recognized/(reversed) on other financial assets	470	(617)
Interest income	(11,069)	(3,317)
Provision written back	-	(935)
Foreign exchange loss, net	1,475	7,536
Operating Profit before Working Capital changes	**53,789**	**105,609**
Movements in working capital		
Decrease / (Increase) in trade receivables	316,836	(149,611)
(Increase) / Decrease in other current financial assets	(14,231)	3,399
(Increase) in other non current financial assets	-	(9)
(Increase) / Decrease in other current assets	(13,895)	4,994
(Decrease) / Increase in non current provisions	(10,201)	2,040
(Decrease) / Increase in trade payables	(26,427)	23,831
(Decrease) in other current financial liabilities	(6,367)	(4,914)
(Decrease) / Increase in other current liabilities	(11,861)	24,893
(Decrease) in short term provisions	(10,176)	(204)
Cash flow from operating activities	**277,467**	**10,028**
Payment of domestic taxes	(25,136)	(26,887)
Net cash provided/(used in) by operating activities	**252,331**	**(16,859)**
Cash flows from investing activities :		
Purchase of property, plant and equipment	(732)	(658)
Bank fixed deposits having maturity of more than three months matured	400,000	138,300
Bank fixed deposits having maturity of more than three months booked	(704,000)	(153,300)
Interest received	8,395	3,475
Net cash (used in) by investing activities	**(296,337)**	**(12,183)**
Cash flows from financing activities:		
Net cash (used in)/provided by financing activities	**-**	**-**
Net (decrease) in cash and cash equivalents	(44,006)	(29,042)
Cash and cash equivalents at the beginning of the year	76,907	105,949
Cash and cash equivalents at end of the year	**32,901**	**76,907**

Oracle (OFSS) Processing Services Limited

Statement of cash flow for the year ended March 31, 2022

	(Amounts in ₹ thousand)	
	Year ended March 31,2022	**Year ended March 31,2021**
Component of cash and cash equivalents		
Balances with banks:		
Current accounts	17,877	28,876
Deposit accounts with original maturity of less than three months	15,024	48,031
Total cash and cash equivalents [Refer note 7(a)]	**32,901**	**76,907**

The Company has paid an amount of ₹ 2,110 thousand (March 31, 2021 ₹ 1,800 thousand) towards Corporate Social Responsibility expenditure. Refer Note under Note 19 for further details.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

per Govind Ahuja
Partner
Membership No. 048966

Mumbai India
May 4, 2022

For and on behalf of the Board of Directors of
Oracle (OFSS) Processing Services Limited

Priyanshu Bhatt	Manish Bhandari
Director	Director
DIN 08445621	DIN 03583180

Mumbai India
May 4, 2022

(Amounts in thousands of Indian Rupees, except share data)

Note 1: Corporate information

Oracle (OFSS) Processing Services Limited (the "Company") was incorporated in India with limited liability on February 16, 2005. The Company is principally engaged in the business of providing business process outsourcing services to the financial services (capital markets) industry abroad and other information technology consulting services. The Company is a subsidiary of Oracle Financial Services Software Limited holding 99.996% (March 31, 2021 – 99.996%) ownership interest in the Company as at March 31, 2022.

The financial statements for the year ended March 31, 2022 were approved by the Company's Board of Directors and authorized for issue on May 4, 2022.

Note 2: Summary of significant accounting policies

2.1 Basis of preparation

These financial statements comprising of balance sheet as at March 31, 2022, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash flows for the year then ended have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities which have been measured at fair value such as defined benefit plan.

Previous year's numbers have been reclassified wherever necessary, to confirm to current year's presentation.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

2.2 Summary of significant accounting policies

The significant accounting policies adopted by the Company, in respect of the financial statements are set out as below:

(a) Property, plant and equipment, capital work-in-progress and depreciation

Property, plant and equipment and capital work-in-progress

Property, plant and equipment and capital work in progress, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The Company capitalizes all direct costs relating to the acquisition and installation of property, plant and equipment. Such cost includes the cost of replacing part of the plant and equipment, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The cost of fixed assets not ready to use before balance sheet date are disclosed under 'Capital work-in-progress'. All additions during the reported year are considered at cost.

Depreciation

Depreciation is computed using straight-line method using the rates arrived at based on the useful lives estimated by the management. The estimated useful life considered for depreciation of property, plant and equipment is as follows:

Asset description	Asset life (in years)
Computer Equipment	3
Office Equipment	5
Furniture and fixtures	7

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

The management has estimated based on an internal assessment, the useful lives of the following classes of assets.

- The useful lives of servers and networking equipment forming part of computer equipment are estimated as 3 years. These lives are lower than those indicated in schedule II to the Act.

- The useful lives of furniture and fixtures estimated at 7 years. These lives are lower than those indicated in schedule II to the Act.

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's or cash generating units' ('CGU') fair value less cost of disposal, and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to assets.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are validated by valuation multiples or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

(c) Foreign currencies

The financial statements are presented in Indian Rupees ('INR'), which is the functional currency of the Company.

Foreign currency balances
Transactions in foreign currencies are initially recorded by the Company at its functional currency using spot rates on the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the relevant functional currency at exchange rates at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss.

Non- monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(d) Revenue recognition

Business Process Outsourcing (BPO) & IT Consulting Services

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration that the Company expects to receive in exchange for those services. The Company has concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the customer.

BPO services comprise of back-office administration, data management and call center; and IT consulting service comprise other information technology enabled services including systems integration. Depending upon the terms of the arrangement, revenue from these services are recognized on a per employee, number of hours worked or cost-plus basis. The BPO and IT consulting services contracts are time and material contracts where the revenue is recognized as the related services are performed.

Revenue from fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered
The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

Trade receivables represents the Company's rights to an amount of consideration that is unconditional.

Revenue in excess of billing is classified as contract asset i.e. unbilled revenue while billing in excess of revenue is classified as contract liability i.e. deferred revenue. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The Company recognizes as an asset the incremental cost of obtaining a contract with the customers as an asset and disclose them under "Other assets" as deferred contract costs. Incremental costs of obtaining contracts are those costs that the Company incurs to obtain a contract with customer that would have not been incurred if the contract had not been obtained. Such deferred contract costs assets are amortized over the benefit period.

(e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where the Company generate taxable income.

Current income tax relating to items recognized outside statement of profit or loss is recognized either in other comprehensive income or in equity. Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity as applicable. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments:

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The Company has evaluated the effect of Ind AS 12 amendment on the financial statements and concluded that the appendix does not have an impact on the financial statements of the Company.

(f) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value so as to maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyzes the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(g) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets measured at amortized cost, fair value through other comprehensive income or fair value through statement of profit or loss as appropriate. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets of the Company are classified in three categories:

- Debt instruments measured at amortized cost
- Debt instruments at fair value through other comprehensive income ('OCI')
- Debt instruments, derivatives and equity instruments at fair value through statement of profit or loss

Debt instruments measured at amortized cost

This category is the most relevant to the Company. Debt instruments are measured at amortized cost if the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss in finance costs.

Debt instruments at fair value through OCI

Debt instruments are measured at fair value through other comprehensive income if the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has not designated any financial assets at fair value through OCI.

Debt instruments at fair value through profit or loss

Debt instruments at fair value through statement of profit or loss include assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by Ind AS 109 – Financial Instruments. Debt instruments at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

De-recognition

A financial asset is derecognized i.e. removed from the Company's statement of financial position when:

- The contractual rights to the cash flows from the financial asset expire or

- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

The Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. For trade receivables the Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Further, the trade receivables have customer concentration only in India and therefore the Company has considered the socio-economic conditions only of the India region where the customers are located.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed and accordingly provision has been made as at March 31, 2022.

Interest income

Interest income is recognized using the effective interest method for all financial instruments measured at amortized cost. Interest income on bank deposits are recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income

Dividends are recognized in statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, accrued expenses and accrued compensation to employees.

Subsequent measurement

The Company measures all financial liabilities at amortized cost except for financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Financial liabilities held for trading are measured at fair value through profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

(h) Leases

Company as a Lessee

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company recognizes right-of-use asset and a corresponding lease liability for all lease arrangements in which the Company is a lessee, except for a short-term lease of 12 months or less and leases of low-value assets. For short term lease and low-value asset arrangements, the Company recognizes the lease payments as an operating expense on straight-line basis over the lease term.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease arrangement. Right-of-use assets and lease liabilities are measured according to such options when it is reasonably certain that the Company will exercise these options.

The right-of-use asset are recognized at the inception of the lease arrangement at the amount of the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date of lease arrangement reduced by any lease incentives received, added by initial direct costs incurred and an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right of-use asset. Estimated useful life of right-of-use assets is determined on the basis of useful life of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is an Indication that their carrying value may not be recoverable. Impairment loss, if any is recognized in the statement of profit and loss account.

The lease liability is measured at amortized cost, at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease arrangement or, if not readily determinable, at the incremental borrowing rate in the country of domicile of such leases. Lease liabilities are remeasured with corresponding adjustments to right-of-use assets to reflect any reassessment or lease modifications.

Company as a Lessor

Leases for which the Company is a lessor is classified as finance or operating lease. If the terms of the lease arrangement transfers substantially all the risks and rewards of ownership to the lessee, such lease arrangement is classified as finance lease. All other leases are classified as operating leases.

In case of sub-lease, the Company recognizes investment in sub-lease separately in the financial statements. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from such lease arrangement. For operating leases, rental income is recognized on a straight-line basis over the term of the lease arrangement.

(i) Provisions, contingent liabilities and commitments

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events and existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events but is not recognized because it is not probable than an outflow of resource embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

(j) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Compensated absences which are expected to occur within twelve months after the end of the period in which employee renders the related services are recognized as undiscounted liability at the balance sheet date. The expected cost of compensated absences which are not expected to occur within twelve months after the end of the period in which employee renders related services are recognized at the present value based on actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

Gratuity liability is a defined benefit obligation and is recorded based on actuarial valuation on projected unit credit method at the end of the year. The gratuity liability and net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on plan assets and increase in compensation levels. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in the statement of profit and loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs.

Interest is calculated by applying the discount rate to the defined benefit liability. The Company recognizes the following changes in the defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

The Code on Social Security, 2020 ('Code') relating to employee benefits during the employment and post-employment benefits has been published in the Gazette of India on September 29, 2020. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. The effective date from which these changes are applicable is yet to be notified. The Company will assess and record the impact, if any, when the rules are notified and the code becomes effective.

(k) Cash dividend to equity shareholders of the Company

The Company recognizes a liability to make cash or non-cash distributions to equity shareholders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the Act, a distribution of interim dividend is authorized when it is approved by the Board of Directors and final dividend is authorized when it is approved by the shareholders of the Company. A corresponding amount is recognized directly in equity.

(l) Earnings per share

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of shares, if any which would have been issued on the conversion of all dilutive potential equity shares. The weighted average number of shares and potentially dilutive equity shares are adjusted for the bonus shares and sub-division of shares. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term investments with an original maturity of three months or less.

2.3 Recent accounting pronouncements

Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) vide the Companies (Indian Accounting Standards) Amendment Rules, 2022 has notified Ind AS 16 and Ind AS 37 on March 23, 2022:

Ind AS 16 Property Plant and equipment

The amendment is applicable to the Company from financial year beginning April 1, 2022.

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the statement of profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

The amendment is applicable to the Company from financial year beginning April 1, 2022, although early adoption is permitted.

The amendment specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The Company has evaluated the amendment and the impact is not expected to be material.

Note 3
(a) Property, plant and equipment

Year ended March 31, 2022 **(Amounts in ₹ thousand)**

Particulars	Gross carrying value			Depreciation			Net carrying value
	As at April 01, 2021	Additions	As at March 31, 2022	As at April 01, 2021	For the year	As at March 31, 2022	As at March 31, 2022
Computer equipments	46,255	18	46,273	30,942	10,529	41,471	4,802
Office equipments	2,739	809	3,548	1,614	389	2,003	1,545
Furniture and fixtures	1,425	-	1,425	1,425	-	1,425	-
Total	**50,419**	**827**	**51,246**	**33,981**	**10,918**	**44,899**	**6,347**
Capital work-in-progress							**-**
Total							**6,347**

Year ended March 31, 2021 **(Amounts in ₹ thousand)**

Particulars	Gross carrying value			Depreciation			Net carrying value
	As at April 01, 2020	Additions	As at March 31, 2021	As at April 01, 2020	For the year	As at March 31, 2021	As at March 31, 2021
Computer equipments	45,871	384	46,255	20,328	10,614	30,942	15,313
Office equipments	2,561	178	2,739	1,326	288	1,614	1,125
Furniture and fixtures	1,425	-	1,425	1,425	-	1,425	-
Total	**49,857**	**562**	**50,419**	**23,079**	**10,902**	**33,981**	**16,438**
Capital work-in-progress							**96**
Total							**16,534**

(b) Capital work-in-progress ('CWIP') ageing schedule

Particulars	Year ended March 31, 2022				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Particulars	Year ended March 31, 2021				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress				-	96
Projects temporarily suspended				-	-
Total			-	-	96

	(Amounts in ₹ thousand) March 31, 2022	March 31, 2021
Note 4: Investments in fellow subsidiary (unquoted) (at cost, unless otherwise stated)		
(i) In fellow subsidiary		
Oracle (OFSS) BPO Services Limited		
10,700 (March 31, 2021 - 10,700) equity shares of Rs. 10 each, fully paid-up	167	167
	167	**167**
Note 5: Financial assets		
Non-current		
Other financial assets measured at amortized cost		
Deposits for premises and others	134	135
	134	**135**
Current		
Other financial assets measured at amortized cost		
Unbilled receivables, gross	17,518	3,315
Other receivables and advances	80	52
	17,598	**3,367**
Breakup of financial assets measured at amortised cost		
Deposits for premises and others (Refer note 5)	134	135
Unbilled receivables (Refer note 5)	17,518	3,315
Other receivables and advances (Refer note 5)	80	52
Trade receivables (Refer note 6)	18,429	337,208
Cash and bank balances (Refer note 7)	399,606	136,937
Total financial assets carried at amortised cost	**435,767**	**477,647**
Note 6: Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	18,429	337,208
Credit impaired	564	98
	18,993	**337,306**
Impairment Allowance		
Credit impaired	(564)	(98)
	18,429	**337,208**

No trade receivables are due from directors or other key managerial personnel of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 90 days.

Trade receivables ageing schedule

	Outstanding for following periods from due date of payment #						
As at March 31, 2022	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed trade receivables							
Considered good	14,377	3,277	775	-	-	-	18,429
Credit impaired	-	-	564	-	-	-	564
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	14,377	3,277	1,339	-	-	-	18,993
Less: Impairment allowance							(564)
Total							**18,429**

		Outstanding for following periods from due date of payment #					
As at March 31, 2021	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed trade receivables							
Considered good	36,488	111,914	122,946	65,860	-	-	337,208
Credit impaired	-	98	-	-	-	-	98
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	36,488	112,012	122,946	65,860	-	-	337,306
Less: Impairment allowance							(98)
Total							**337,208**

Wherever the due date of payment is not specified, the disclosure is from the date of transaction.

Note 7: Cash and bank balances

(a) Cash and cash equivalents		
Balances with banks:		
In current accounts	17,877	28,876
In deposit accounts with original maturity of less than 3 months.	15,024	48,031
	32,901	**76,907**
(b) Other bank balances		
Balances with banks:		
In deposit accounts with original maturity of more than 3 months but less than 12 months	366,705	60,030
	366,705	**60,030**
	399,606	**136,937**

Cash at banks earns interest at floating rates based on the daily bank deposit rates and the daily balances. Time deposits are placed for varying periods ranging from 7 days to 364 days, depending on the immediate cash requirements of the Company. The time deposits earn interest at the respective deposit rates.

Note 8: Other assets

Current		
Receivable from government authorities	14,456	503
Prepaid expenses	992	1,049
	15,448	**1,552**

Oracle (OFSS) Processing Services Limited

Notes annexed to and forming part of the financial statements as at March 31, 2022

(Amounts in ₹ thousand)

	March 31, 2022	March 31, 2021
Note 9: Equity share capital		
Authorized:		
5,000,000 (March 31, 2021 - 5,000,000) equity shares of Rs. 10 each	**50,000**	**50,000**
Issued, subscribed and fully paid-up:		
1,300,000 (March 31, 2021 - 1,300,000) equity shares of Rs. 10 each	**13,000**	**13,000**

(a) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Details of shareholders holding more than 5% equity shares in the Company

Name and relationship of shareholder :	March 31, 2022	March 31, 2021
Oracle Financial Services Software Limited, holding company		
Number of equity shares	1,299,943	1,299,943
% of equity shares	99.996%	99.996%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of equity shares.

(c) Reconciliation of equity outstanding at the beginning and at the end of the year

	No. of equity shares	Amounts in ₹ thousand
Outstanding as at April 1, 2020	1,300,000	13,000
Issued during the year ended March 31, 2021	-	-
Outstanding as at March 31, 2021	1,300,000	13,000
Issued during the year ended March 31, 2022	-	-
Outstanding as at March 31, 2022	1,300,000	13,000

Note 10: Other equity	March 31, 2022	March 31, 2021
(a) Retained earnings	473,345	436,835
(b) Other comprehensive income	-	-
	473,345	**436,835**

(a) Retained earnings	March 31, 2022	March 31, 2021
Balance, beginning of the year	436,835	366,144
Profit for the year	36,681	68,595
Balance, end of the year	473,516	434,739
Actuarial (loss) / gain on gratuity including deferred tax thereon transferred to retained earnings	(171)	2,096
Balance, end of the year	**473,345**	**436,835**

(b) Other comprehensive income		
Balance, beginning of the year	-	-
Actuarial (loss) / gain on gratuity including deferred tax thereon		
-Actuarial gain on gratuity	(229)	2,801
-Deferred tax thereon	58	(705)
Exchange differences on translation of foreign operations	-	-
	(171)	2,096
Actuarial loss / (gain) on gratuity including deferred tax thereon transferred to retained earnings	171	(2,096)
Balance, end of the year	-	-

Retained earnings: it represents undistributed earnings of the Company.

Other comprehensive income: represents remeasurements of defined benefit gratuity plan

(Amounts in ₹ thousand)

	March 31, 2022	March 31, 2021
Note 11: Financial liabilities		
(a) Trade Payables measured at amortized cost		
Current		
- Payable to micro and small enterprises*	-	20
- Payable to others	1,426	27,833
	1,426	**27,853**
(b) Other financial liabilities		
Other financial liabilities measured at amortized cost		
Accrued expenses	7,884	9,567
Accrued compensation to employees	465	5,145
	8,349	**14,712**

* The identification of Micro and Small Enterprises is based on Management's knowledge of their status.

Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act)

	March 31, 2022	March 31, 2021
- Principal amount remaining unpaid to any supplier as at the end of the year.	-	20
- Amount of interest due remaining unpaid to any supplier as at the end of the	-	-
- Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
- Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid).	-	-
- Amount of interest accrued and remaining unpaid at the end of year.	-	-
- Amount of further interest remaining due and payable even in the succeeding year.	-	-
	-	**-**

Trade Payable ageing schedule

		Outstanding for following periods from due date of payment #				
As at March 31, 2022	**Not due**	**Less than 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed trade payables						
- To micro and small enterprises	-	-	-	-	-	-
- To others	730	696	-	-	-	**1,426**
Disputed trade payables						
- To micro and small enterprises	-	-	-	-	-	-
- To others	-	-	-	-	-	-
Total	**730**	**696**	**-**	**-**	**-**	**1,426**

		Outstanding for following periods from due date of payment #				
As at March 31, 2021	**Not due**	**Less than 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Undisputed trade payables						
- To micro and small enterprises	20	-	-	-	-	**20**
- To others	576	27,257	-	-	-	**27,833**
Disputed trade payables						
- To micro and small enterprises	-	-	-	-	-	**-**
- To others	-	-	-	-	-	**-**
Total	**596**	**27,257**	**-**	**-**	**-**	**27,853**

Wherever the due date of payment is not specified, the disclosure is from the date of transaction.

	March 31, 2022	March 31, 2021
Note 12: Other liabilities		
Current		
Deferred revenues	14,713	23,519
Withholding and other taxes	1,365	2,005
Other statutory dues	675	3,090
	16,753	**28,614**
Note 13: Provision		
Non-current		
Gratuity (refer note 28)	3,297	13,269
	3,297	**13,269**
Current		
Gratuity (refer note 28)	575	1,629
Compensated absence	4,070	13,193
	4,645	**14,822**

Note 14: Income taxes

(a) The major components of income tax expense for the year ended March 31, 2022 and March 31, 2021 are

	(Amounts in ₹ thousand) Year ended	
	March 31,2022	March 31,2021
(i) Profit or loss section		
Current taxes	10,922	24,227
Deferred tax charge/(credit)	4,392	(782)
Income tax expense reported in the statement of profit and loss	**15,314**	**23,445**
(ii) Other Comprehensive Income (OCI) section		
Deferred tax on actuarial gain / (loss) on gratuity	58	(705)
Deferred tax charge/(credit) reported in Other Comprehensive Income	**58**	**(705)**

Deferred tax charge/(credit) for the year ended March 31, 2022 and March 31, 2021 relates to origination and reversal of temporary differences.

Current Taxes for the year ended March 31, 2022 also includes withholding taxes expensed off amounting to ₹ 3,051 thousand (March 31, 2021 nil).

(b) Reconciliation of tax expense and accounting profit for the year ended March 31, 2022 and March 31, 2021 :

	(Amounts in ₹ thousand)	
	March 31, 2022	March 31, 2021
Accounting profit before income tax	**51,995**	**92,040**
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expenses	13,086	23,165
Tax effect		
of earlier years	(1,629)	-
on overseas tax	3,051	-
on non-deductible expenses for tax purpose	534	438
others	272	(158)
At the effective income tax rate	**15,314**	**23,445**
Income tax expense reported in statement of profit and loss	**15,314**	**23,445**

(c) The tax effect of significant temporary differences that resulted in deferred tax asset are as follows:

	(Amounts in ₹ thousand)	
	March 31, 2022	March 31, 2021
Deferred tax liability		
Difference between book and tax depreciation	-	227
Total	**-**	**227**
Deferred tax assets		
Difference between book and tax depreciation	1,062	-
Provision for compensated absence	188	3,151
Provision for gratuity	974	3,749
Other timing differences	140	25
Total	**2,364**	**6,925**
Net deferred tax assets	**2,364**	**6,698**

Deferred tax asset and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities

(d) Reconciliation of net deferred tax asset is as follows:

	(Amounts in ₹ thousand)	
	March 31, 2022	March 31, 2021
Balance, beginning of year	6,698	6,621
Deferred tax (charge)/credit during the year recognised in profit or loss	(4,392)	782
Deferred tax credit/(expense) during the year recognised in other comprehensive income	58	(705)
Balance, end of the year	**2,364**	**6,698**

Oracle (OFSS) Processing Services Limited

Notes annexed to and forming part of the financial statements for the year ended March 31, 2022

	(Amounts in ₹ thousand)	
	Year ended	
	March 31,2022	**March 31,2021**
Note 15: Revenue from operations		
Business Process Outsourcing Services	206,526	373,806
IT Consulting Services	74,762	65,696
	281,288	**439,502**
Note 16: Finance income		
Interest on financial assets measured at amortised cost :		
Balance with banks in current and deposit accounts	11,069	3,317
	11,069	**3,317**
Note 17: Other income, net		
Foreign exchange (loss)/gain, net	(1,475)	(7,536)
Provision written back	-	935
	(1,475)	**(6,601)**
Note 18: Employee benefits expense		
Salaries and bonus	174,823	267,347
Contribution to provident and other funds	10,018	15,466
Staff welfare expenses	4,024	5,941
	188,865	**288,754**
Note 19: Other operating expenses		
Communication expenses	3,748	7,192
Rent	2,776	2,329
Power	353	1,209
Repairs and maintenance:		
Computer equipments	53	50
Others	113	974
Impairment loss on other financial assets	470	(617)
Corporate Social Responsibility [Refer note below]	2,110	1,800
Security expenses	1,425	1,470
Rates and taxes	568	115
Housekeeping expenses	126	606
Miscellaneous expenses	33	179
	11,775	**15,307**

Note : As per the requirements of Section 135 of the Companies Act, 2013 the Company was required to spend an amount of ₹ 2,110 thousand (March 31, 2021 ₹ 1,800 thousand) on Corporate Social Responsibility expenditure based on the average net profits of the three immediately preceding financial years. The Company has incurred an amount ₹ 2,110 thousand (March 31, 2021 ₹ 1,800 thousand) towards such Corporate Social Responsibility expenditure.

Note 20: Reconciliation of basic and diluted equity shares used in computing earnings per share

		(Number of equity shares)
	March 31,2022	**March 31,2021**
Weighted average shares outstanding for basic earnings per share	1,300,000	1,300,000
Add: Effect of dilutive stock options	-	-
Weighted average shares outstanding for diluted earnings per share	1,300,000	1,300,000

	(Amounts in ₹ thousand)	
	March 31, 2022	**March 31, 2021**
Note 21: Earnings in foreign currency (on accrual basis)		
Service Revenue	74,762	330,108
	74,762	**330,108**

	(Amounts in ₹ thousand)	
	March 31, 2022	**March 31, 2021**
Note 22: Auditors remuneration (including GST)		
As auditor		
Audit fees	994	890
Tax audit	154	154
Out-of-pocket expenses	9	-
	1,157	**1,044**

Note 23: Revenue from contract with customers

The table below presents disaggregated revenues from contracts with end customers for the year ended March 31, 2022 by geography, streams and type for each of our business segments.

Year ended March 31, 2022 **(Amounts in ₹ thousand)**

Particulars	Business Process Outsourcing services	IT consulting services	Total
Revenue by Geography			
India	206,526	-	206,526
Outside India			
Americas	-	-	-
Africa	-	72,318	72,318
Middle East	-	2,444	2,444
Total revenue from contracts with customers	**206,526**	**74,762**	**281,288**

Year ended March 31, 2021 **(Amounts in ₹ thousand)**

Particulars	Business Process Outsourcing services	IT consulting services	Total
Revenue by Geography			
India	305,548	-	305,548
Outside India			
Americas	68,258	-	68,258
Africa	-	50,970	50,970
Middle East	-	14,726	14,726
Total revenue from contracts with customers	**373,806**	**65,696**	**439,502**

As at beginning of the period there is deferred revenue of ₹ 23,519 thousand. Further, there is no revenue recognised during the year ended from performance obligations satisfied (or partially satisfied) in previous periods.

During the year ended March 31, 2022 and March 31, 2021, the amount of revenue recognized in the statement of profit and loss is same as contracted price and there is no adjustment made to the contract price.

As at March 31, 2022 and March 31, 2021, the Company does not have assets recognised from the cost incurred to obtain or fulfil a contract with a customer.

Remaining performance obligation

The Company has applied the practical expedient as provided in Ind AS 115 and excluded the disclosure relating to remaining performance obligation for contracts where the revenue recognised corresponds to the value transferred to the customer. Typically this involves those contracts where invoicing is on time and material basis.

As the contracts entered by the Company are covered under the above practical expedient, no disclosures are made for remaining performance obligations.

(Amounts in thousands of Indian Rupees, except share data)

Note 24: Fair values

The management assessed that cash and cash equivalents, trade receivables, unbilled receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The Company has no financials assets and financials liabilities which are measured at fair value through profit or loss.

Note 25: Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions and estimate at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are described below. These assumptions and estimates are based on available parameters as on the date of preparation of financial statements. These assumptions and estimates, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

- **Operating lease**
  The Company has entered into commercial property leases for its offices. The Company has accounted these contracts as operating leases which have been determined based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property, the fair value of the asset and that the Company does not obtain any significant risks and rewards of ownership of these properties.

- **Defined benefit Obligation (gratuity benefits)**
  The cost of the defined benefit gratuity plan and other post-employment retirement benefits and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation
  involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date annually. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Further details about gratuity obligations are given in note 28

- **Taxes**
  Income tax expense comprises current tax expense and the net changes in the deferred tax asset or liability during the year. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions, including disclosures thereof. Also refer note 2.2 (e).

Note 26: Capital commitments and contingent liabilities

	Particulars	March 31, 2022	March 31, 2021
a.	**Capital commitments**		
	Contracts remaining to be executed on capital account not provided for (net of advances).	Nil	16
b.	**Contingent liabilities**		
	Pending Litigations		
	Claims against the Company not acknowledged as debts		
	- Income tax	Nil	3,196

(Amounts in thousands of Indian Rupees, except share data)

Note 27: Leases

For the year ended March 31, 2022 there were in total of 3 leases that were classified as short term lease of 12 months or less in accordance with the policy in 2.2(h). Total amount of expense recognized in the statement of profit and loss was INR 2,714 thousand for the year ended March 31,2022 (March 31, 2021 – INR 2,048 thousand).

Note 28: Employee Benefit Obligation

Defined contribution plans

During year ended March 31, 2022 and March 31, 2021, the Company contributed INR 7,826 thousand and INR 11,904 thousand, respectively to provident fund.

Defined benefit plan – gratuity

A. Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Defined benefit obligation at beginning of the year	14,898	15,777
Current service cost	2,404	2,564
(Gain)/Loss on settlements	(1170)	-
Interest cost, net	958	998
Benefits paid	(13,447)	(1,640)
Re-measurements		
-Due to change in demographic assumptions	30	72
-Due to changes in financial assumptions	(58)	(1,963)
-Due to change in experience adjustments	257	(910)
Defined benefit obligation at end of the year	**3,872**	**14,898**

B. The amounts recognized in the statement of profit and loss for the year ended March 31, 2022 and 2021 are as follows:

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Current service cost	1,234	2,564
Past service cost	-	-
Interest cost, net	958	998
Total included in employee benefits expense	**2,192**	**3,562**

C. Remeasurements (gain) / loss recognized in Other Comprehensive Income is as under:

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Due to change in demographic assumptions	30	72
Due to change in financial assumptions	(58)	(1,963)
Due to change in experience adjustments	257	(910)
Total re-measurements (gain) / loss in OCI	**229**	**(2,801)**

(Amounts in thousands of Indian Rupees, except share data)

D. The amounts recognized in the balance sheet are as follows:

Particulars	March 31,2022	March 31, 2021
Present value of unfunded obligations	3,872	14,898
Net liability	**3,872**	**14,898**

E. The assumptions used in accounting for the gratuity plan are set out as below:

	March 31, 2022	March 31, 2021
Discount rate	7.00%	6.80%
Salary escalation rate	6.00%	6.00%
Weighted average duration	8 years	8 years

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards. The discount rates are based on current market yields on government bonds consistent with the currency and estimated term of the post-employment benefits obligations.

The Company's contribution towards gratuity for the year ending March 31, 2023 is expected to be INR 575 thousand. (March 31, 2022 – INR. 1,629 thousand).

F. A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at March 31, 2022 and March 31, 2021 is as shown below:

		Year ended	
Particulars	**Sensitivity level**	**March 31, 2022**	**March 31, 2021**
Financial assumptions			
Discount rate	- 0.5%	4,020	15,770
	+ 0.5%	3,734	14,112
Salary escalation rate	- 0.5%	3,741	14,136
	+ 0.5%	4,012	15,735
Demographic assumptions			
Withdrawal rate	- 1%	3,876	14,777
	+ 1%	3,878	14,991

Note 29: Financial risk management objectives and policies

The Company's activities expose it to market risk, liquidity risk and credit risk. The management oversees these risks and is aided by the Risk Management Committee whose scope is to formulate the risk management policy, which will identify elements of risk, if any which may affect the Company.

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises of foreign currency risk.

- Foreign currency risk

(Amounts in thousands of Indian Rupees, except share data)

Foreign currency risk is the risk that the fair value or future cash flows of monetary items will fluctuate because of changes in foreign exchange rates. This may have potential impact on the statement of profit and loss and other components of equity, where monetary items are denominated in a foreign currency, which are different from functional currency in which they are measured.

Following are the carrying amounts of foreign currency denominated monetary items (net) of the Company where it has significant exposure expressed in INR that is not hedged as at the balance sheet date:

Currency	**March 31, 2022**	**March 31, 2021**
USD	17,780	298,975

Foreign currency sensitivity

Below table demonstrates sensitivity impact on Company's profit after tax and total equity due to change in foreign exchange rates of currencies where it has significant exposure:

Currency	**March 31, 2022**		**March 31, 2021**	
	+1%	-1%	+1%	-1%
USD	133	(133)	2,237	(2,237)

The above sensitivity impact gain (loss) is due to every percentage point appreciation or depreciation in the exchange rate of respective currencies, with all other variables held constant. Sensitivity impact is computed based on change in value of monetary assets and liabilities denominated in above respective currency, where the functional currency of the entity is a currency other than above respective currency and entity's with functional currency as above respective currency where transactions are in foreign currencies.

b. Liquidity risk

Liquidity risk management implies maintaining sufficient availability of funds to meet obligations when due and to close out market positions. The Company monitors rolling forecast of the cash and cash equivalent on the basis of expected cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	**Less than 1 year**	**More than 1 year**	**Total**
As at March 31, 2022			
Trade payables	1,426	-	1,426
Accrued expenses	7,884	-	7,884
Accrued compensation to employees	465	-	465
	9,775	**-**	**9,775**

Particulars	**Less than 1 year**	**More than 1 year**	**Total**
As at March 31, 2021			
Trade payables	27,853	-	27,853
Accrued expenses	9,567	-	9,567
Accrued compensation to employees	5,145	-	5,145
	42,565	**-**	**42,565**

The Company has sufficient liquid funds in cash and cash equivalents to meet obligations towards financial liabilities.

c. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including time deposits with banks, foreign exchange transactions and other financial instruments.

- Trade receivables
  Customer credit risk is managed in line with the established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

  An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on regional historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 6.

- Balances with banks

  Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with existing Bankers and within credit limits assigned to each banker.

  Company follows a conservative philosophy and shall aim to invest surplus rupee funds in India only in time deposits with well-known and highly rated banks. The duration of such time deposits will not exceed 364 days. The Company, on quarterly basis, monitors the credit ratings and total deposit balances of each of its bankers. Further limits are set to minimize the concentration of risks and therefore mitigate financial loss of any potential failure to repay deposits.

Note 30: Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company's capital management is to maximize the equity shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and other financial requirements.

Note 31: Names of related parties and description of relationship:

Relationship	**Names of related parties**
(i) Related parties where control exists	
Ultimate Holding Company	Oracle Corporation
Holding Company	Oracle Financial Services Software Limited
(ii) Related parties with whom transactions have taken place during the year	
Fellow subsidiaries	Oracle (OFSS) BPO Services Limited Oracle Financial Services Software Inc. Oracle India Private Limited Oracle Financial Services Software S.A.

Oracle (OFSS) Processing Services Limited

Notes annexed to and forming part of the financial statements as at March 31, 2022

Transactions and balances outstanding with these parties are described below: **(Amounts in ₹ thousand)**

	Transactions		Amount receivable (payable)	
	Year ended		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue				
Oracle Financial Services Software Limited	206,526	305,549	17,715	327,653
Oracle Financial Services Software Inc	-	68,258	-	-
Professional Fee expenses, net				
Oracle Financial Services Software Limited	22,308	24,239	(5,170)	(33,883)
Oracle Financial Services Software S.A.	577	-	(472)	-
Rent Expenses				
Oracle Financial Services Software Limited	246	322	-	-
Oracle India Private Limited	1,058	316	(887)	(292)
Communication Expenses				
Oracle India Private Limited	32	988	(19)	(450)
Reimbursement of expenses incurred on behalf of " Oracle (OFSS) Processing Services Limited" by				
Oracle Financial Services Software Limited	499	420	833	494
Oracle (OFSS) BPO Services Limited	-	9	9	9

Note 32: Financial ratios

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance	Reason
(a) Current ratio (in times)	Total current assets	Total current liabilities	14.47	5.57	160%	Note 1
(b) Return on equity ratio (in %)	Profit for the year	Average total equity	8%	17%	-53%	Note 2
(c) Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	1.58	1.65	-4%	
(d) Trade payables turnover ratio (in times)	Purchases of services and other expenses	Average trade payables	2.97	3.24	-8%	
(e) Net capital turnover ratio (in times)	Revenue from operations	Total current assets less total current liabilities	0.67	1.12	-40%	Note 3
(f) Net profit ratio (in %)	Profit for the year	Revenue from operations	13%	16%	-16%	
(g) Return on capital employed (in %)	Profit before tax and finance cost	Networth	11%	20%	-48%	Note 4

Note 1
Current ratio increased due to decrease in trade payables.

Note 2
Return on equity decreased due to decrease in revenue from operations.

Note 3
Net capital turnover ratio decreased due decrease in revenue from operations.

Note 4
Decrease in Return on capital employed is on account of decrease in revenue from operations.

Note 33: Other Statutory Information

a) The Company does not have any Capital Work In Progress, whose completion is overdue or has exceeded its cost compared to its original plan.

b) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding the intermediary shall:
(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

c) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

d) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

Note 34: Segment information

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Segments are reported in a manner consistent with the internal reporting provided to the Board of Directors i.e. Chief Operating Decision Maker (CODM) who evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Company operated under two reportable segments for the year ended March 31, 2022 viz. Business Process Outsourcing ('BPO') services and IT Consulting services

Segment revenue and expenses:

Revenue is generated through Business Process outsourcing services and IT Consulting services .The income and expenses which are not directly attributable to a business segment are shown as unallocable income and expenses

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of trade receivables and unbilled receivables, net of allowances.

Segment liabilities primarily includes trade payables, employee benefit obligations and other liabilities. While most of such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by both segments is allocated to the segments on a reasonable basis. Assets and liabilities that cannot be allocated between the segments are shown as part of unallocable assets and liabilities.

Business segments

Year ended March 31, 2022 **(Amounts in ₹ thousand)**

Particulars	BPO services	IT consulting services	Total
Revenue from operations	206,526	74,762	281,288
Segment result	(5,192)	49,774	44,582
Unallocable expenses			(2,181)
Finance income			11,069
Other income, net			(1,475)
Profit before tax			51,995
Tax expenses			15,314
Profit for the year			**36,681**

Year ended March 31, 2021 **(Amounts in ₹ thousand)**

Particulars	BPO services	IT consulting services	Total
Revenue from operations	373,806	65,696	439,502
Segment result	53,250	42,074	95,324
Finance income			3,317
Other income, net			(6,601)
Profit before tax			92,040
Tax expenses			23,445
Profit for the year			**68,595**

Year ended March 31, 2022 **(Amounts in ₹ thousand)**

	Other information			
Particulars	**BPO services**	**IT consulting services**	**Unallocable**	**Total**
Capital expenditure by segment				
Property, Plant and Equipment	827	-	-	827
Depreciation and amortisation	10,918	-	-	10,918
Other non cash expenses	-	470	-	470
Segment assets	17,715	714	502,385	520,814
Segment liabilities	28,829	5,642	-	34,471
Equity	-	-	-	486,344

Year ended March 31, 2021 **(Amounts in ₹ thousand)**

	Other information			
Particulars	**BPO services**	**IT consulting services**	**Unallocable**	**Total**
Capital expenditure by segment				
Property, Plant and Equipment	658	-	-	658
Depreciation and amortisation	10,902	-	-	10,902
Other non cash expenses	-	(617)	-	(617)
Segment assets	327,653	12,773	208,679	549,105
Segment liabilities	65,388	33,883	-	99,270
Equity	-	-	-	449,835

Geographical segments

The following table shows the distribution of Company' sales by geographical market :

Regions	Year ended March 31, 2022 Amounts in ₹ thousand	%	Year ended March 31, 2021 Amounts in ₹ thousand	%
India	206,526	73%	305,549	69%
Outside India				
Americas	-	0%	68,258	16%
Africa	72,318	26%	50,970	12%
Middle East	2,444	1%	14,725	3%
	281,288	**100%**	**439,502**	**100%**

Revenue of Rs. 206,526 thousand (March 31, 2021 Rs. 373,807 thousand) is derived from a single customer (all group companies are considered as a single customer).

The following table shows the Company's non current assets by geographical market:

Regions	As at March 31, 2022 Amounts in ₹ thousand	%	As at March 31, 2021 Amounts in ₹ thousand	%
India	67,069	100%	63,041	100%
	67,069	**100%**	**63,041**	**100%**

Non-current assets for this purpose consist of property, plant and equipment, capital work-in-progress and income tax assets (net)

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership No. 048966

Mumbai India
May 4, 2022

For and on behalf of the Board of Directors of
Oracle (OFSS) Processing Services Limited

Priyanshu Bhatt
Director
DIN 08445621

Manish Bhandari
Director
DIN 03583180

Mumbai, India
May 4, 2022