

Oracle Financial Services Software Limited

Unaudited condensed balance sheet as at June 30, 2024

	(Amounts in ₹ million)	
	June 30, 2024	March 31, 2024
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	1,486	1,460
Capital work-in-progress	41	25
Right-of-use assets	169	201
Investment property	102	102
Financial assets		
Investments in subsidiaries	7,913	7,912
Other financial assets	27	638
Deferred tax assets (net)	1,294	1,287
Income tax assets (net)	7,859	8,360
Other non-current assets	1,313	1,282
	20,204	21,267
Current assets		
Financial assets		
Trade receivables	6,576	8,198
Cash and cash equivalents	2,927	13,665
Other bank balances	15,308	19,211
Other financial assets	5,658	4,508
Other current assets	3,083	2,018
	33,552	47,600
TOTAL	53,756	68,867
<u>EQUITY AND LIABILITIES</u>		
Equity		
Equity share capital	434	433
Other equity	46,213	61,411
Total equity	46,647	61,844
Non-current liabilities		
Financial liabilities		
Lease liabilities	4	62
Other non-current liabilities	36	50
Provisions	1,880	1,829
	1,920	1,941
Current liabilities		
Financial liabilities		
Lease liabilities	165	170
Trade payables		
Payable to micro and small enterprises	4	5
Payable to other than micro and small enterprises	190	199
Other financial liabilities	1,948	1,519
Other current liabilities	1,433	1,743
Provisions	1,449	1,446
	5,189	5,082
TOTAL	53,756	68,867

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

Oracle Financial Services Software Limited

Unaudited condensed statement of profit and loss for the three month period ended June 30, 2024

(Amounts in ₹ million, except share data)

Three month period ended June 30,

2024 2023

Revenue from operations	12,954	11,170
Finance income	328	749
Other (expense) income, net	(130)	6
Total income	13,152	11,925
Expenses		
Employee benefit expenses	4,821	4,674
Travel related expenses	222	125
Professional fees	325	343
Finance cost	3	6
Other operating expenses	417	495
Depreciation and amortization	152	145
Total expenses	5,940	5,788
Profit before tax	7,212	6,137
Tax expenses		
Current tax	1,864	1,642
Deferred tax	(12)	(5)
Total tax expenses	1,852	1,587
Profit for the period	5,360	4,550
Other comprehensive income (loss)		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Remeasurement gains (losses) of defined benefit plan	20	(8)
Income tax effect	(5)	2
<i>Items that will be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of financial statements of foreign branches	*-	1
Total other comprehensive income (loss) for the period, net of tax	15	(5)
Total comprehensive income for the period	5,375	4,545
Earnings per equity share of par value of ₹ 5 (June 30, 2023 ₹ 5) each (in ₹)		
Basic	61.82	52.62
Diluted	61.44	52.37
Weighted average number of shares used in computing earnings per share		
Basic	86,698,115	86,459,555
Diluted	87,244,827	86,874,769

* Represents amount less than ₹ 0.50 million.

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

Oracle Financial Services Software Limited

Unaudited condensed statement of changes in equity for the three month period ended June 30, 2024

(a) Three month period ended June 30, 2024

(Amounts in ₹ million, except share data)

Particulars	Equity share capital		Other equity							Total equity attributable to equity share holders of the Company	
	Number of shares	Share Capital	Reserves and surplus					Other comprehensive income			
			Share application money pending allotment	Securities premium	General reserve	Employee stock options outstanding	Contribution from Ultimate Holding Company	Retained earnings	Foreign currency translation reserve		Remeasurement of defined benefit obligation
Balance as of April 1, 2024	86,671,656	433	3	18,374	10,145	1,326	163	31,326	74	-	61,844
<i>Changes in equity for the three month period ended June 30, 2024</i>											
Application money received for exercised options	-	-	34	-	-	-	-	-	-	-	34
Shares issued for exercised options	40,173	1	(37)	36	-	-	-	-	-	-	-
Stock compensation charge	-	-	-	-	-	196	8	-	-	-	204
Forfeiture of options	-	-	-	-	-	(2)	-	2	-	-	-
Stock compensation related to options exercised	-	-	-	112	-	(112)	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	5,360	-	-	5,360
Interim equity dividend	-	-	-	-	-	-	-	(20,810)	-	-	(20,810)
Remeasurement gains of defined benefit plan including income tax effect	-	-	-	-	-	-	-	-	-	15	15
Exchange differences on translation of financial statements of foreign branches	-	-	-	-	-	-	-	-	*	-	-
Remeasurement gains of defined benefit plan including income tax effect transferred to retained earnings	-	-	-	-	-	-	-	15	-	(15)	-
Balance as of June 30, 2024	86,711,829	434	-	18,522	10,145	1,408	171	15,893	74	-	46,647

(b) Three month period ended June 30, 2023

(Amounts in ₹ million, except share data)

Particulars	Equity share capital		Other equity							Total equity attributable to equity share holders of the Company	
	Number of shares	Share Capital	Reserves and surplus					Other comprehensive income			
			Share application money pending allotment	Securities premium	General reserve	Employee stock options outstanding	Contribution from Ultimate Holding Company	Retained earnings	Foreign currency translation reserve		Remeasurement of defined benefit obligation
Balance as of April 1, 2023	86,397,179	432	*-	17,365	10,145	1,532	124	30,388	68	-	60,054
<i>Changes in equity for the three month period ended June 30, 2023</i>											
Application money received for exercised options	-	-	27	-	-	-	-	-	-	-	27
Shares issued for exercised options	94,454	1	(27)	26	-	-	-	-	-	-	-
Stock compensation charge	-	-	-	-	-	162	9	-	-	-	171
Forfeiture of options	-	-	-	-	-	(5)	-	5	-	-	-
Stock compensation related to options exercised	-	-	-	321	-	(321)	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	4,550	-	-	4,550
Interim equity dividend	-	-	-	-	-	-	-	(19,460)	-	-	(19,460)
Remeasurement gains of defined benefit plan including income tax effect	-	-	-	-	-	-	-	-	-	(6)	(6)
Exchange differences on translation of financial statements of foreign branches	-	-	-	-	-	-	-	-	1	-	1
Remeasurement gains of defined benefit plan including income tax effect transferred to retained earnings	-	-	-	-	-	-	-	(6)	-	6	-
Balance as of June 30, 2023	86,491,633	433	*-	17,712	10,145	1,368	133	15,477	69	-	45,337

* Represents amount less than ₹ 0.50 million.

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

Oracle Financial Services Software Limited

Notes annexed to and forming part of the financial statements for the three month period ended June 30, 2024

Note 1: Corporate information

Oracle Financial Services Software Limited (the 'Company') was incorporated in India with limited liability on September 27, 1989. The Company is domiciled in India and has its registered office at Mumbai, Maharashtra, India. The Company is a subsidiary of Oracle Global (Mauritius) Limited holding 72.71% (March 31, 2024 – 72.75%) ownership interest in the Company as at June 30, 2024.

The Company is principally engaged in the business of providing information technology solutions to the financial services industry worldwide. The Company has a suite of banking products, which caters to the transaction processing and compliance needs of corporate, retail, investment banking, treasury operations and data warehousing.

The unaudited condensed standalone financial statements for the three month period ended June 30, 2024 were approved by the Company's Board of Directors for issue on July 24, 2024.

Note 2: Accounting policies

These interim standalone financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 - Interim Financial Reporting 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) and the other accounting principles generally accepted in India.

The Company has followed the same accounting policies and methods of computation in preparing the interim financial statements as were followed for the year ended March 31, 2024.

The standalone financial statements are presented in Indian rupees with all amounts rounded off to the nearest million, unless otherwise stated.

Note 3: Segment information

The Company publishes the condensed standalone financial statements along with the condensed consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the condensed consolidated financial statements.

Note 4: Capital commitments

	(₹ in million)	
	<u>June 30, 2024</u>	<u>March 31, 2024</u>
Property, plant and equipment		
Contracts remaining to be executed on capital Account not provided for (net of advances)	222	262

Note 5: Tax litigations

As at June 30, 2024, the Company has certain litigations with respect to tax matters for various assessment years amounting to ₹ 28,508 million (March 31, 2024 – ₹ 28,497 million), which are pending before various appellate / tax authorities. The management expects that its position will be upheld on ultimate resolution and the possibility of any outflow of resources is remote. Demand of tax payable after adjusting taxes paid under protest and refunds amounts to ₹ 20,799 million (March 31, 2024 – ₹ 21,119 million) as at June 30, 2024. Further for certain litigations the Company has aggregate provisions of ₹ 279 million (March 31, 2024 – ₹ 279 million) as at June 30, 2024.

Note 6: Code on Social Security

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 Company will give appropriate effect in the financial statements once the effective date of these changes is notified.

Oracle Financial Services Software Limited

Unaudited condensed statement of cash flow for the three month period ended June 30, 2024

	(Amounts in ₹ million)	
	Three month period ended June 30,	
	2024	2023
Cash flows from operating activities		
Profit before tax	7,212	6,137
Adjustments to reconcile profit before tax to cash provided by operating activities :		
Depreciation and amortization	152	145
Loss on sale of property, plant and equipment	-	*-
Employee stock compensation expense	203	169
Finance income	(328)	(749)
Effect of exchange rate changes in cash and cash equivalents	(1)	2
Effect of exchange rate changes in assets and liabilities	(61)	(41)
Finance cost	3	6
Impairment loss (reversed) recognized on contract assets	(57)	106
Impairment loss recognized on other financial assets	3	2
Bad debts	(4)	-
Operating Profit before Working Capital changes	7,122	5,777
Movements in working capital		
(Increase) in other non-current assets	(30)	(22)
Decrease in trade receivables	1,711	1,117
(Increase) in other current financial assets	(510)	(1,627)
(Increase) in other current assets	(1,065)	(1,051)
Increase in non-current provisions	71	71
(Decrease) increase in trade payables	(11)	20
Increase in other current financial liabilities	439	239
(Decrease) increase in other current liabilities	(310)	183
(Decrease) increase in other non-current liabilities	(14)	27
Increase in current provisions	3	53
Cash from operating activities	7,406	4,787
Payment of domestic and foreign taxes, net of refunds	(1,355)	(446)
Net cash provided by operating activities	6,051	4,341
Cash flows from investing activities		
Purchase of property, plant and equipment	(157)	(69)
Refund of deposits for premises and others	2	*-
Bank fixed deposits having maturity of more than three months matured	13,280	21,595
Bank fixed deposits having maturity of more than three months booked	(9,750)	(6,550)
Interest received	681	645
Net cash provided by investing activities	4,056	15,621
Cash flows from financing activities		
Proceeds from issue of shares under employee stock option plan	34	27
Equity dividend paid	(20,805)	(19,460)
Interest paid on lease liabilities	(3)	(6)
Repayment of lease liabilities	(72)	(65)
Net cash (used in) financing activities	(20,846)	(19,504)
Net (decrease) increase in cash and cash equivalents	(10,739)	458
Cash and cash equivalents at beginning of the period	13,665	1,408
Effect of exchange rate changes in cash and cash equivalents	1	(2)
Cash and cash equivalents at end of the period	2,927	1,864

* Represents amount less than ₹ 0.50 million.

Oracle Financial Services Software Limited

Unaudited condensed statement of cash flow for the three month period ended June 30, 2024

	(Amounts in ₹ million)	
	Three month period ended June 30,	
	2024	2023
Component of cash and cash equivalents		
Balances with banks:		
In current accounts	2,132	1,504
In deposit accounts with original maturity of less than three months	752	322
In unclaimed dividend accounts	43	38
Total cash and cash equivalents at the end of the period	2,927	1,864
