

Oracle Financial Services Software Limited

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Audited consolidated financial results for the three month period and year ended March 31, 2024

PART I

(₹ in million, except per share data)

Particulars	Three month period ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
	Audited	Unaudited	Audited	Audited	Audited
1 INCOME					
(a) Revenue from operations	16,424.36	18,236.22	14,705.24	63,729.61	56,983.09
(b) Other income, net	825.31	939.43	612.67	3,421.92	1,918.43
Total income	17,249.67	19,175.65	15,317.91	67,151.53	58,901.52
2 EXPENSES					
(a) Employee benefit expenses	7,575.44	7,603.69	7,064.34	29,828.25	27,741.72
(b) Travel related expenses	324.23	305.56	268.92	1,228.14	923.58
(c) Professional fees	591.79	1,088.24	482.27	2,624.88	2,089.39
(d) Finance cost	138.62	93.67	76.71	281.09	126.55
(e) Other operating expenses	589.57	552.98	381.08	2,223.24	1,514.62
(f) Depreciation and amortization	177.58	190.05	186.93	742.58	806.62
Total Expenses	9,397.23	9,834.19	8,460.25	36,928.18	33,202.48
3 Profit before tax	7,852.44	9,341.46	6,857.66	30,223.35	25,699.04
4 Tax expenses					
(a) Current tax	2,192.95	2,097.44	2,091.22	8,143.33	7,386.77
(b) Deferred tax	58.27	(164.10)	(26.58)	(113.60)	250.86
Total tax expenses	2,251.22	1,933.34	2,064.64	8,029.73	7,637.63
5 Net profit for the period	5,601.22	7,408.12	4,793.02	22,193.62	18,061.41
6 Other Comprehensive Income					
(a) Items that will not be reclassified subsequently to profit or loss					
(i) Remeasurement gains of defined benefit plan	5.29	34.10	0.31	84.12	23.06
(ii) Income tax effect	(1.39)	(8.58)	(0.16)	(21.23)	(5.85)
(b) Items that will be reclassified subsequently to profit and loss					
(i) Exchange differences on translation of financial statements of foreign operations	(92.18)	141.99	(23.49)	44.85	1,086.99
Total other comprehensive (loss) income for the period, net of tax	(88.28)	167.51	(23.34)	107.74	1,104.20
7 Total comprehensive income for the period	5,512.94	7,575.63	4,769.68	22,301.36	19,165.61
8 Net profit attributable to:					
Equity holders of the Company	5,601.22	7,408.12	4,793.02	22,193.62	18,061.41
Non-controlling interests	-	-	-	-	-
9 Total comprehensive income attributable to:					
Equity holders of the Company	5,512.94	7,575.63	4,769.68	22,301.36	19,165.61
Non-controlling interests	-	-	-	-	-
10 Paid up equity share capital (face value ₹ 5 each, fully paid)	433.36	433.18	431.99	433.36	431.99
11 Reserve excluding Revaluation Reserves as per balance sheet				78,155.05	74,157.08
12 Earnings per equity share (face value ₹ 5 each, fully paid)					
(a) Basic (in ₹)	64.64	85.53	55.48	256.39	209.14
(b) Diluted (in ₹)	64.24	85.13	55.24	254.76	208.25
See accompanying notes to the financial results					

Notes to financial results :

- 1 The above audited consolidated financial results for the three month period and year ended March 31, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on April 24, 2024. There are no qualifications in the report issued by the Statutory Auditors.
- 2 These financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India.
- 3 The figures for the three month period ended March 31, 2024 and March 31, 2023 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2024 and March 31, 2023 respectively and unaudited published year-to-date figures up to December 31, 2023 and December 31, 2022 respectively, being the end of the third quarter of the respective financial years, which were subjected to limited review.
- 4 During the three month period and year ended March 31, 2024, the Company allotted 36,173 and 274,477 equity shares, respectively, of face value of ₹ 5 each on exercise of stock options by eligible employees under the prevailing Employee Stock Option Plan (ESOP) schemes of the Company.
- 5 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 OFSS group will assess and record the impact, if any, when the rules are notified and the code becomes effective.
- 6 **Particulars of Other income, net**

(₹ in million)

Particulars	Three month period ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
	Audited	Unaudited	Audited	Audited	Audited
Finance income	747.07	1,017.95	617.36	3,316.71	1,672.84
Exchange (loss) gain, net	(100.48)	(89.34)	(31.36)	(103.98)	180.10
Miscellaneous income, net	178.72	10.82	26.67	209.19	65.49
Total	825.31	939.43	612.67	3,421.92	1,918.43

7 **Statement of assets and liabilities**

(₹ in million)

Particulars	As at	
	March 31, 2024	March 31, 2023
	Audited	Audited
A ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment	1,484.06	1,658.85
(b) Capital work-in-progress	27.58	5.69
(c) Right-of-use assets	377.98	620.64
(d) Investment property	102.00	102.00
(e) Goodwill	6,086.63	6,086.63
(f) Financial assets	639.35	633.98
(g) Deferred tax assets (net)	1,863.13	1,567.74
(h) Income tax assets (net)	10,904.75	9,071.65
(i) Other non-current assets	1,358.10	1,319.43
	22,843.58	21,066.61
2 Current assets		
(a) Financial assets		
(i) Trade receivables	13,193.07	10,833.73
(ii) Cash and cash equivalents	34,832.58	20,400.79
(iii) Other bank balances	20,549.30	34,296.57
(iv) Other financial assets	4,322.88	3,078.82
(b) Income tax assets (net)	279.65	538.86
(c) Other current assets	3,336.35	2,540.02
	76,513.83	71,688.79
TOTAL - ASSETS	99,357.41	92,755.40

Statement of assets and liabilities (continued)

(₹ in million)

Particulars	As at	
	March 31, 2024	March 31, 2023
	Audited	Audited
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	433.36	431.99
(b) Other equity	78,155.05	74,157.08
	78,588.41	74,589.07
2 Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	184.86	386.62
(ii) Other financial liabilities	20.85	18.48
(b) Other non-current liabilities	189.03	81.68
(c) Provisions	1,853.49	1,626.18
(d) Deferred tax liability (net)	2,384.50	2,163.10
(e) Income tax liabilities (net)	3,338.50	2,948.95
	7,971.23	7,225.01
3 Current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	244.75	307.40
(ii) Trade payables		
Payable to micro and small enterprises	5.27	26.72
Payable to other than micro and small enterprises	1,015.04	354.42
(iii) Other financial liabilities	2,478.50	2,234.10
(b) Other current liabilities	6,397.02	6,244.85
(c) Provisions	1,758.46	1,655.17
(d) Income tax liabilities (net)	898.73	118.66
	12,797.77	10,941.32
TOTAL - EQUITY AND LIABILITIES	99,357.41	92,755.40

8 Consolidated statement of cash flow

(₹ in million)

Particulars	Year ended	
	March 31, 2024	March 31, 2023
	Audited	Audited
Cash flows from operating activities		
Profit before tax	30,223.35	25,699.04
Adjustments to reconcile profit before tax to cash (used in) provided by operating activities :		
Depreciation and amortization	742.58	806.62
Loss on sale of fixed assets, net	2.29	2.26
Impairment loss recognized on contract assets	616.27	163.85
Impairment loss recognized on other financial assets	5.58	8.00
Bad debts	84.98	79.87
Finance income	(3,316.71)	(1,672.84)
Employee stock compensation expense	950.26	752.51
(Gain) on lease modification	(0.27)	(2.51)
Effect of exchange rate changes in cash and cash equivalents	(130.11)	(1,300.32)
Effect of exchange rate changes in assets and liabilities	42.68	898.34
Finance cost	281.09	126.55
Operating Profit before Working Capital changes	29,501.99	25,561.37

Consolidated statement of cash flow (continued)

(₹ in million)

Particulars	Year ended	
	March 31, 2024	March 31, 2023
	Audited	Audited
Movements in working capital		
(Increase) decrease in other non-current assets	(38.30)	9.05
(Increase) in trade receivables	(3,030.75)	(1,341.37)
(Increase) in other current financial assets	(1,207.45)	(590.71)
(Increase) decrease in other current assets	(795.12)	133.73
Increase (decrease) in non-current financial liabilities	2.23	(31.84)
Increase (decrease) in other non-current liabilities	106.43	(88.86)
Increase in non-current provisions	311.42	132.07
Increase (decrease) in trade payables	624.64	(11.10)
Increase (decrease) in other current financial liabilities	229.96	(47.19)
Increase in other current liabilities	144.30	754.57
Increase in current provisions	114.20	30.91
Cash from operating activities	25,963.55	24,510.63
Payment of domestic and foreign taxes, net of refunds	(8,056.86)	(6,926.48)
Net cash provided by operating activities	17,906.69	17,584.15
Cash flows from investing activities		
Purchase of property, plant and equipment	(301.06)	(381.26)
Proceeds from sale of property, plant and equipment	0.41	1.52
Refund of deposits for premises and others	35.55	1.51
Bank fixed deposits having maturity of more than three months matured	35,219.59	34,731.17
Bank fixed deposits having maturity of more than three months booked	(21,466.40)	(34,538.74)
Interest received	2,491.41	1,557.19
Net cash provided by investing activities	15,979.50	1,371.39
Cash flows from financing activities		
Proceeds from issue of shares under employee stock option plan	207.39	79.36
Equity dividend paid	(19,459.76)	(16,415.93)
Repayment of lease liabilities	(299.20)	(272.95)
Interest paid on lease liabilities	(32.94)	(45.28)
Net cash (used in) financing activities	(19,584.51)	(16,654.80)
Net increase in cash and cash equivalents	14,301.68	2,300.74
Cash and cash equivalents at beginning of the year	20,400.79	16,799.73
Effect of exchange rate changes in cash and cash equivalents	130.11	1,300.32
Cash and cash equivalents at end of the year	34,832.58	20,400.79
Component of cash and cash equivalents		
Balances with banks:		
In current accounts*	10,935.84	20,134.65
In deposit accounts with original maturity of less than 3 months	12,190.23	228.09
Money market funds	11,668.55	-
In unclaimed dividend account**	37.96	38.05
Total cash and cash equivalents	34,832.58	20,400.79

* Current account includes ₹ 0.71 million (March 31, 2023 - ₹ 4.00 million) on account of restricted cash and bank balances held by i-flex Employee Stock Option Trust controlled by the Company.

**These balances will be utilized only towards the respective unclaimed dividend.

9 **Reporting segment wise revenue, results, assets and liabilities**

Segment revenue and expense:

Revenue is generated through licensing of software products, maintenance fees as well as by providing software solutions to the customers including consulting services. The income and expenses which are not directly attributable to a business segment are shown as unallocable income and expenses.

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of trade receivables (net of allowances), unbilled receivable (net of allowances), unbilled revenue, deposits for premises, property, plant and equipment, right-of-use asset and other assets. Segment liabilities primarily includes trade payables, deferred revenues, advance from customers, employee benefit obligations, lease liabilities and other liabilities. While most of such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by both the segments is allocated to each of the segment on a reasonable basis. Assets and liabilities that cannot be allocated between the segments are shown as part of unallocable assets and liabilities.

(₹ in million)

Particulars	Three month period ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
	Audited	Unaudited	Audited	Audited	Audited
(a) Segment revenue					
Product licenses and related activities	14,909.34	16,795.53	13,365.36	57,862.01	51,309.00
IT solutions and consulting services	1,515.02	1,440.69	1,339.88	5,867.60	5,674.09
	16,424.36	18,236.22	14,705.24	63,729.61	56,983.09
(b) Segment results					
Product licenses and related activities	7,175.89	8,666.65	6,343.58	27,473.97	24,470.95
IT solutions and consulting services	442.10	371.99	299.82	1,612.35	1,304.01
	7,617.99	9,038.64	6,643.40	29,086.32	25,774.96
Finance income	747.07	1,017.95	617.36	3,316.71	1,672.84
Other un-allocable (expenses), net	(512.62)	(715.13)	(403.10)	(2,179.68)	(1,748.76)
Profit before tax	7,852.44	9,341.46	6,857.66	30,223.35	25,699.04
(c) Segment assets					
Product licenses and related activities	27,421.90	30,116.95	24,027.81	27,421.90	24,027.81
IT solutions and consulting services	1,606.58	1,198.86	1,021.72	1,606.58	1,021.72
Unallocable	70,328.93	60,832.40	67,705.87	70,328.93	67,705.87
	99,357.41	92,148.21	92,755.40	99,357.41	92,755.40
(d) Segment liabilities					
Product licenses and related activities	11,264.04	10,879.86	10,884.67	11,264.04	10,884.67
IT solutions and consulting services	1,182.50	1,354.13	1,162.29	1,182.50	1,162.29
Unallocable	8,322.46	7,158.68	6,119.37	8,322.46	6,119.37
	20,769.00	19,392.67	18,166.33	20,769.00	18,166.33

10 The Board of Directors of the Company at its meeting held on April 24, 2024, declared an interim dividend of ₹ 240 per equity share of ₹ 5 each for the financial year 2023-24.

11 **Audited standalone results for the three month period and year ended March 31, 2024**

(₹ in million, except per share data)

Particulars	Three month period ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
	Audited	Unaudited	Audited	Audited	Audited
Revenue from operations	12,125.52	13,748.38	11,123.01	47,844.96	42,555.81
Net profit for the period	4,792.41	7,000.65	5,430.56	20,279.19	17,725.08
Earnings per equity share (face value ₹ 5 each, fully paid)					
Basic (in ₹)	55.31	80.83	62.86	234.27	205.25
Diluted (in ₹)	54.97	80.45	62.58	232.78	204.37

12 The above financial results are also available on the Company's website: <https://investor.ofss.oracle.com>.

For and on behalf of the Board of Directors
Oracle Financial Services Software Limited

Mumbai, India
 April 24, 2024

Makarand Padalkar
 Managing Director & Chief Executive Officer
 DIN: 02115514