

Oracle Financial Services Software Limited

Unaudited condensed balance sheet as at September 30, 2024

	(Amounts in ₹ million)	
	September 30, 2024	March 31, 2024
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	1,424	1,460
Capital work-in-progress	46	25
Right-of-use assets	128	201
Investment property	102	102
Financial assets		
Investments in subsidiaries	7,917	7,912
Other financial assets	27	638
Deferred tax assets (net)	1,352	1,287
Income tax assets (net)	8,429	8,360
Other non-current assets	1,311	1,282
	20,736	21,267
Current assets		
Financial assets		
Trade receivables	6,060	8,198
Cash and cash equivalents	1,731	13,665
Other bank balances	21,893	19,211
Other financial assets	5,179	4,508
Other current assets	3,379	2,018
	38,242	47,600
TOTAL	58,978	68,867
<u>EQUITY AND LIABILITIES</u>		
Equity		
Equity share capital	434	433
Other equity	51,385	61,411
Total equity	51,819	61,844
Non-current liabilities		
Financial liabilities		
Lease liabilities	3	62
Other non-current liabilities	22	50
Provisions	2,044	1,829
	2,069	1,941
Current liabilities		
Financial liabilities		
Lease liabilities	130	170
Trade payables		
Payable to micro and small enterprises	3	5
Payable to other than micro and small enterprises	237	199
Other financial liabilities	1,692	1,519
Other current liabilities	1,422	1,743
Provisions	1,606	1,446
	5,090	5,082
TOTAL	58,978	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 and six month period ended September 30, 2024

	Three month period ended September 30,		(Amounts in ₹ million, except share data) Six month period ended September 30,	
	2024	2023	2024	2023
Revenue from operations	12,088	10,801	25,042	21,971
Finance income	760	374	1,088	1,123
Other income (expense), net	116	(10)	(14)	(4)
Total income	12,964	11,165	26,116	23,090
Expenses				
Employee benefit expenses	5,185	4,782	10,006	9,456
Travel related expenses	227	177	449	302
Professional fees	331	430	656	773
Finance cost	3	6	6	12
Other operating expenses	321	400	738	895
Depreciation and amortization	156	153	308	298
Total expenses	6,223	5,948	12,163	11,736
Profit before tax	6,741	5,217	13,953	11,354
Tax expenses				
Current tax	1,808	1,340	3,672	2,982
Deferred tax	(38)	(59)	(50)	(114)
Total tax expenses	1,770	1,281	3,622	2,868
Profit for the period	4,971	3,936	10,331	8,486
Other comprehensive (loss) income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Remeasurement (losses) gains of defined benefit plan	(78)	52	(58)	44
Income tax effect	20	(13)	15	(11)
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of financial statements of foreign branches	1	*-	1	1
Total other comprehensive (loss) income for the period, net of tax	(57)	39	(42)	34
Total comprehensive income for the period	4,914	3,975	10,289	8,520
Earnings per equity share of par value of ₹ 5 (September 30, 2023 ₹ 5) each (in ₹)				
Basic	57.32	45.50	119.14	98.12
Diluted	56.94	45.27	118.36	97.61
Weighted average number of shares used in computing earnings per share				
Basic	86,723,174	86,521,468	86,710,713	86,490,681
Diluted	87,296,301	86,955,081	87,283,261	86,936,396

* 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 six month period ended September 30, 2024

(a) Six month period ended September 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 six month period ended September 30, 2024</i>											
Application money received for exercised options	-	-	53	-	-	-	-	-	-	-	53
Shares issued for exercised options	72,628	1	(56)	55	-	-	-	-	-	-	-
Stock compensation charge	-	-	-	-	-	408	35	-	-	-	443
Forfeiture of options	-	-	-	-	-	(3)	-	3	-	-	-
Stock compensation related to options exercised	-	-	-	217	-	(217)	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	10,331	-	-	10,331
Interim equity dividend	-	-	-	-	-	-	-	(20,810)	-	-	(20,810)
Remeasurement gains of defined benefit plan including income tax effect	-	-	-	-	-	-	-	-	-	(43)	(43)
Exchange differences on translation of financial statements of foreign branches	-	-	-	-	-	-	-	14	(13)	-	1
Remeasurement gains of defined benefit plan including income tax effect transferred to retained earnings	-	-	-	-	-	-	-	(43)	-	43	-
Balance as of September 30, 2024	86,744,284	434	*-	18,646	10,145	1,514	198	20,821	61	-	51,819

(b) Six month period ended September 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 six month period ended September 30, 2023</i>											
Application money received for exercised options	-	-	159	-	-	-	-	-	-	-	159
Shares issued for exercised options	205,656	1	(159)	158	-	-	-	-	-	-	-
Stock compensation charge	-	-	-	-	-	340	17	-	-	-	357
Forfeiture of options	-	-	-	-	-	(56)	-	56	-	-	-
Stock compensation related to options exercised	-	-	-	611	-	(611)	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	8,486	-	-	8,486
Interim equity dividend	-	-	-	-	-	-	-	(19,460)	-	-	(19,460)
Remeasurement gains of defined benefit plan including income tax effect	-	-	-	-	-	-	-	-	-	33	33
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	-	-	-	-	-	-	-	33	-	(33)	-
Balance as of September 30, 2023	86,602,835	433	*-	18,134	10,145	1,205	141	19,503	69	-	49,630

* 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 and six month period ended September 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 72.69% (March 31, 2024 – 72.75%) ownership interest in the Company as at September 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 and six month period ended September 30, 2024 were approved by the Company's Board of Directors for issue on October 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)	
	September 30, 2024	March 31, 2024
Property, plant and equipment		
Contracts remaining to be executed on capital Account not provided for (net of advances)	204	262

Note 5: Tax litigations

As at September 30, 2024, the Company has certain litigations with respect to tax matters for various assessment years amounting to ₹ 28,623 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 ₹ 19,850 million (March 31, 2024 – ₹ 21,119 million) as at September 30, 2024. Further for certain litigations the Company has aggregate provisions of ₹ 279 million (March 31, 2024 – ₹ 279 million) as at September 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 six month period ended September 30, 2024

	(Amounts in ₹ million)	
	Six month period ended September 30,	
	2024	2023
Cash flows from operating activities		
Profit before tax	13,953	11,354
Adjustments to reconcile profit before tax to cash provided by operating activities :		
Depreciation and amortization	308	298
Loss on sale of property, plant and equipment	4	*_
Employee stock compensation expense	438	353
Finance income	(1,088)	(1,123)
Effect of exchange rate changes in cash and cash equivalents	(25)	6
Effect of exchange rate changes in assets and liabilities	194	10
Finance cost	6	12
Impairment loss (reversed) recognized on contract assets	(14)	214
Impairment loss recognized on other financial assets	6	4
Operating Profit before Working Capital changes	13,782	11,128
Movements in working capital		
(Increase) in other non-current assets	(29)	(22)
Decrease in trade receivables	2,006	508
(Increase) in other current financial assets	(57)	(994)
(Increase) in other current assets	(1,361)	(1,004)
Increase in non-current provisions	159	158
Increase (decrease) in trade payables	38	(16)
Increase (decrease) in other current financial liabilities	132	(30)
(Decrease) increase in other current liabilities	(321)	138
(Decrease) increase in other non-current liabilities	(28)	10
Increase in current provisions	160	82
Cash from operating activities	14,481	9,958
Payment of domestic and foreign taxes, net of refunds	(3,318)	(2,435)
Net cash provided by operating activities	11,163	7,523
Cash flows from investing activities		
Purchase of property, plant and equipment	(221)	(186)
Proceeds from sale of property, plant and equipment	4	-
Refund of deposits for premises and others	1	*_
Bank fixed deposits having maturity of more than three months matured	15,180	21,595
Bank fixed deposits having maturity of more than three months booked	(18,010)	(9,920)
Interest received	785	696
Net cash (used in) provided by investing activities	(2,261)	12,185
Cash flows from financing activities		
Proceeds from issue of shares under employee stock option plan	53	159
Equity dividend paid	(20,800)	(19,452)
Interest paid on lease liabilities	(6)	(12)
Repayment of lease liabilities	(108)	(96)
Net cash (used in) financing activities	(20,861)	(19,401)
Net (decrease) increase in cash and cash equivalents	(11,959)	307
Cash and cash equivalents at beginning of the period	13,665	1,408
Effect of exchange rate changes in cash and cash equivalents	25	(6)
Cash and cash equivalents at end of the period	1,731	1,709

* Represents amount less than ₹ 0.50 million.

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Unaudited condensed statement of cash flow for the six month period ended September 30, 2024

	(Amounts in ₹ million)	
	Six month period ended September 30,	
	2024	2023
Component of cash and cash equivalents		
Balances with banks:		
In current accounts	1,683	1,463
In deposit accounts with original maturity of less than three months	-	201
In unclaimed dividend accounts	48	45
Total cash and cash equivalents at the end of the period	1,731	1,709