

Oracle (OFSS) BPO Services Limited

**Audited financial statements for the year ended
March 31, 2024**

INDEPENDENT AUDITOR'S REPORT

To the Members of Oracle (OFSS) BPO Services Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Oracle (OFSS) BPO Services Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, 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 financial statements, including a summary of material 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 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, 2024, 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 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 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 financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the 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 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 Board of Directors' report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

S.R. BATLIBOI & ASSOCIATES LLP

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Responsibility of Management for the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial statements, including the

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disclosures, and whether the 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 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 financial statements and the 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, 2024;
 - (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;

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- iv. a) The management has represented that, to the best of its knowledge and belief, 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 person or entity, including foreign entities (“Intermediaries”), 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 (“Ultimate Beneficiaries”) 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, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), 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 (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed that have been 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.

- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Ritesh Gada

Partner

Membership Number: 121898

UDIN: 24121898BKGZHR7637

Place of Signature: Mumbai

Date: April 24, 2024

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

Re: Oracle (OFSS) BPO Services Limited (the “Company”)

In terms of the information and explanations sought by us and given by the Company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (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 favor 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, 2024.
- (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.

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- (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 Companies Act, 2013 (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 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 Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to 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, 2024.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Penalty	2,825,151	Assessment year 2009- 2010	Deputy Commissioner of Income Tax

- (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.

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- (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 willful 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) The Company did not raise any funds during the year hence, the requirement to report on clause (ix) (d) of the Order is not applicable to 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 Act has been filed by cost auditor / secretarial auditor or 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) The Company is not a Nidhi Company as per provision of Companies Act, 2013. 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) Transactions with the related parties are in compliance with sections 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (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 the Act.
- (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.

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- (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 provision 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 is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
 - (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 financial 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 to clause 3 (xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 34 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 36 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 the Act. This matter has been disclosed in note 36 to the financial statements.

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For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Ritesh Gada

Partner

Membership Number: 121898

UDIN: 24121898BKGZHR7637

Place of Signature: Mumbai

Date: April 24, 2024

S.R. BATLIBOI & ASSOCIATES LLP

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ANNEXURE 2 to the independent Auditor's Report of the even date on the financial statements of Oracle (OFSS) BPO Services Limited

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 with reference to financial statements of Oracle (OFSS) BPO Services Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls with reference to these 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 Company's internal financial controls with reference to these financial statements.

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Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to 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 controls with reference to these 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Ritesh Gada

Partner

Membership Number: 121898

UDIN: 24121898BKGZHR7637

Place of Signature: Mumbai

Date: April 24, 2024

Oracle (OFSS) BPO Services Limited
Balance sheet as at March 31, 2024

(Amounts in ₹ thousand)

	Notes	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,062	7,437
Right-of-use asset	4	-	42,949
Deferred tax assets (net)	17	55,967	62,853
Income tax assets (net)		27,683	40,062
		85,712	153,301
Current assets			
Financial assets			
Trade receivables	6	94,041	36,167
Cash and cash equivalents	7(a)	17,000	31,672
Other bank balances	7(b)	286,425	118,304
Other financial assets	5	23,233	44,282
Other current assets	8	1,703	1,806
		422,402	232,231
TOTAL		508,114	385,532
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	58,194	58,194
Contribution from Parent Company	10	156,937	151,450
Other equity	11	230,264	71,092
Total equity		445,395	280,736
Non-current liabilities			
Provisions	14	22,982	23,062
		22,982	23,062
Current liabilities			
Financial liabilities			
Lease Liabilities	12	-	53,340
Trade payables			
Payable to micro and small enterprises	15	-	23
Payable to other than micro and small enterprises	15	2,415	2,361
Other financial liabilities	16	8,350	5,540
Other current liabilities	13	13,484	3,008
Provisions	14	15,488	17,462
		39,737	81,734
TOTAL		508,114	385,532
Summary of material accounting policies	2		

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

As per our Report of even date

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) BPO Services Limited

per Ritesh Gada
Partner
Membership No. 121898

Priyanshu Bhatt
Director
DIN 08445621

Manish Bhandari
Director
DIN 03583180

Bijal Makwana
Company Secretary
ACS 60438

Mumbai, India
April 24, 2024

Mumbai, India
April 24, 2024

Oracle (OFSS) BPO Services Limited
Statement of profit and loss for the year ended March 31, 2024

		(Amounts in ₹ thousand, except share data)	
	Notes	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from operations	18	445,202	310,111
Finance income	19	13,862	8,972
Other income, net	20	404	522
Total income		459,468	319,605
EXPENSES			
Employee benefits expenses	21	170,714	177,999
Travel related expenses		521	769
Professional fees		3,535	3,398
Finance Costs	22	1,963	7,800
Other operating expenses	23	34,376	33,157
Depreciation and amortization	3 and 4	47,075	64,508
Total expenses		258,184	287,631
Profit before tax		201,284	31,974
Tax expenses	17		
Current tax		35,959	4,617
Deferred tax		6,682	18,961
Total tax expenses		42,641	23,578
Profit for the year		158,643	8,396
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement gains of defined benefit plan		733	1,514
Income tax effect	17	(204)	(421)
Total other comprehensive income for the year, net of tax		529	1,093
Total comprehensive income for the year		159,172	9,489
Earnings per equity share of par value of Rs. 10 each (March 31, 2023 Rs. 10 each) (in Rs.)			
Basic	24	27.26	1.44
Diluted		27.26	1.44
Summary of material accounting policies	2		

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

As per our Report of even date

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) BPO Services Limited

per Ritesh Gada
Partner
Membership No. 121898

Priyanshu Bhatt
Director
DIN 08445621

Manish Bhandari
Director
DIN 03583180

Bijal Makwana
Company Secretary
ACS 60438

Mumbai, India
April 24, 2024

Mumbai, India
April 24, 2024

Oracle (OFSS) BPO Services Limited
Statement of changes in equity for the year ended March 31, 2024

Year ended March 31, 2024

(Amounts in ₹ thousand, except share data)

Particulars	Equity share capital		Contributions from Parent Company	Other Equity		Total equity attributable to equity share holders of the Company
	Number of shares	Share Capital		Reserve and Surplus	Other comprehensive income	
				Retained earnings	Remeasurement of defined benefit obligation	
Balance as of April 1, 2023	5,819,360	58,194	151,450	71,092	-	280,736
<i>Changes in equity for the year ended March 31, 2024</i>						
Stock compensation expense	-	-	5,487	-	-	5,487
Profit for the year	-	-	-	158,643	-	158,643
Remeasurement of defined benefit plan including income tax effect thereon	-	-	-	-	529	529
Remeasurement of defined benefit plan including income tax effect thereon transferred to retained earnings	-	-	-	529	(529)	-
Balance as of March 31, 2024	5,819,360	58,194	156,937	230,264	-	445,395

Year ended March 31, 2023

(Amounts in ₹ thousand, except share data)

Particulars	Equity share capital		Contributions from Parent Company	Other Equity		Total equity attributable to equity share holders of the Company
	Number of shares	Share Capital		Reserve and Surplus	Other comprehensive income	
				Retained earnings	Remeasurement of defined benefit obligation	
Balance as at April 1, 2022	5,819,360	58,194	145,792	61,603	-	265,589
<i>Changes in equity for the year ended March 31, 2023</i>						
Stock compensation expense	-	-	5,658	-	-	5,658
Profit for the year	-	-	-	8,396	-	8,396
Remeasurement of defined benefit plan including income tax effect thereon	-	-	-	-	1,093	1,093
Remeasurement of defined benefit plan including income tax effect thereon transferred to retained earnings	-	-	-	1,093	(1,093)	-
Balance as of March 31, 2023	5,819,360	58,194	151,450	71,092	-	280,736

Summary of material accounting policies [Refer note 2]

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

As per our Report of even date

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) BPO Services Limited

per Ritesh Gada
Partner
Membership No. 121898

Priyanshu Bhatt
Director
DIN 08445621

Manish Bhandari
Director
DIN 03583180

Bijal Makwana
Company Secretary
ACS 60438

Mumbai, India
April 24, 2024

Mumbai, India
April 24, 2024

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Note 1: Corporate information

Oracle (OFSS) BPO Services Limited (the “Company”) was incorporated in India with limited liability on November 7, 2002. The Company is a subsidiary of Oracle Financial Services Software Limited holding 99.82% (March 31, 2023 – 99.82%) ownership interest in the Company as at March 31, 2024.

The Company is principally engaged in the business of providing business process outsourcing services and IT consulting services.

The financial statements for the year ended March 31, 2024 were approved by the Company’s Board of Directors for issue on April 24, 2024.

Note 2: Summary of material accounting policies

2.1 Basis of preparation

These Financial statements comprising of Balance Sheet as at March 31, 2024, 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.

- certain financial assets and liabilities that are measured at fair value
- defined benefit plan
- share-based payment

2.2 Summary of material accounting policies

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

a) Property, plant and equipment and depreciation

Property, plant and equipment

Property, plant and equipment 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. All additions during the reported year are considered at cost. An item of property, plant and equipment is derecognized at its carrying value on disposal; and any gain or loss arising from such derecognition is included in the statement of profit or loss when the item is derecognized

Depreciation

Depreciation is computed as per the 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 fixed assets is as follows:

<u>Asset description</u>	<u>Asset life (in years)</u>
Leasehold Improvements	Lesser of 7 years or Lease term
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.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

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 equipments forming part of computer equipments 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.
- The useful lives of leasehold improvements are estimated at lesser of 7 years or lease term. 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 assets 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

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.

Services provided by the Company comprises of back-office administration, data management and call center. 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 revenue contracts are time and material contracts where the revenue is recognized as the related services are performed.

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.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

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 where the Company operate and 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.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognized for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

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

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

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.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

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 financial 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.

The Company does not have debt instruments at fair value through OCI or debt instruments at fair value through 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.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

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 in various geographies and therefore the Company has considered the socio-economic conditions in the regions 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, 2024.

Interest income

Interest income is recognized using the effective interest method.

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.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

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.

Share based payments

Employees of the Company also receive remuneration in the form of share-based payments of its parent company viz., Oracle Financial Services Software Limited. Since the Company has no obligation to settle the share based payment transaction, the transaction has been recognized as Equity settled share based payment transaction. The parent company determines the cost of equity-settled transactions by the fair value at the date when the grant is made using an appropriate valuation model. The cost to the Company is recognized, together with a corresponding increase in 'Contribution from Parent Company' shown in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expenses.

The expense or credit recognized in the statement of profit and loss under the head employee benefits expense represents the movement in cumulative expense recognized as at beginning and end of the year.

i) Provisions

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.

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.

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Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

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.

Oracle (OFSS) BPO Services Limited

Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Note 3: Property, plant and equipment

(a) Year ended March 31, 2024 (Amounts in ₹ thousand)

Particulars	Gross carrying value				Depreciation				Net carrying value
	As at April 01, 2023	Additions	Sale/ deletions	As at March 31, 2024	As at April 01, 2023	Additions	Sale/ deletions	As at March 31, 2024	As at March 31, 2024
Improvement to leasehold premises	52,094	-	52,094	-	52,094	-	52,094	-	-
Computer equipments	88,413	813	62,534	26,692	84,597	3,489	62,319	25,767	925
Office equipments	8,965	-	6,792	2,173	5,635	618	5,217	1,036	1,137
Furniture and fixtures	9,107	-	9,084	23	8,816	19	8,812	23	-
Total	158,579	813	130,504	28,888	151,142	4,126	128,442	26,826	2,062

(b) Year ended March 31, 2023 (Amounts in ₹ thousand)

Particulars	Gross carrying value				Depreciation				Net carrying value
	As at April 01, 2022	Additions	Sale/ deletions	As at March 31, 2023	As at April 01, 2022	Additions	Sale/ deletions	As at March 31, 2023	As at March 31, 2023
Improvement to leasehold premises	52,094	-	-	52,094	46,794	5,300	-	52,094	-
Computer equipments	91,005	1,277	3,869	88,413	82,455	5,975	3,833	84,597	3,816
Office equipments	10,706	-	1,741	8,965	6,596	780	1,741	5,635	3,330
Furniture and fixtures	9,107	-	-	9,107	7,903	913	-	8,816	291
Total	162,912	1,277	5,610	158,579	143,748	12,968	5,574	151,142	7,437

Note 4: Right-of-use asset

(a) Year ended March 31, 2024 (Amounts in ₹ thousand)

Particulars	Gross carrying value				Depreciation				Net carrying value
	As at April 01, 2023	Additions	Deletions	As at March 31, 2024	As at April 01, 2023	Additions	Deletions	As at March 31, 2024	As at March 31, 2024
Right-Of-Use Asset	249,111	-	-	249,111	206,162	42,949	-	249,111	-
Total	249,111	-	-	249,111	206,162	42,949	-	249,111	-

(b) Year ended March 31, 2023 (Amounts in ₹ thousand)

Particulars	Gross carrying value				Depreciation				Net carrying value
	As at April 01, 2022	Additions	Deletions	As at March 31, 2023	As at April 01, 2022	Additions	Deletions	As at March 31, 2023	As at March 31, 2023
Right-Of-Use Asset	249,111	-	-	249,111	154,621	51,540	-	206,162	42,949
Total	249,111	-	-	249,111	154,621	51,540	-	206,162	42,949

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements as at March 31, 2024

	(Amounts in ₹ thousand)	
	March 31, 2024	March 31, 2023
Note 5: Financial assets		
Current		
Other financial assets measured at amortized cost		
Deposits for premises and others	4,557	35,325
Unbilled receivables	17,719	8,566
Other advances	957	391
	23,233	44,282
Breakup of financial assets measured at amortised cost		
Deposits for premises and others (note 5)	4,557	35,325
Unbilled receivables (note 5)	17,719	8,566
Other advances (note 5)	957	391
Trade receivables (note 6)	94,041	36,167
Cash and bank balances (note 7)	303,425	149,976
	420,699	230,425
Note 6: Trade receivables		
Unsecured, considered good	94,041	36,167
Credit impaired	166	53
	94,207	36,220
Impairment Allowance		
Credit impaired	(166)	(53)
	94,041	36,167

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 30 to 90 days.

Trade Receivable ageing schedule

	(Amounts in ₹ thousand)						
As at March 31, 2024	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
Secured, considered good	93,389	652	-	-	-	-	94,041
Unsecured, considered good	-	-	-	-	-	-	-
Credit impaired	165	1	-	-	-	-	166
Disputed trade receivables							
Secured, considered good	-	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	93,554	653	-	-	-	-	94,207
Less: Impairment allowance							(166)
							94,041
Add: Unbilled receivable (Refer Note 5)							17,719
							111,760

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements as at March 31, 2024

(Amounts in ₹ thousand)

As at March 31, 2023	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
Secured, considered good	33,570	2,597	-	-	-	-	36,167
Unsecured, considered good	-	-	-	-	-	-	-
Credit impaired	49	4	-	-	-	-	53
	<u>33,619</u>	<u>2,601</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,220</u>
Disputed trade receivables							
Secured, considered good	-	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	<u>33,619</u>	<u>2,601</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,220</u>
Less: Impairment allowance							(53)
							<u>36,167</u>
Add: Unbilled receivable (Refer Note 5)							<u>8,566</u>
							<u><u>44,733</u></u>

(Amounts in ₹ thousand)

	March 31, 2024	March 31, 2023
Note 7 : Cash and bank balance		
(a) Cash and cash equivalents		
Balances with banks:		
In current accounts	17,000	18,619
In deposit accounts with original maturity of less than 3 months	-	13,053
	<u>17,000</u>	<u>31,672</u>
(b) Other bank balances		
Balances with banks:		
In deposit accounts with original maturity of more than 3 months but less than 12 months	286,425	118,304
	<u>286,425</u>	<u>118,304</u>
	<u>303,425</u>	<u>149,976</u>

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		
Prepaid expenses	1,703	943
Receivable from government authority	-	863
	<u>1,703</u>	<u>1,806</u>

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements as at March 31, 2024

		(Amounts in ₹ thousand)	
		March 31, 2024	March 31, 2023
Note 9: Equity share capital			
Authorized:			
10,000,000 (March 31, 2023 - 10,000,000) equity shares of Rs. 10 each		100,000	100,000
Issued, subscribed and fully paid-up:			
5,819,360 (March 31, 2023 - 5,819,360) equity shares of Rs. 10 each		58,194	58,194
<p>(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.</p> <p>(b) Details of shareholders holding more than 5% equity shares in the Company and Details of Promoters</p>			
Name and relationship of shareholder :		March 31, 2024	March 31, 2023
Oracle Financial Services Software Limited, holding company			
Number of equity shares		5,808,660	5,808,660
% of equity shares		99.82%	99.82%
<p>(c) Reconciliation of equity outstanding at the beginning and at the end of the year</p>			
	No. of equity shares	Amount	
Outstanding as at April 1, 2022	5,819,360	58,194	58,194
Issued during the year ended March 31, 2023	-	-	-
Outstanding as at March 31, 2023	5,819,360	58,194	58,194
Issued during the year ended March 31, 2024	-	-	-
Outstanding as at March 31, 2024	5,819,360	58,194	58,194
Note 10: Contribution from Parent Company			
		March 31, 2023	March 31, 2023
(a) ESOP charge from parent company			
Balance, beginning of the year		42,380	36,722
Charge for the year (Refer note 21 and note 25)		5,487	5,658
Balance, end of the year		47,867	42,380
(b) Fair valuation of loan from parent company			
Balance, beginning of the year		109,070	109,070
Charge for the year		-	-
Balance, end of the year		109,070	109,070
Total (a+b)		156,937	151,450

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements as at March 31, 2024

(Amounts in ₹ thousand)

Note 11: Other equity

	March 31, 2024	March 31, 2023
(a) Retained earnings		
Balance, beginning of the year	71,092	61,603
Profit for the year	158,643	8,396
Balance, end of the year	229,735	69,999
Remeasurement of defined benefit plan including income tax effect thereon transferred to retained earnings	529	1,093
Balance, end of the year	230,264	71,092
(b) Other comprehensive income		
Balance, beginning of the year	-	-
Remeasurement of defined benefit plan including income tax effect thereon		
-Remeasurement of defined benefit plan	733	1,514
-Income tax effect thereon	(204)	(421)
	529	1,093
Remeasurement of defined benefit plan including income tax effect thereon transferred to retained earnings	(529)	(1,093)
Balance, end of the year	-	-

Retained earnings: it represents undistributed earnings of the Company.

Other comprehensive income: represents remeasurements of defined benefit gratuity plan, comprising of actuarial gains and losses on it's net liabilities / assets.

Oracle (OFSS) BPO Services Limited

Notes annexed to and forming part of the financial statements as at March 31, 2024

(Amounts in ₹ thousand)

March 31, 2024

March 31, 2023

Note 15: Trade payables measured at amortized cost

Current

Payable to micro enterprises and small enterprises *	-	23
Payable to other than micro and small enterprises	2,415	2,361
Total	2,415	2,384

* 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)

- Principal amount remaining unpaid to any supplier as at the end of the year.	-	23
- Amount of interest due remaining unpaid to any supplier as at the end of the year.	-	-
- Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made	-	-
- 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.	-	-
	-	23

Terms and conditions of financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-day terms
- Other financial liabilities are normally settled as and when due

Trade payable ageing schedule

(Amounts in ₹ thousand)

As at March 31, 2024	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade payables						
- To micro and small enterprises	-	-	-	-	-	-
- To other than micro and small enterprises	2,124	291	-	-	-	2,415
Disputed trade payables						
- To micro and small enterprises	-	-	-	-	-	-
- To other than micro and small enterprises	-	-	-	-	-	-
Total	2,124	291	-	-	-	2,415

(Amounts in ₹ thousand)

As at March 31, 2023	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade payables						
- To micro and small enterprises	23	-	-	-	-	23
- To other than micro and small enterprises	430	1,931	-	-	-	2,361
Disputed trade payables						
- To micro and small enterprises	-	-	-	-	-	-
- To other than micro and small enterprises	-	-	-	-	-	-
	453	1,931	-	-	-	2,384

Note 16: Other financial liabilities measured at amortized cost

Current

Accrued expenses	8,091	3,982
Accrued compensation to employees	259	1,558
	8,350	5,540

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements as at March 31, 2024

Note 17: Income taxes

(a) The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023 are

	(Amounts in ₹ thousand)	
	Year ended	
	March 31, 2024	March 31, 2023
(i) Profit or loss section		
Current tax	35,959	4,617
Deferred tax	6,682	18,961
Income tax expense reported in the statement of profit and loss	42,641	23,578
(ii) Other Comprehensive Income (OCI) section		
Deferred tax related to items recognized in OCI during the year		
Deferred tax on actuarial (loss) gain on gratuity fund	(204)	(421)
Income tax expense charge reported in Other Comprehensive Income	(204)	(421)

(b) Reconciliation of tax expense and accounting profit:

	(Amounts in ₹ thousand)	
	Year ended	
	March 31, 2024	March 31, 2023
Profit before tax	201,284	31,974
Enacted tax rates in India	29.12%	27.82%
Computed expected tax expenses	58,614	8,895
Tax effect		
of earlier years	-	(970)
on account of MAT Credit recognised and utilised	(20,932)	-
on account of tax on income at different rates	-	(646)
on non-deductible expenses for tax purpose	752	1,548
on account on deferred Tax on Mat credit & Carried Forward losses	2,853	15,088
on account of deferred tax on actuarial gain	(204)	421
overseas Taxes	858	-
on account of others	700	(758)
Income tax expense reported in statement of profit and loss	42,641	23,578

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

	(Amounts in ₹ thousand)			
	Year ended			
	As at April 1, 2023	Recognized in profit or loss	Recognised in OCI	As at March 31, 2024
Deferred tax assets				
Difference between book and tax depreciation	8,976	(6,852)	-	2,124
Provision for compensated absence	3,142	136	-	3,278
Provision for gratuity	8,131	(3)	(204)	7,924
On MAT Credit	45,495	(2,854)	-	42,641
Deferred tax liability				
Lease liability	2,891	(2,891)	-	-
Total	62,853	(6,682)	(204)	55,967

	(Amounts in ₹ thousand)			
	Year ended			
	As at April 1, 2022	Recognized in profit or loss	Recognised in OCI	As at March 31, 2023
Deferred tax assets				
Difference between book and tax depreciation	6,514	2,462	-	8,976
Provision for compensated absence	3,291	(149)	-	3,142
Provision for gratuity	9,122	(570)	(421)	8,131
On Carried forward losses and unabsorbed depreciation	3,898	(3,898)	-	-
On MAT Credit	64,480	(18,985)	-	45,495
Deferred tax liability				
Lease liability	5,070	(2,179)	-	2,891
Total	82,235	(18,961)	(421)	62,853

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

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements as at March 31, 2024

	Year ended	
	March 31, 2024	March 31, 2023
Note 18: Revenue from operations		
Service revenue	445,202	310,111
	445,202	310,111
Note 19: Finance income		
Interest on financial assets measured at amortized cost :		
Balance with banks in current and deposit accounts	10,290	4,693
Deposits for premises and others	2,906	3,162
Interest on income tax refund	666	1,117
	13,862	8,972
Note 20: Other income, net		
Foreign exchange (loss) gain, net	(8)	522
Miscellaneous income	412	-
	404	522
Note 21: Employee benefit expenses		
Salaries and bonus	150,328	157,866
Contribution to provident and other funds	8,912	8,047
Stock compensation expense	5,487	5,658
Staff welfare expenses	5,987	6,428
	170,714	177,999
Note 22: Finance Cost		
Interest on Lease Liability	1,963	7,800
	1,963	7,800
Note 23: Other operating expenses		
Rent	17,952	11,014
Power	1,597	1,998
Communication expenses	3,720	4,747
Facility charges	3,616	4,124
Housekeeping Expenses	1,824	2,798
Repairs and maintenance:		
Buildings and leasehold premises	1,198	2,287
Computer equipments	644	250
Rates and taxes	999	657
Recruitment Expenses	680	2
Impairment loss on contract assets	112	53
Impairment (gain)/loss on other financial assets	(1,836)	438
Loss on sale of property, plant and equipment, net	2,068	36
Auditors' remuneration (Refer Note 38)	1,440	1,508
Miscellaneous expenses	362	3,245
	34,376	33,157
Note 24: Reconciliation of basic and diluted equity shares used in computing earnings per share		
	(Number of equity shares)	
	March 31, 2024	March 31, 2023
Weighted average shares outstanding for basic earnings per share	5,819,360	5,819,360
Add: Effect of dilutive stock options	-	-
Weighted average shares outstanding for diluted earnings per share	5,819,360	5,819,360
Profit attributable to equity share holders	158,643	8,396
Earnings per equity share of par value of Rs. 10 each (March 31, 2023 Rs. 10 each) (in Rs.)		
Basic	27.26	1.44
Diluted	27.26	1.44

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Note 25: Share based payments

Employee Stock Option Plan ('ESOP')

The Members of Oracle Financial Services Software Limited (OFSSL) approved grant of ESOPs to the employees / Directors of OFSSL and its subsidiaries up to 12.5% of the issued and paid-up capital of OFSSL from time to time.

Oracle Financial Services Software Limited Stock Plan 2014 (OFSS Stock Plan 2014)

OFSSL has granted OFSS Stock Units (OSU) under OFSS Stock Plan 2014 to the employees of the Company. In respect of the OFSS Stock Plan 2014, each of 25% of the total OSUs granted will vest on completion of 12, 24, 36 and 48 months from the date of grant. Any vesting is subject to continued employment of the employee with the Company. OSUs have exercise period of 10 years from the date of grant. The employee pays the exercise price and applicable taxes upon exercise of OSUs.

A summary of the activity in the OFSSL's ESOP (OFSS Stock Plan 2014) related to OBSL employees is as follows:

	Year ended			
	March 31, 2024		March 31, 2023	
	Shares arising from Stock Options and OSUs	Weighted average exercise price (₹)	Shares arising from Stock Options and OSUs	Weighted average exercise price (₹)
Outstanding at beginning of year	6,217	5	4,640	5
Granted	606	5	2,520	5
Exercised	(1,415)	5	(943)	5
Forfeited	-	-	-	5
Outstanding at end of the year	5,408	5	6,217	5
Vested options and OSUs	1,712		1,447	
Unvested options and OSUs	3,696		4,770	
OSUs vested during the year	1,680		1,395	

The details of options / OSUs unvested and options / OSUs vested and exercisable as on March 31, 2024 are as follows:

	Exercise prices (₹)	Number of Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Options /OSUs unvested	5	3,696	5	8.1
Options /OSUs vested and exercisable	5	1,712	5	6.9
		5,408	5	7.7

The details of options / OSUs unvested and options / OSUs vested and exercisable as on March 31, 2023 are as follows:

Options / OSUs granted during the financial year ended March 31, 2023:

	Exercise prices (₹)	Number of Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Options /OSUs unvested	5	4,770	5	8.7
Options /OSUs vested and exercisable	5	1,447	5	6.4
		6,217	5	8.1

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

During the year ended March 31, 2024, the OFSSL has granted 606 OSUs under OFSS Stock Plan 2014 at an exercise price of ₹ 5 (March 31, 2023 – 2,520 OSUs at an exercise price of ₹ 5) to employees of the Company.

The weighted average share price for the year over which OSUs were exercised was ₹ 5,801 (March 31, 2023 - ₹ 3,181).

The weighted average fair value of OSUs granted during the year was ₹ 4,295 (March 31, 2023 - ₹ 3,033).

The Black Scholes valuation model has been used for computing the above weighted average fair value of Stock Options / OSUs granted considering the following inputs in year ended March 2024 and March 2023:

	OFSS Stock Plan 2014 (OSU)	
	September 2023	September, 2022
Weighted average share price (in ₹)	4,299	3,037
Exercise Price (in ₹)	5/-	5/-
Expected Volatility	28%	31%
Weighted average life (in years)	3.26	3.26
Expected dividend rate	Nil	Nil
Average risk-free interest rate	7.04%	6.96%

The expected volatility was determined based on historical volatility data; historical volatility includes early years of the Company's life; the Company expects the volatility of its share price to reduce as it matures.

Note 26: Fair values

The management has assessed that fair value of financial instruments approximates their carrying amounts largely due to the short term maturities of these instruments.

The carrying value and fair value of financial instruments by categories as at March 31, 2024 and March 31, 2023 are as follows:

(Amounts in ₹ thousand)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Amortized cost	Carrying value	Fair value	Amortized cost	Carrying value	Fair value
Assets						
Trade receivables	94,041	94,041	94,041	36,167	36,167	36,167
Cash and cash equivalents	17,000	17,000	17,000	31,672	31,672	31,672
Other bank balances	286,425	286,425	286,425	118,304	118,304	118,304
Other financial assets	23,233	23,233	23,233	44,282	44,282	44,282
	420,699	420,699	420,699	230,425	230,425	230,425
Liabilities						
Lease liabilities	-	-	-	53,340	53,340	53,340
Trade payables	2,415	2,415	2,415	2,384	2,384	2,384
Other financial liabilities	8,350	8,350	8,350	5,540	5,540	5,540
	10,765	10,765	10,765	61,264	61,264	61,264

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Note 27: 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 valuations. 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.

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. Further details about gratuity obligations are given in Note 30.

- **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 No. 2.2 (e).

Note 28: Capital commitments and contingent liabilities

Particulars	March 31, 2024	March 31, 2023
(a) Capital commitments		
Contracts remaining to be executed on capital account not provided for (net of advances).	Nil	Nil
(b) Contingent liabilities:		
On account of Income-tax	Nil	Nil

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Note 29: Leases

Where Company is lessee

The changes in the carrying values of right-of-use asset for the year ended March 31 2024 are given in Note 4. Set out below are the carrying amounts of lease liabilities and the movement during the year ended March 31, 2024.

Particulars	March 31,2024	March 31, 2023
Balance at the beginning of the year	53,340	111,903
Modifications	-	-
Accretion of interest	1,963	7,800
Repayments	(55,303)	(66,363)
Balance at the end of the year	-	53,340
Current	-	53,340
Non-current	-	-
Total	-	53,340

The maturity analysis of undiscounted contractual payments under lease liabilities as at March 31, 2024 are as follows:

Particulars	March 31, 2024	March 31, 2023
Less than 1 year	-	55,303
1 to 5 years	-	-
more than 5 years	-	-
Total	-	55,303

The weighted average incremental borrowing rate applied to lease liabilities recognized in the Balance Sheet at the date of initial application is 9.75 % with maturity in 2024.

Following amounts were recognized in the Statement of Profit and Loss for the year ended March 31, 2024

Particulars	March 31, 2024	March 31, 2023
Depreciation expenses on right-of-use asset	42,949	51,540
Interest expense on lease liability	1,963	7,800
Expense relating to short-term leases and other service charges (included in other operating expenses as rent)	17,952	11,014
Total	62,894	70,354

The Company had total cash outflows for leases of INR 55,303 thousand for the year ended March 31, 2024 (March 31, 2023 – INR 66,363 thousand). The Company did not have any non-cash additions to right-of-use assets and lease liabilities for the year ended March 31, 2024. Further, there are no future cash outflows relating to leases that have not yet commenced.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Note 30: Employee Benefit Obligation

Defined contribution plans

During the year ended March 31, 2024 and March 31, 2023, the Company contributed INR 6,198 thousand and INR 6,823 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, 2024	Year ended March 31, 2023
Defined benefit obligation at beginning of the year	29,229	31,326
Current service cost	844	1,144
Past service cost	-	(1,945)
Interest cost, net	1,869	2,025
Benefits paid	(3,996)	(1,807)
Re-measurements		
-Due to change in demographic assumptions	-	101
-Due to changes in financial assumptions	297	(616)
-Due to change in experience adjustments	(1031)	(999)
Defined benefit obligation at end of the year	27,212	29,229

B. The amounts recognized in the Statement of Profit and Loss for the year ended March 31, 2024 and March, 2023 are as follows

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	844	1,144
Past Service Cost	-	(1,945)
Interest cost, net	1,869	2,025
Total included in employee benefits expense	2,713	1,224

C. Re-measurements recognized in other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Due to change in demographic assumptions	-	101
Due to change in financial assumptions	298	(616)
Due to change in experience adjustments	(1031)	(999)
Total remeasurements in other comprehensive Income	(733)	(1,514)

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

D. The amounts recognized in the Balance Sheet are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present value of unfunded obligations	27,212	29,229
Net liability	27,212	29,229
Current	4,230	6,167
Non-current	22,982	23,062
Total	27,212	29,229

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

	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Discount rate	7.20%	7.40%
Salary escalation rate	6.00%	6.00%
Weighted average duration	6 Years	6 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 maturity profile of defined benefit obligation is as follows:

Particulars	Amount in Thousands
Within 1 year	4,230
1-2 years	3,850
2-3 years	3,494
3-4 years	3,176
4-5 years	3,193
Next 5 years	14,035

F. A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at March 31, 2024 and March 31, 2023 is as shown below:

Particulars	Sensitivity level	Year ended	
		March 31, 2024	March 31, 2023
Financial assumptions			
Discount rate	- 0.5%	27,983	30,003
	+ 0.5%	26,480	28,493
Salary escalation rate	- 0.5%	26,667	28,672
	+ 0.5%	27,777	29,805
Demographic assumptions			
Withdrawal rate	- 1%	26,976	28,966
	+ 1%	27,430	29,469

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Note 31: 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

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 Indian Rupees that is not hedged as at the Balance Sheet date:

Currency	March 31, 2024	March 31, 2023
USD	27,035	12,223
EUR	2,373	-
AED	3,163	-
GBP	1,189	-

- 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, 2024		March 31, 2023	
	+1%	-1%	+1%	-1%
USD	193	(193)	88	(88)
EUR	16.82	(16.82)	-	-
AED	22.42	(22.42)	-	-
GBP	8.43	(8.43)	-	-

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.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

The table below summarizes the maturity profile of the Company's financial liabilities.

Particulars	Less than 1 year	More than 1 year	Total
As at March 31, 2024			
Trade payables	2,415	-	2,415
Accrued expenses	8,091	-	8,091
Accrued compensation to employees	259	-	259
	10,765	-	10,765
As at March 31, 2023			
Trade payables	2,384	-	2,384
Accrued expenses	3,982	-	3,982
Accrued compensation to employees	1,558	-	1,558
Lease Liabilities	53,340	-	53,340
	61,264	-	61,264

Refer Note 29 for maturity analysis of undiscounted contractual payments of lease liabilities as at March 31, 2024.

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. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

An impairment analysis is performed at each reporting date on an individual basis for all 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. As at March 31, 2024, entire trade receivables is from group companies only.

• Cash and Bank balances

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 subject. The duration of such time deposits will not exceed 365 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.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Note 32: Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all 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 33: 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, Inc. Oracle (OFSS) Processing Services Limited Oracle India Private Limited Oracle Solutions Services (India) Private Limited Oracle America, Inc. Oracle Corporation UK Limited Oracle Italia S.r.l. Oracle Systems Limited

Oracle (OFSS) BPO Services Limited

Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Transactions and balances outstanding with these parties are

(Amounts in ₹ thousand)

	Transactions		Amount receivable (payable)	
	Year ended		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue				
Oracle Financial Services Software Limited	217,008	168,789	62,183	25,465
Oracle India Private Limited	44,945	26,777	7,810	5,060
Oracle (OFSS) BPO Services Inc.	150,617	114,545	19,432	5,696
Oracle Systems Limited	11,764	-	1,561	-
Oracle Italia S.r.l.	9,442	-	1,895	-
Oracle Corporation UK Limited	7,585	-	879	-
Oracle America, Inc.	3,841	-	448	-
Unbilled receivables				
Oracle (OFSS) BPO Services Inc.	-	-	6,806	6,491
Oracle India Private Limited	-	-	4,430	2,075
Oracle Financial Services Software Limited	-	-	3,744	-
Oracle Systems Limited	-	-	1,602	-
Oracle Italia S.r.l.	-	-	477	-
Oracle America, Inc.	-	-	349	-
Oracle Corporation UK Limited	-	-	310	-
Deferred Revenue				
Oracle Financial Services Software Limited	-	-	-	(170)
Rent				
Oracle Solutions Services (India) Private Limited	4,429	-	(1,993)	-
Communication expenses				
Oracle India Private Limited	129	801	(19)	(99)
Oracle Solutions Services (India) Private Limited	65	1,919	-	(1,218)
Other Charges				
Oracle India Private Limited	247	49	(7)	(58)
Oracle Solutions Services (India) Private Limited	22	-	-	-
Oracle Financial Services Software Limited	51	-	(51)	-
Purchase of Fixed Asset				
Oracle (OFSS) Processing Services Limited	197	295	-	-
Reimbursement of expenses incurred on behalf of "Oracle (OFSS) BPO Services Limited" by				
Oracle Financial Services Software Limited	188	217	129	35
Oracle (OFSS) Processing Services Limited	29	-	(74)	(9)
Equity Contribution for stock options/OSU				
Oracle Financial Services Software Limited (Refer note 10)	5,487	5,658	-	-

Note (i): Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year end are unsecured and interest free and settlement occurs in cash.

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of the financial statements for the year ended March 31, 2024

Note 34: Financial ratios

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance	Reason
(a) Current ratio (in times)	Total current assets	Total current liabilities	10.63	2.84	274%	Note 1
(b) Return on equity ratio (in %)	Profit for the year	Average total equity	44%	3%	1322%	Note 2
(c) Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.84	8.99	-24%	Note 3
(d) Trade payables turnover ratio (in times)	Purchases of services and other expenses	Average trade payables	19.61	16.68	18%	Note 4
(e) Net capital turnover ratio (in times)	Revenue from operations	Total current assets less total current liabilities	1.16	2.06	-44%	Note 5
(f) Net profit ratio (in %)	Profit for the year	Revenue from operations	36%	3%	1216%	Note 6
(g) Return on capital employed (in %)	Profit before tax and finance cost	Networth + lease liabilities	46%	12%	283%	Note 7
(h) Debt equity ratio (in times)	Total debts (lease liabilities)	Total equity	-	0.19	-100%	Note 8
(i) Debt service coverage ratio (in times)	Profit for the year + non-cash operating expenses + finance cost + Other non-cash adjustments	Lease payments (repayment of lease liability + repayment of borrowings+ finance cost)	3.72	1.22	205%	Note 9

Note 1

Current ratio increased due to increase in cash and bank balances and decrease in lease liabilities .

Note 2

Return on equity increased due to increase in profit after tax during the year.

Note 3

Trade receivables turnover ratio has decreased due to increase in average trade receivables.

Note 4

Trade payables turnover ratio has increased due to decrease in Average trade payable.

Note 5

Net capital turnover ratio has decreased mainly due to increase in average working capital on account increase in cash and bank balances.

Note 6

Net profit ratio increased due to increase in profit after tax on account of increase in revenue.

Note 7

Return on capital employed ratio increased due to increase in profit.

Note 8

Debt equity ratio decreased due decrease in lease liability on account of lease payments.

Note 9

Debt service coverage ratio increased due to increase in profits and decrease in lease payments.

Note 35: 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.
- e) The Company has not entered into any transaction and no amount is outstanding from or to companies struck off under section 248 of the Companies Act, 2013.

Note 36: Corporate Social responsibility

- 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.
- 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.

Oracle (OFSS) BPO Services Limited

Notes annexed to and forming part of financial statements for the year ended March 31, 2024

	(Amounts in ₹ thousand)	
	Year ended	
	March 31,2024	March 31,2023
Note 37: Earnings in foreign currency (on accrual basis)		
Service revenue	183,249	114,545
	183,249	114,545
Note 38: Auditors remuneration (including GST)		
As auditor		
Audit fees	1,286	1,237
Tax audit	153	153
Out-of-pocket expenses	-	118
	1,440	1,508

*Payment to auditors is included under 'Professional fees' in the statement of profit and loss.

Note 39: Disaggregate revenue information

The Company has single reporting segment and all the contracts are in the nature of time and material. The table below presents disaggregated revenues from contracts with end customers for the period ended March 31, 2024 and March 31, 2023 by geography.

	(Amounts in ₹ thousand)	
	Year ended	
	March 31,2024	March 31,2023
Revenue by Geography		
India	261,953	195,566
United States of America	154,458	114,545
Europe	17,027	-
Middle East	11,764	-
	445,202	310,111

During the year ended March 31, 2024 and March 31, 2023, 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, 2024 and March 31, 2023, 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

Note 40: Segment information

Business segments

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 operates under a single reportable segment which is providing business process outsourcing services. Accordingly, the amounts appearing in these financial statements relate to this primary business segment.

Geographical segments

Geographical segment disclosures based on location of the Company's customers are summarised below:

Geographical segments

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

Segment Revenue based on location	Year ended			
	March 31, 2024		March 31, 2023	
	Amounts in ₹ thousand	%	Amounts in ₹ thousand	%
India	261,953	58%	195,566	63%
United States of America	154,458	35%	114,545	37%
Europe	17,027	4%	-	-
Middle East	11,764	3%	-	-
Total	445,202	100%	310,111	100%

Revenue of INR 445,202 thousand (March 31, 2023 INR 310,111 thousand) is derived from a single customer (all the group companies are considered as a single customer).

Oracle (OFSS) BPO Services Limited
Notes annexed to and forming part of financial statements for the year ended March 31, 2024

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

Regions	As at		As at	
	March 31, 2024		March 31, 2023	
	Amounts in ₹ thousand	%	Amounts in ₹ thousand	%
India	29,745	100%	90,448	100%
Total	29,745	100%	90,448	100%

Non-current assets for this purpose consist of property, plant and equipment, right-of-use asset and income tax asset (net).

As per our Report of even date

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) BPO Services Limited

per Ritesh Gada
Partner
Membership No. 121898

Priyanshu Bhatt
Director
DIN 08445621

Manish Bhandari
Director
DIN 03583180

Bijal Makwana
Company Secretary
ACS 60438

Mumbai, India
April 24, 2024

Mumbai, India
April 24, 2024

Oracle (OFSS) BPO Services Limited
Statement of cash flow for the year ended March 31, 2024

	(Amounts in ₹ thousand)	
	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities:		
Profit before tax	201,284	31,974
Adjustments to reconcile Profit before tax to cashflows from operating activities :		
Depreciation and amortization	47,075	64,508
Loss on sale of property, plant and equipment, net	2,068	36
Employee stock compensation expense	5,487	5,658
Finance Income	(13,862)	(8,972)
Effect of exchange rate changes in assets and liabilities	8	(522)
Interest on lease liability	1,963	7,800
Impairment (Gain) loss recognised on other financial assets	(1,724)	491
Operating Profit before Working Capital changes	242,299	100,973
Movements in working capital		
(Increase) in trade receivables	(57,979)	(2,902)
(Increase) decrease in other current financial assets	(9,720)	1,796
Decrease in other current assets	103	11,731
Increase (decrease) in non current provisions	653	(1,967)
Increase (decrease) in trade payables	32	(573)
Increase (decrease) in other current financial liabilities	2,816	(1,315)
Increase (decrease) in other current liabilities	10,476	(3,570)
(Decrease) increase in short term provisions	(1,974)	955
Cash flow from operating activities	186,706	105,128
Payment of domestic and foreign taxes, net of refunds	(22,913)	(3,175)
Net cash provided by operating activities	163,793	101,953
Cash flows from investing activities:		
Purchase of property, plant and equipment	(813)	(1,277)
Refund of deposits for premises and others	35,511	-
Bank fixed deposits having maturity of more than three months matured	360,000	203,000
Bank fixed deposits having maturity of more than three months booked	(528,000)	(226,000)
Interest received	10,140	4,632
Net cash (used in) investing activities	(123,162)	(19,645)
Cash flows from financing activities:		
Payment of Lease Liability	(53,340)	(58,563)
Interest paid on lease liability	(1,963)	(7,800)
Net cash (used in) financing activities	(55,303)	(66,363)
Net (Decrease) increase in cash and cash equivalents	(14,672)	15,945
Cash and cash equivalents at the beginning of the year	31,672	15,727
Cash and cash equivalents at end of the year	17,000	31,672

Oracle (OFSS) BPO Services Limited
Statement of cash flow for the year ended March 31, 2024

(Amounts in ₹ thousand)

	Year ended March 31,2024	Year ended March 31,2023
Component of cash and cash equivalents		
Balances with banks:		
Current accounts	17,000	18,619
Deposit accounts with original maturity of less than three months	-	13,053
Total cash and cash equivalents at the end of the year [Refer note 7(a)]	17,000	31,672

As per our Report of even date

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) BPO Services Limited

per Ritesh Gada
Partner
Membership No. 121898

Priyanshu Bhatt
Director
DIN 08445621

Manish Bhandari
Director
DIN 03583180

Bijal Makwana
Company Secretary
ACS 60438

Mumbai, India
April 24, 2024

Mumbai, India
April 24, 2024