

Oracle Financial Services Software Limited

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Audited standalone 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	12,125.52	13,748.38	11,123.01	47,844.96	42,555.81
	(b) Other income, net	473.16	803.89	1,399.41	2,396.16	2,526.37
	Total income	12,598.68	14,552.27	12,522.42	50,241.12	45,082.18
2	EXPENSES					
	(a) Employee benefit expenses	4,916.84	4,806.24	4,537.41	19,178.83	17,719.22
	(b) Travel related expenses	194.74	183.94	121.50	680.07	396.07
	(c) Professional fees	357.89	398.82	397.97	1,529.69	1,590.12
	(d) Finance cost	2.99	6.25	7.21	21.11	32.12
	(e) Other operating expenses	475.73	500.86	340.17	1,872.22	1,328.82
	(f) Depreciation and amortisation	148.24	150.70	144.54	597.62	583.85
	Total expenses	6,096.43	6,046.81	5,548.80	23,879.54	21,650.20
3	Profit before tax	6,502.25	8,505.46	6,973.62	26,361.58	23,431.98
4	Tax expense					
	(a) Current tax	1,781.74	1,585.31	1,585.04	6,348.89	5,809.39
	(b) Deferred tax	(71.90)	(80.50)	(41.98)	(266.50)	(102.49)
	Total tax expense	1,709.84	1,504.81	1,543.06	6,082.39	5,706.90
5	Net profit for the period	4,792.41	7,000.65	5,430.56	20,279.19	17,725.08
6	Other comprehensive income (loss)					
	(a) Items that will not be reclassified subsequently to profit or loss					
	(i) Remeasurement gains / (losses) of defined benefit plan	4.72	34.10	(2.09)	83.55	20.66
	(ii) Income tax effect	(1.19)	(8.58)	0.49	(21.03)	(5.20)
	(b) Items that will be reclassified subsequently to profit or loss					
	(i) Exchange differences on translation of financial statements of foreign branch	4.55	0.99	0.56	6.11	24.32
	Total other comprehensive income (loss) for the period, net of tax	8.08	26.51	(1.04)	68.63	39.78
7	Total Comprehensive Income for the period	4,800.49	7,027.16	5,429.52	20,347.82	17,764.86
8	Paid up equity share capital (face value ₹ 5 each, fully paid)	433.36	433.18	431.99	433.36	431.99
9	Reserve excluding Revaluation Reserves as per balance sheet				61,411.45	59,622.19
10	Earnings per equity share (face value ₹ 5 each, fully paid)					
	(a) Basic (in ₹)	55.31	80.83	62.86	234.27	205.25
	(b) Diluted (in ₹)	54.97	80.45	62.58	232.78	204.37

See accompanying notes to the financial results

Notes to financial results :

- 1 The above audited standalone 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, of face value of ₹ 5 each on exercise of stock options by the 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 Company 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	504.57	780.56	441.35	2,407.86	1,335.58
Exchange (loss) gain, net	(83.87)	16.00	16.30	(85.37)	221.25
Miscellaneous income, net	52.46	7.33	9.62	73.67	37.40
Dividend from subsidiary companies	-	-	932.14	-	932.14
Total	473.16	803.89	1,399.41	2,396.16	2,526.37

Particulars	As at	
	March 31, 2024	March 31, 2023
	Audited	Audited
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	1,460.39	1,623.83
(b) Capital work-in-progress	24.97	0.23
(c) Right-of-use asset	200.61	359.63
(d) Investment property	102.00	102.00
(e) Financial assets		
(i) Investments in subsidiaries	7,912.24	7,905.65
(ii) Other financial assets	637.73	633.97
(f) Deferred tax assets (net)	1,286.71	1,041.24
(g) Income tax assets (net)	8,360.49	8,771.03
(h) Other non-current assets	1,281.59	1,252.59
	21,266.73	21,690.17
2 Current assets		
(a) Financial assets		
(i) Trade receivables	8,198.41	6,309.19
(ii) Cash and cash equivalents	13,664.80	1,408.34
(iii) Other bank balances	19,211.18	33,132.27
(iv) Other financial assets	4,508.72	2,212.46
(b) Other current assets	2,017.53	1,632.40
	47,600.64	44,694.66
TOTAL - ASSETS	68,867.37	66,384.83
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	433.36	431.99
(b) Other equity	61,411.45	59,622.19
	61,844.81	60,054.18
2 Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	62.28	231.19
(b) Other non-current liabilities	50.18	70.88
(c) Provisions	1,828.48	1,601.39
	1,940.94	1,903.46
3 Current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	169.95	160.77
(ii) Trade payables		
- Payable to micro and small enterprises	5.27	26.65
- Payable to other than micro and small enterprises	199.35	208.50
(iii) Other financial liabilities	1,518.30	1,234.89
(b) Other current liabilities	1,742.27	1,478.11
(c) Provisions	1,446.48	1,284.33
(d) Income tax liabilities (net)	-	33.94
	5,081.62	4,427.19
TOTAL - EQUITY AND LIABILITIES	68,867.37	66,384.83

(₹ in million)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
	Audited	Audited
Cash flows from operating activities		
Profit before tax	26,361.58	23,431.98
Adjustments to reconcile profit before tax to cash provided by operating activities :		
Depreciation and amortization	597.62	583.85
Loss (profit) on sale of property, plant and equipment	0.17	(0.22)
Employee stock compensation expense	688.50	584.81
Finance income	(2,407.86)	(1,335.58)
Effect of exchange rate changes in cash and cash equivalents	(4.56)	(58.38)
Effect of exchange rate changes in assets and liabilities	(0.84)	378.39
Finance cost	21.11	32.12
Impairment loss recognized on contract assets	455.82	139.94
Impairment loss recognized on other financial assets	7.40	7.54
Bad debts	64.28	74.97
Dividend from subsidiary companies	-	(932.14)
Operating Profit before Working Capital changes	25,783.22	22,907.28
Movements in working capital		
Decrease in other non-current financial assets	-	8.49
(Increase) in other non-current assets	(28.27)	-
(Increase) in trade receivables	(2,412.34)	(1,195.91)
(Increase) in other current financial assets	(2,257.72)	(744.71)
(Increase) decrease in other current assets	(385.52)	170.03
Increase in non-current provisions	314.70	158.27
(Decrease) increase in trade payables	(32.62)	76.73
Increase in other current financial liabilities	288.61	99.35
Increase (decrease) in other current liabilities	264.22	(99.22)
(Decrease) in other non-current liabilities	(20.70)	(78.02)
Increase in current provisions	162.41	81.64
Cash from operating activities	21,675.99	21,383.93
Payment of domestic and foreign taxes, net of refunds	(5,239.65)	(6,326.50)
Net cash provided by operating activities	16,436.34	15,057.43
Cash flows from investing activities		
Purchase of property, plant and equipment	(287.94)	(355.44)
Proceeds from sale of property, plant and equipment	0.04	0.89
(Placement) refund of deposits for premises and others	(0.03)	1.18
Bank fixed deposits having maturity of more than three months matured	33,515.00	32,400.00
Bank fixed deposits having maturity of more than three months booked	(19,600.00)	(32,595.00)
Interest received	1,622.66	1,226.52
Dividend received from subsidiary companies	-	932.14
Net cash provided by investing activities	15,249.73	1,610.29

Statement of cash flows (continued)

(₹ in million)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
	Audited	Audited
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)
Interest paid on lease liabilities	(21.11)	(32.12)
Repayment of lease liabilities	(160.69)	(138.34)
Net cash (used in) financing activities	(19,434.17)	(16,507.03)
Net increase in cash and cash equivalents	12,251.90	160.69
Cash and cash equivalents at beginning of the year	1,408.34	1,189.27
Effect of exchange rate changes in cash and cash equivalents	4.56	58.38
Cash and cash equivalents at end of the year	13,664.80	1,408.34
Component of cash and cash equivalents		
Balances with banks:		
In current accounts	1,486.62	1,160.26
In deposit accounts with original maturity of less than three months	12,140.22	210.03
In unclaimed dividend account*	37.96	38.05
Total cash and cash equivalents at the end of the year	13,664.80	1,408.34

* 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 include 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 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.

Reporting segment wise revenue, results, assets and liabilities (continued)

(₹ 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	11,108.49	12,769.69	10,253.11	43,974.31	38,840.10
IT solutions and consulting services	1,017.03	978.69	869.90	3,870.65	3,715.71
	12,125.52	13,748.38	11,123.01	47,844.96	42,555.81
(b) Segment results					
Product licenses and related activities	5,913.98	7,707.88	5,505.77	23,907.50	20,821.46
IT solutions and consulting services	475.24	437.38	327.39	1,731.47	1,627.65
	6,389.22	8,145.26	5,833.16	25,638.97	22,449.11
Finance income	504.57	780.56	441.35	2,407.86	1,335.58
Other un-allocable (expenses) income, net	(391.54)	(420.36)	699.11	(1,685.25)	(352.71)
Profit before tax	6,502.25	8,505.46	6,973.62	26,361.58	23,431.98
(c) Segment assets					
Product licenses and related activities	15,599.83	17,693.88	11,785.14	15,599.83	11,785.14
IT solutions and consulting services	1,202.49	1,044.44	783.02	1,202.49	783.02
Unallocable	52,065.05	45,018.30	53,816.67	52,065.05	53,816.67
	68,867.37	63,756.62	66,384.83	68,867.37	66,384.83
(d) Segment liabilities					
Product licenses and related activities	6,124.44	6,096.47	5,487.59	6,124.44	5,487.59
IT solutions and consulting services	681.19	669.26	609.78	681.19	609.78
Unallocable	216.93	194.30	233.28	216.93	233.28
	7,022.56	6,960.03	6,330.65	7,022.56	6,330.65

- 10 During the year ended March 31, 2023, the Company had received dividend of ₹ 532.14 million and ₹ 400.00 million from its wholly owned subsidiary companies Oracle Financial Services Software B.V and Oracle (OFSS) Processing Services Limited respectively.
- 11 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.
- 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