

Oracle Financial Services Software, Inc.

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

Oracle Financial Services Software, Inc.

Unaudited Balance sheet as at March 31, 2024

		(Amounts in USD)	
	<u>Notes</u>	<u>March 31, 2024</u>	<u>March 31, 2023</u>
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment	3	75,795	145,315
Capital work-in-progress	3	14,626	45,823
Right-of-use assets	4	-	-
Financial assets			
Loan to fellow subsidiary	5	2,831,193	2,377,903
Deferred tax assets (net)	13	2,784,107	2,352,739
Other non-current assets	8	102,294	89,877
		5,808,015	5,011,657
Current assets			
Financial Assets			
Trade receivables	6	36,183,252	22,651,812
Cash and cash equivalents	7	205,974,991	184,754,391
Other financial assets	5	13,585,856	9,173,099
Income tax assets (net)		3,196,208	6,401,294
Other current assets	8	10,750,000	8,702,759
		269,690,307	231,683,355
TOTAL		275,498,322	236,695,012
<u>EQUITY AND LIABILITIES</u>			
Equity			
Equity Share capital	9	1	1
Other Equity	10	196,358,675	171,773,345
Total equity		196,358,676	171,773,346
Non-current liabilities			
Other non-current liabilities	12	1,576,471	131,489
Income tax liabilities		30,576,344	25,951,904
		32,152,815	26,083,393
Current liabilities			
Financial liabilities			
Trade payables	11	13,874,059	8,467,938
Other current financial liabilities	11	17,234,464	15,903,847
Other current liabilities	12	15,354,653	13,890,084
Provisions for compensated absence		523,655	576,404
		46,986,831	38,838,273
TOTAL		275,498,322	236,695,012
Summary of material accounting policies	2		

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

For and on behalf of the Board of Directors of
Oracle Financial Services Software, Inc.

Bala Hari
Director

New Jersey
June 21, 2024

Oracle Financial Services Software, Inc.

Unaudited Statement of profit and loss for the year ended March 31, 2024

		(Amounts in USD, except share data)	
	<u>Notes</u>	<u>Year ended March 31,</u>	
		<u>2024</u>	<u>2023</u>
Revenue from operations	14	197,967,971	184,753,787
Finance income	15	9,761,881	3,180,309
Other income / (expense), net	16	79,388	(317,265)
Total income		207,809,240	187,616,831
<u>EXPENSES</u>			
Cost of services		87,249,308	82,834,187
Employee benefit expenses	17	64,395,548	62,084,989
Travel related expenses		2,169,556	1,751,971
Professional fees		16,024,313	6,450,063
Finance cost	18	1,486,831	1,227,923
Other operating expenses	19	1,806,314	414,257
Depreciation and amortization	3 & 4	96,922	261,828
Total expenses		173,228,792	155,025,218
Profit before exceptional item and tax		34,580,448	32,591,613
Exceptional item	20	-	(3,550,000)
Profit before tax		34,580,448	29,041,613
Tax expenses	13		
Current tax		11,591,483	11,536,527
Deferred tax		(431,368)	(691,921)
Total tax expenses		11,160,115	10,844,606
Profit for the year		23,420,333	18,197,007
Total other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		23,420,333	18,197,007
Earnings per equity share of par value of USD 0.01 each (March 31, 2023 USD 0.01 each) (in USD)	21		
Basic		234,203	181,970
Diluted		234,203	181,970
Summary of material accounting policies	2		

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

For and on behalf of the Board of Directors of
Oracle Financial Services Software, Inc.

Bala Hari
Director

New Jersey
June 21, 2024

Oracle Financial Services Software, Inc.

Unaudited Statement of changes in equity for the year ended March 31, 2024

Year ended March 31, 2024 (Amounts in USD, except share data)

Particulars	Equity share capital		Other equity				Total equity attributable to equity holders of the Company
	No of shares	Share capital	Securities premium	Contribution from Ultimate Holding Company	Contribution from Parent	Retained earnings	
Balance as of April 1, 2023	100	1	14,279,473	2,690,273	1,100,786	153,702,813	171,773,346
<i>Changes in equity for the year ended March 31, 2024</i>							
Stock compensation charge	-	-	-	1,153,635	11,362	-	1,164,997
Profit for the year	-	-	-	-	-	23,420,333	23,420,333
Balance as of March 31, 2024	100	1	14,279,473	3,843,908	1,112,148	177,123,146	196,358,676

Year ended March 31, 2023 (Amounts in USD, except share data)

Particulars	Equity share capital		Other equity				Total equity attributable to equity holders of the Company
	No of shares	Share capital	Securities premium	Contribution from Ultimate Holding Company	Contribution from Parent	Retained earnings	
Balance as of April 1, 2022	100	1	14,279,473	1,976,007	1,099,030	135,505,806	152,860,317
<i>Changes in equity for the year ended March 31, 2023</i>							
Stock compensation charge	-	-	-	714,266	1,756	-	716,022
Profit for the year	-	-	-	-	-	18,197,007	18,197,007
Balance as of March 31, 2023	100	1	14,279,473	2,690,273	1,100,786	153,702,813	171,773,346

Summary of material accounting policies [Refer note 2]

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

For and on behalf of the Board of Directors of
Oracle Financial Services Software, Inc.

Bala Hari
Director

New Jersey
June 21, 2024

Oracle Financial Services Software, Inc.

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

Note 1: Corporate information

Oracle Financial Services Software, Inc. (“the Company”) was incorporated as a corporation registered in Delaware, United States of America on December 4, 2001. The Company is a subsidiary of Oracle Financial Services Software America, Inc. (“OAI”) holding 100% (March 31, 2023 – 100%) ownership interest in the Company as at March 31, 2024.

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

Note 2: Summary of material accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. These financial statements have been prepared on the request of Oracle Financial Services Software Limited, the Holding Company to comply with the financial reporting requirements in India.

As the Company is not domiciled in India and hence not registered under the Act, these financial statements have not been prepared to fully comply with the Act, and so they do not reflect all disclosure requirements of the Act.

These financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and share-based payments.

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, capital work-in-progress and depreciation

Property, plant and equipment and capital work-in-progress

All items of property, plant and equipment and capital work in progress, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. 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. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. All additions during the reported year are considered at cost.

The Company purchases certain specific-use application software, which is in ready to use condition, for internal use. It is estimated that such software has a relatively short useful life, usually less than one year. The Company, therefore, charges to the statement of profit and loss the cost of acquiring such software.

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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>
Computer equipments	3

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.

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 equipment's forming part of computer equipment's are estimated as 3 years. These lives are lower than those indicated in schedule II to the Act.

(b) Impairment of non-financial assets

The carrying amounts of 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 asset's 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 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, quoted share prices for publicly traded companies 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.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

Oracle Financial Services Software, Inc.

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

(c) Foreign currencies

The functional currency of the Company is US Dollar.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency using spot rates on the date the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange 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 products or services to customers in an amount that reflects the consideration that the Company expects to receive in exchange for those products or services.

In arrangements for software development and related services along with maintenance services, the Company has applied the guidance as per Ind AS 115, 'Revenue from Contracts with Customers', by applying revenue recognition criteria for each distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. For software licenses, the Company is using a residual approach for estimating the standalone selling price of software license as the pricing is highly variable. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

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.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

Performance obligation

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the Implementation is performed.

Product maintenance revenue is recognized rateably over the period of the contract.

Revenue from fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot

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

be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered.

Revenue from contracts on time and material basis is recognized as services are performed.

Contract balances

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. Unbilled revenues are classified as non-financial asset if the contractual right to consideration is dependent on completion of contractual milestones.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the benefit period.

(e) Income tax

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 the countries 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 including provision required for uncertain tax treatment.

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.

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- 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.

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.

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.

Oracle Financial Services Software, Inc.

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(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

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

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.

Oracle Financial Services Software, Inc.

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

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.

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

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 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. 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 and loss. The losses arising from impairment are recognized in the statement of profit and loss.

The Company does not have any debt instruments measured as fair value through OCI.

Derecognition

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 expired 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

Oracle Financial Services Software, Inc.

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

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.

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 across the globe and therefore the Company also considers the socio-economic conditions of the regions where the customers are located.

Impairment of investments

The carrying amounts of investments 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 investment exceeds its recoverable amount.

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, accrued compensation to employees, advance from customers, amounts due to subsidiaries, dividend and dividend tax payable along with unpaid dividends.

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.

Financial liabilities held for trading are measured at fair value through profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

Derecognition

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

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modification is treated as the derecognition 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 and 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.

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.

(i) Share based payments

Selected employees of the Company receive remuneration in the form of share-based payments of its Holding Company, 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 Holding 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 Holding Company' shown in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefit expenses. The expense or credit recognized in the statement of profit and loss under the head employee benefit expense represents the movement in cumulative expense recognized as at beginning or end of the year.

Oracle Corporation, The Ultimate Holding Company of Oracle Financial Services Software Inc has extended its stock option program to selected employees of the Company. 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 cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognized

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in employee benefit expenses over the period in which the performance and/or service conditions are fulfilled with a corresponding impact under statement of changes in equity as Contribution from Ultimate Holding Company. 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.

Oracle Corporation has also extended its Employee Stock Purchase Plan (ESPP) to employees of OFSS. Under the plan, the employees are eligible to purchase the shares of Oracle Corporation at discounted price. The discount amount on the shares purchased during the year by employees is treated as Contribution from Ultimate Holding Company.

(j) 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.

(k) Retirement and other employee benefits

The Company has established a 401(K) Plan (the "Scheme") to which all the eligible employees contribute a portion of their compensation to the Internal Revenue Code of the United States of America. This is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the Scheme. The Company recognizes contribution payable to the Scheme as an expense, when an employee renders the related service.

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.

Oracle Financial Services Software, Inc.

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

Note 3: Property, Plant and Equipment

2024

(a) Year ended March 31, 2024

(Amounts in USD)

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	For the year	Sale/ deletions	As at March 31, 2024	As at March 31, 2024
Computer equipments	496,215	27,965	29,813	494,367	350,900	96,922	29,250	418,572	75,795
Total	496,215	27,965	29,813	494,367	350,900	96,922	29,250	418,572	75,795
	Capital work-in-progress								14,626
									90,421

(b) Year ended March 31, 2023

(Amounts in USD)

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	For the year	Sale/ deletions	As at March 31, 2023	As at March 31, 2023
Computer equipments	417,313	136,579	57,677	496,215	299,353	108,363	56,816	350,900	145,315
Total	417,313	136,579	57,677	496,215	299,353	108,363	56,816	350,900	145,315
	Capital work-in-progress								45,823
									191,138

(c) Capital work-in-progress ('CWIP') ageing schedule

(Amounts in USD)

Particulars	Year ended March 31, 2024					Year ended March 31, 2023				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14,626	-	-	-	14,626	45,823	-	-	-	45,823
Total	14,626	-	-	-	14,626	45,823	-	-	-	45,823

There are no projects as of March 31, 2024 and March 31, 2023, whose completion is overdue or has exceeded its cost compared to its original plan.

Oracle Financial Services Software, Inc.

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

Note 4: Right-of-use asset

2024

Year ended March 31, 2024

(Amounts in USD)

Particulars	Gross carrying value					Depreciation				Net carrying value
	As at April 01, 2023	Additions	Sale/deletions	Translation gain (loss)	As at March 31, 2024	As at April 01, 2023	For the year	Sale/deletions	As at March 31, 2024	As at March 31, 2024
Right-of-use asset	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-

Year ended March 31, 2023

(Amounts in USD)

Particulars	Gross carrying value					Depreciation				Net carrying value
	As at April 01, 2022	Additions	Sale/deletions	Translation gain (loss)	As at March 31, 2023	As at April 01, 2022	For the year	Sale/deletions	As at March 31, 2023	As at March 31, 2023
Right-of-use asset	920,474	-	920,474	-	-	76,706	153,465	230,171	-	-
	920,474	-	920,474	-	-	76,706	153,465	230,171	-	-

Oracle Financial Services Software, Inc.

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

	(Amounts in USD)	
	March 31, 2024	March 31, 2023
Note 5: Financial assets		
Non-current		
Loan to fellow subsidiary	8,331,193	7,877,903
Impairment Allowance	(5,500,000)	(5,500,000)
	2,831,193	2,377,903
Current		
Other financial assets measured at amortized cost		
Unbilled revenue	11,953,250	7,216,711
Amount due from related parties [Refer note 29]	627,023	586,412
Other receivables and advances	1,005,583	1,369,976
	13,585,856	9,173,099
Breakup of financial assets carried at amortized cost		
Trade receivables [Refer note 6]	36,183,252	22,651,812
Cash and bank balances [Refer note 7]	205,974,991	184,754,391
Amount due from related parties	627,023	586,412
Unbilled revenue	11,953,250	7,216,711
Other receivables and advances	1,005,583	1,369,976
	255,744,099	216,579,302
Note 6: Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	36,330,527	22,941,108
Credit impaired	1,722,100	51,356
	38,052,627	22,992,464
Impairment Allowance		
Unsecured, considered good	(147,275)	(289,296)
Credit impaired	(1,722,100)	(51,356)
	(1,869,375)	(340,652)
	36,183,252	22,651,812

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 receivables ageing

	(Amounts in USD)						
	Outstanding for following periods from due date of payment						
As at March 31, 2024	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	26,892,766	7,829,004	125,461	1,483,296	-	-	36,330,527
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	1,722,100	-	-	1,722,100
	26,892,766	7,829,004	125,461	3,205,396	-	-	38,052,627
Less: Impairment allowance							(1,869,375)
							36,183,252
Add: Trade receivable - Unbilled							11,953,250
							48,136,502

Oracle Financial Services Software, Inc.

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

(Amounts in USD)

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							
Considered good	11,414,518	9,387,444	2,006,647	132,499	-	-	22,941,108
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	51,356	51,356
	11,414,518	9,387,444	2,006,647	132,499	-	51,356	22,992,464
Less: Impairment allowance							(340,652)
							22,651,812
Add: Trade receivable - Unbilled							7,216,711
							29,868,523

(Amounts in USD)

March 31, 2024 **March 31, 2023**

Note 7: Cash and bank balances

Cash and cash equivalents

Balances with banks in current accounts	65,934,381	184,754,391
Money market funds	140,040,610	-
	205,974,991	184,754,391

Changes in liabilities arising from financing activity is due to repayment made for lease liabilities [Refer note 25 Leases].

Note 8: Other assets

Non-current

Deferred contract cost	102,294	89,877
	102,294	89,877

Current

Unbilled revenue	10,609,540	8,561,871
Prepaid expenses	62,161	67,523
Deferred contract cost	78,299	73,365
	10,750,000	8,702,759

Oracle Financial Services Software, Inc.

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

(Amounts in USD)
March 31, 2024 March 31, 2023

Note 9: Equity Share capital

Authorized:

3,000 (March 31, 2023 - 3,000) equity shares of USD 0.01 each

30 30

Issued, subscribed and fully paid-up:

100 (March 31, 2023 - 100) equity shares of USD 0.01 each

1 1

(a) The Company has only one class of equity shares having a par value of USD 0.01 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.

(b) Details of shareholders holding more than 5% equity shares in the Company

Name and relationship of shareholder :

Oracle Financial Services Software America, Inc., holding company

Number of equity shares

% of equity shares

March 31, 2024 March 31, 2023

100 100

100% 100%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of equity shares.

(Amounts in USD)
March 31, 2024 March 31, 2023

Note 10: Other Equity

Securities premium

14,279,473 14,279,473

Retained earnings

177,123,146 153,702,813

Contribution from Parent Company (Refer note 26)

1,112,148 1,100,786

Contribution from Ultimate Holding Company

3,843,908 2,690,273

196,358,675 171,773,345

Securities premium

Securities premium represents amount received in excess of face value on issue of shares by the Company. It also includes transfer of stock compensation related to options exercised from employee stock options outstanding (other equity). The securities premium will be utilized in accordance with the provisions of the Act.

Contribution from Ultimate Holding Company

Oracle Corporation, the Ultimate Holding Company of Oracle Financial Services Software Limited has extended its stock option program to selected employees of OFSS Inc. Contribution from Ultimate Holding Company represents the fair value of equity-settled transactions; calculated at the date when the grant is made using an appropriate valuation model and recognized over the period in which the performance and/or service conditions are fulfilled.

Oracle Corporation has also extended its Employee Stock Purchase Plan (ESPP) to employees of OFSS Inc. Under the plan, the employees are eligible to purchase the shares of Oracle Corporation at discounted price. The discount amount on the shares purchased during the year by employees is treated as Contribution from Ultimate Holding Company.

Retained earnings

Retained earnings represents the undistributed earnings, net of amounts transferred to general reserve.

Oracle Financial Services Software, Inc.

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

(Amounts in USD)	
March 31, 2024	March 31, 2023
Note 11: Financial liabilities	
(a) Trade payable measured at amortized cost	
Current	
- Payable to micro and small enterprises*	-
- Payable to other than micro and small enterprises	8,467,938
	13,874,059
	8,467,938

* The identification of Micro and Small Enterprises is based on Management's knowledge of their status.

Current

Other financial liabilities measured at amortized cost

Accrued compensation to employees	2,921,168	3,286,209
Accrued Expenses	11,104,590	9,499,536
Capital creditors	75	2,781
Amount due to related parties [Refer note 29]	2,962,226	2,962,116
Advance from customers	246,405	153,205
	17,234,464	15,903,847

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

Ageing of trade payable

(Amounts in USD)						
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						
- To micro and small enterprises	-	-	-	-	-	-
- To others	4,808,363	9,030,205	15,980	3,483	16,028	13,874,059
	4,808,363	9,030,205	15,980	3,483	16,028	13,874,059
Disputed						
- To micro and small enterprises	-	-	-	-	-	-
- To others	-	-	-	-	-	-
	-	-	-	-	-	-
	4,808,363	9,030,205	15,980	3,483	16,028	13,874,059

(Amounts in USD)						
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						
- To micro and small enterprises	-	-	-	-	-	-
- To others	4,621,654	1,657,716	1,835,342	353,226	-	8,467,938
	4,621,654	1,657,716	1,835,342	353,226	-	8,467,938
Disputed						
- To micro and small enterprises	-	-	-	-	-	-
- To others	-	-	-	-	-	-
	-	-	-	-	-	-
	4,621,654	1,657,716	1,835,342	353,226	-	8,467,938

(Amounts in USD)	
March 31, 2024	March 31, 2023
Note 12: Other liabilities	
Non-current	
Deferred Revenue	131,489
	1,576,471
Current	
Deferred Revenue	13,160,534
Withholding and other taxes	440,937
Other statutory dues	288,613
	15,354,653
	13,890,084

Oracle Financial Services Software, Inc.

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

Note 13: Income taxes

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

	(Amounts in USD)	
	March 31, 2024	March 31, 2023
Current taxes	11,591,483	11,536,527
Deferred taxes	(431,368)	(691,921)
Income tax expense reported in the statement of profit and loss	11,160,115	10,844,606

Deferred tax charge for the year ended March 31, 2024 and March 31, 2023 relates to origination and reversal of temporary differences.

(b) Reconciliation of tax expense and accounting profit for the year end March 31, 2024 and March 31, 2023

	(Amounts in USD)	
	March 31, 2024	March 31, 2023
Accounting profit before income tax	34,580,448	29,041,613
Enacted tax rates in USA	21%	21%
Computed expected tax expenses	7,261,894	6,098,739
Tax effect		
of earlier years (net off reversals)	174,677	(147,182)
on account of uncertain tax positions	-	3,484,609
on account of overseas taxes	143,245	158,534
on account of permanent disallowance	796,620	1,002,476
Others	2,783,679	247,430
Income tax expense reported in statement of profit and loss	11,160,115	10,844,606

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

	(Amounts in USD)		
	March 31, 2022	Recognized in profit or loss	March 31, 2023
Deferred tax asset			
Difference between book and tax depreciation	12,348	3,139	15,487
Provision for compensated absence	162,000	(45,659)	116,341
Impairment loss on financial assets	42,862	508,217	551,079
Net operating loss	555,957	(554,864)	1,093
Other timing differences	887,651	781,088	1,668,739
Net deferred tax asset	1,660,818	691,921	2,352,739

	(Amounts in USD)		
	March 31, 2023	Recognized in profit or loss	March 31, 2024
Deferred tax asset			
Difference between book and tax depreciation	15,487	3,370	18,857
Provision for compensated absence	116,341	6,942	123,283
Impairment loss on financial assets	551,079	(31,842)	519,237
Net operating loss	1,093	113,311	114,404
Other timing differences	1,668,739	339,587	2,008,326
Net deferred tax asset	2,352,739	431,368	2,784,107

Oracle Financial Services Software, Inc.

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

(Amounts in USD)

Year ended March 31,

	2024	2023
Note 14: Revenue from operations		
Product licenses and related activities	154,210,409	139,493,164
IT solutions and consulting services	43,757,562	45,260,623
	197,967,971	184,753,787
Note 15: Finance income		
Interest on financial assets measured at amortized cost :		
Loan to fellow subsidiary	453,290	250,411
Balances with banks in current accounts	9,167,981	2,929,898
Money Market funds	140,610	-
	9,761,881	3,180,309
Note 16: Other income, net		
Foreign exchange gain (loss), net	30,823	(438,459)
Profit (loss) on sale of fixed assets, net	628	(862)
Miscellaneous income	47,937	122,056
	79,388	(317,265)
Note 17: Employee benefit expenses		
Salaries and bonus	56,453,212	54,643,443
Contribution to provident and other funds	1,483,247	1,434,498
Stock compensation expense	1,164,997	716,022
Staff welfare expenses	5,294,092	5,291,026
	64,395,548	62,084,989
Note 18: Finance cost		
Interest on lease liability	-	4,228
Interest on tax payments	1,486,831	1,223,695
	1,486,831	1,227,923

Oracle Financial Services Software, Inc.

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

Note 19: Other operating expenses	(Amounts in USD)	
	Year ended March 31,	
	2024	2023
Communication expenses	95,752	108,679
Rent	68,532	45,810
Repairs and maintenance:		
Computer equipments	28,203	52,577
Rates and taxes	17,367	13,844
Impairment loss recognized on contract assets	1,313,620	43,926
Bad debts	120,022	223
Miscellaneous expenses	162,818	149,198
	1,806,314	414,257

Note 20: Exceptional item

During year ended March 31, 2023, the Company has provided an impairment allowance on loan given to fellow subsidiary amounting to USD 3,550,000.

Note 21: Reconciliation of basic and diluted shares used in computing earnings per share

	(Number of equity shares)	
	Year ended March 31,	
	2024	2023
Weighted average shares outstanding for basic earnings per share	100	100
Add: Effect of dilutive stock options	-	-
Weighted average shares outstanding for diluted earnings per share	100	100
Profit attributable to equity share holders	23,420,333	18,197,007
Earnings per equity share of USD 0.01 each (March 31, 2023 0.01 each) in USD	234,203	181,970
Basic		

Oracle Financial Services Software, Inc.

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

Note 22: Disclosure on revenue from operations

(a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography, streams and type of contract for each of our business segments.

Year ended March 31, 2024 **(Amounts in USD)**

Particulars	Products	Services	Total
Revenue by Geography			
India	2,633,712	-	2,633,712
Outside India			
Americas			
United States of America	108,608,587	43,757,562	152,366,149
Rest of America	22,223,530	-	22,223,530
Europe	3,406,375	-	3,406,375
Asia Pacific	14,788,628	-	14,788,628
Middle East and Africa	2,549,577	-	2,549,577
	154,210,409	43,757,562	197,967,971
Revenue by Streams and type of Contract			
License Fees	16,420,554	-	16,420,554
Maintenance Fees	36,774,512	-	36,774,512
Consulting fees			
Fixed Price	72,261,395	35,829,587	108,090,982
Time & Material Basis	28,753,948	7,927,975	36,681,923
	154,210,409	43,757,562	197,967,971

Year ended March 31, 2023 **(Amounts in USD)**

Particulars	Products	Services	Total
Revenue by Geography			
India	1,296,203	-	1,296,203
Outside India			
Americas			
United States of America	103,402,088	45,249,388	148,651,476
Rest of America	18,996,795	-	18,996,795
Europe	4,912,706	11,235	4,923,941
Asia Pacific	8,816,910	-	8,816,910
Middle East and Africa	2,068,462	-	2,068,462
	139,493,164	45,260,623	184,753,787
Revenue by Streams and type of Contract			
License Fees	14,766,938	-	14,766,938
Maintenance Fees	34,351,885	-	34,351,885
Consulting fees			
Fixed Price	57,391,384	20,515,336	77,906,720
Time & Material Basis	32,982,957	24,745,287	57,728,244
	139,493,164	45,260,623	184,753,787

(b) During the year ended March 31, 2024, the Company recognized revenue of USD 12,932,745 from opening deferred revenue as of April 1, 2023 (March 31, 2023 USD 11,834,528 from opening deferred revenue as of April 1, 2022).

(c) During the year ended March 31, 2024, the Company has not recognized revenue from performance obligations satisfied prior to April 1, 2023. During the year ended March 31, 2023, the Company has not recognized revenue from performance obligations satisfied prior to April 1, 2022.

(d) Change in contract assets and contract liabilities are on account of transactions undertaken in the normal course of business. In accordance with Ind AS 115, unbilled revenue of USD 10,609,540 as at March 31, 2024 (March 31, 2023 - USD 8,561,871) has been classified as other current asset.

(e) Reconciliation of revenue recognized with contract price

	(Amounts in USD)	
	Year ended March 31,	
	2024	2023
Revenue as per contracted price	198,420,600	185,343,029
Reduction towards discount	(452,629)	(589,242)
Revenue from operations	197,967,971	184,753,787

(f) 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 and contracts with expected original duration of less than one year.

Remaining performance obligation estimates are subject to change and are affected by several factors such as terminations, changes in the scope of contracts, periodic revalidations of estimates and other macro economic factors.

The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2024, after considering the practical expedient mentioned above is USD 95,107,394 (March 31, 2023 USD 57,658,236), out of which 85% (March 31, 2023 72%) is expected to be recognised as revenue within the next one year and the balance thereafter.

(g) Asset recognized from the costs to obtain a contract

The Company recognizes incremental costs of obtaining a contract with customers as an asset and disclose them under "Other assets" as Deferred contract costs in the Reporting package. Incremental costs of obtaining contracts are those costs that The Company incurs to obtain a contract with the customer that would not have been incurred if the contract had not been obtained. Such deferred contract costs assets are amortized over the benefit period.

The Company has amortized deferred contract cost of USD 83,527 for the year ended March 31, 2024 (March 31, 2023 USD 102,620) and has closing balance of deferred contract cost asset of USD 180,593 as at March 31, 2024 (March 31, 2023 USD 163,242).

Oracle Financial Services Software, Inc.

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

Note 23: 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.

(i) Operating lease

The Company has entered into commercial property leases for its offices.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term and the applicable discount rate. The Company has lease contracts which include extension and termination option and this requires exercise of judgement by the Company in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. The discount rate is generally based on the incremental borrowing rate specific to the lease period.

(ii) 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.

(iii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the projections for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(iv) Revenue recognition

The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Oracle Financial Services Software, Inc.

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

In determining the transaction price for the contract, judgement is required to assess if the consideration is fixed or is considered variable and whether there is any constraint on such variable consideration such as volume discounts, service level credits and price concessions. The Company uses judgement to determine an appropriate standalone selling price for each performance obligation and allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract except for sale of software licenses, where the Company uses a residual approach for estimating the standalone selling price of software license as the pricing is highly variable.

Contract fulfilment costs are generally expensed as incurred except for certain contract costs which meet the criteria for capitalization. Such costs are amortized over the benefit period. The assessment of this criteria requires the application of judgement.

Note 24: Capital commitments and contingent liabilities

Particulars	(Amounts USD)	
	March 31, 2024	31-Mar-23
a) Capital commitments towards		
i) Contracts remaining to be executed on capital account not provided for (net of advances)	13,394	16,898
b) Contingent liabilities	Nil	Nil

Note 25: Leases

Where Company is lessee

The changes in the carrying values of right-of-use asset for the year ended March 31, 2024 and March 31, 2023 are given in note 4.

Set out below are the carrying amounts of lease liabilities and the movements during the year ended

Particulars	(Amounts in USD)	
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	-	845,990
Modifications	-	(742,945)
(Gain) Loss on modification	-	(1,989)
Accretion of interest	-	4,228
Repayments	-	(105,284)
Total	-	-

Particulars	(Amounts in USD)	
	March 31, 2024	March 31, 2023
Current	-	-
Non-Current	-	-
Total	-	-

The maturity analysis of undiscounted lease liabilities are as follows:

Particulars	(Amounts in USD)	
	March 31, 2024	March 31, 2023
Less than 1 year	-	-
1 to 5 years	-	-
More than 5 years	-	-
Total	-	-

Oracle Financial Services Software, Inc.

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

The weighted average incremental borrowing rate applied to lease liabilities recognized in the balance sheet at the date of initial application is 2.17%.

The following amounts are recognized in Statement of Profit and Loss for the year ended:

	(Amounts in USD)	
Particulars	March 31, 2024	March 31, 2023
Depreciation expense of right-of-use assets	-	153,465
Interest expense on lease liabilities	-	4,228
Expense relating to short-term leases (included in other operating expenses as rent)	-	45,810
Expense relating to leases of low-value assets	-	-
Variable lease payments (included in other operating expenses as rent)	-	-
Total	-	203,503
Income from subleasing right-of-use asset	-	-
Gain on lease modification	-	(1,990)
Total	-	2,01,513

The Company had total cash outflows for leases of USD Nil for the year ended March 31, 2024 (USD 103,045 for the year ended March 31, 2023). The Company did not have any non-cash additions to right-of-use assets and lease liabilities for the year ended March 31, 2024. There are no future cash outflows relating to leases that have not yet commenced.

The minimum rental payments to be made in future in respect of leases as at March 31, 2024 and March 31, 2023 are as follows:

	(Amounts in USD)	
Particulars	March 31, 2024	March 31, 2023
Less than 1 year	18,996	30,540
1 to 5 years	-	-
More than 5 years	-	-
Total	18,996	30,540

Note 26: Share based compensation / 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. Pursuant to ESOP scheme approved by the shareholders, OFSSL granted the options to the employees of the OFSSL and its subsidiaries under Employees Stock Option Scheme ("Scheme 2002"), Employees Stock Option Plan 2010 Scheme ("Scheme 2010"), Employees Stock Option Plan 2011 Scheme ("Scheme 2011") and OFSS Stock Plan 2014. Options / OSUs have exercise period of 10 years from the date of grant. The employee pays the exercise price upon exercise of options/OSUs. There are no options outstanding under Scheme 2002 and 2010.

As per the Scheme 2011, each of 20% of the total options granted will vest on completion of 12, 24, 36, 48 and 60 months from the date of grant and is subject to continued employment of the employee or directorship of the director with the Company or its subsidiaries.

In respect of the OFSS Stock Plan 2014, each of 25% of the total options / OFSS Stock Units ("OSUs") will vest on completion of 12, 24, 36 and 48 months from the date of grant and is subject to continued employment of the employee with the Company or its subsidiaries.

Oracle Financial Services Software, Inc.

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

A summary of the activity in the OFSSL's ESOP (Scheme 2011) related to OFSS Inc. employees is as follows:

	Year ended			
	March 31, 2024		March 31, 2023	
	Shares arising from options	Weighted average exercise price (₹)	Shares arising from options	Weighted average exercise price (₹)
Outstanding at beginning of year	16,000	3,077	25,700	3,093
Granted/transferred in	-	-	-	-
Exercised	(5,900)	3,077	(3,500)	3,120
Forfeited/lapsed/transferred out	(10,100)	3,077	(6,200)	3,119
Outstanding at end of the year	-	-	16,000	3,077
Vested options	-		16,000	
Unvested options	-		-	

A summary of the activity in the OFSSL's ESOP (OFSS Stock Plan 2014) related to OFSS Inc. 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	36,088	3,184	37,644	3,169
Transferred in	767	5	225	5
Exercised	(2,625)	2,525	(450)	5
Forfeited/transferred out	-	-	(1,331)	3,314
Outstanding at end of the year	34,230	3,163	36,088	3,184
Vested options and OSUs	33,620		35,900	
Unvested options and OSUs	610		188	

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	610	5	7.7
Options /OSUs vested and exercisable	5	1,895	5	2.6
	3,241	4,625	3,241	1.0
	3,393	24,850	3,393	2.2
	3,987	2,250	3,987	1.6
		34,230		2.1

Oracle Financial Services Software, Inc.

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

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

	Exercise prices (₹)	Number of Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Options /OSUs unvested	5	188	5	7.9
Options /OSUs vested and exercisable	5	2,200	5	2.8
	3,077	16,000	3,077	0.5
	3,241	5,125	3,241	2.0
	3,393	26,325	3,393	3.2
	3,987	2,250	3,987	2.6
		52,088	3,151	2.2

Any vesting is subject to continued employment of the employee with the Company or its subsidiaries. Options / OSUs have an exercise period of 10 years from the date of grant. The employee pays the exercise price and applicable taxes upon exercise of options / OSUs.

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

Note 27: Financial risk management objectives and policies

The Company's activities expose it to market risks, Liquidity risk and credit risks. 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.

As at the balance sheet date, the Company's net foreign currency exposure expressed in USD that is not hedged is USD 9,650,671 (March 31, 2023 USD 1,819,289).

Following are the carrying amounts of foreign currency denominated monetary items (net) of the Company where it has significant exposure as at the balance sheet date:

Currency	(Amounts in USD)	
	31-Mar-24	31-Mar-23
AUD	3,060,303	(192,907)
BRL	10,566	187,323
CAD	3,998,462	1,153,444
EUR	414,955	249,754
SGD	(76,067)	(33,300)

Oracle Financial Services Software, Inc.

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

• **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	(Amounts in USD)			
	31-Mar-24		31-Mar-23	
	+1%	-1%	+1%	-1%
AUD	24,176	(24,176)	(1,524)	1,524
BRL	83	(83)	1,480	(1,480)
CAD	31,588	(31,588)	9,112	(9,112)
EUR	3,278	(3,278)	1,973	(1,973)
SGD	(601)	601	(263)	263

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 entities with functional currency as above respective currency where transactions are in foreign currencies. The Company's exposure to foreign currency changes for all other currencies is not material.

(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.

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

As at March 31, 2024		(Amounts in USD)		
Particulars	Less than 1 year	More than 1 year	Total	
Trade payables	13,874,059	-	13,874,059	
Advance from customers	246,405	-	246,405	
Amount due to subsidiaries	2,962,226	-	2,962,226	
Accrued expenses	11,104,590	-	11,104,590	
Accrued compensation to employees	2,921,168	-	2,921,168	
	31,108,448	-	31,108,448	

As at March 31, 2023		(Amounts in USD)		
Particulars	Less than 1 year	More than 1 year	Total	
Trade payables	8,467,938	-	8,467,938	
Advance from customers	153,205	-	153,205	
Amount due to subsidiaries	2,962,116	-	2,962,116	
Accrued expenses	9,499,536	-	9,499,536	
Accrued compensation to employees	3,286,209	-	3,286,209	
	24,369,004	-	24,369,004	

Oracle Financial Services Software, Inc.

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

The Company has sufficient funds in cash and cash equivalents to meet obligations towards financial liabilities.

(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 finance activities, including time deposits with banks, foreign exchange transactions and other financial instruments.

(i) 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.

An impairment analysis is performed at each reporting date on an individual basis for major 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.

(ii) Cash and Bank balances

Credit risk from balances with banks is managed by the OFSS group'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.

The Company follows a conservative philosophy and aims to invest surplus funds in money market funds in United States. The Company's investment in Money market funds are in accordance with investment policy. Further limits are set to minimize the concentration of risks and therefore mitigate financial loss of any potential failure to repay money market funds.

Note 28: Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, share premium 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.

Oracle Financial Services Software, Inc.

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

Note 29: 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 America, Inc.
Parent Company	Oracle Financial Services Software Limited
(ii) Related parties with whom transactions have taken place during the year	
Fellow Subsidiaries	Oracle America, Inc. Oracle Argentina S.R.L. Oracle Canada ULC Oracle Caribbean, Inc. Oracle Colombia Limitada Oracle Corporation Australia Pty. Limited Oracle Corporation Japan Oracle Corporation Malaysia Sdn. Bhd. Oracle Corporation (South Africa)(Pty) Limited Oracle Corporation (Thailand) Company Limited Oracle Corporation UK Limited Oracle de Centroamerica, S.A. Oracle de Mexico, S.A. de C.V. Oracle de Venezuela, C.A. Oracle Do Brasil Sistemas Limitada Oracle Egypt Limited Oracle Global Services Canada ULC Oracle Financial Services Software Chile Limitada Oracle Financial Services Software B.V. Oracle Financial Services Software Pte. Ltd. Oracle Financial Services Software SA Oracle Iberica, S.R.L. Oracle India Private Limited Oracle Korea Ltd. Oracle Nederland B.V. Oracle New Zealand Limited Oracle (OFSS) America Inc Oracle (OFSS) BPO Services Inc Oracle (OFSS) Mantas USA Oracle (OFSS) Processing Services Limited Oracle (Philippines) Corporation Oracle Solution Services (India) Private Ltd. Oracle Systems Hong Kong Limited Oracle Taiwan LLC Oracle Vietnam Pte. Ltd. PT Oracle Indonesia Sistemas Oracle de Chile, S.A. Sistemas Oracle del Peru, S.A. Sotas Inc

Oracle Financial Services Software, Inc.
Notes annexed to and forming part of the unaudited financial statements for the period ended March 31, 2024

Transactions and balances outstanding with these parties are described below:

(Amounts in USD)

	Transaction		Amount receivable (payable)	
	Year ended		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue				
<i>Parent Company</i>				
Oracle Financial Services Software Limited	2,859,792	2,040,817	2,024,444	1,074,825
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	23,838,941	24,818,088	3,461,203	3,460,105
Oracle Argentina S.R.L.	6,718	6,846	11,292	-
Oracle Canada ULC	12,566,403	7,811,460	2,509,396	881,520
Oracle Caribbean, Inc.	458,366	409,870	96,600	46,086
Oracle Colombia Limitada	332,973	263,026	50,884	42,214
Oracle Corporation Japan	233,128	253,734	39,697	42,911
Oracle Corporation Malaysia Sdn. Bhd.	1,447,704	444,625	-	33,520
Oracle Corporation (Thailand) Company Limited	146,926	250,907	52,627	32,377
Oracle de Centroamerica, S.A.	162,911	152,016	8,462	20,016
Oracle de Mexico, S.A. de C.V.	166,078	106,819	50,244	16,132
Oracle Do Brasil Sistemas Limitada	358,103	225,990	(60,271)	49,471
Oracle Egypt Limited	-	-	-	(3,960)
Oracle Korea Ltd.	196,624	104,722	-	-
Oracle New Zealand Limited	947,182	-	-	-
Oracle (Philippines) Corporation	916,625	684,456	58,930	19,452
Oracle Taiwan LLC	881,488	316,209	579,309	124,400
Oracle Vietnam Pte. Ltd.	849,401	263,395	394,144	31,614
Oracle Financial Services Software B.V.	5,487,849	5,961,034	1,302,893	1,106,283
Oracle Financial Services Software Chile Limitada	-	20,881	-	-
Oracle Financial Services Software Pte. Ltd.	9,060,149	6,391,932	3,553,405	2,614,826
Oracle Financial Services Software SA	-	22,941	-	-
Oracle (OFSS) BPO Services Inc	-	-	(63,650)	-
Oracle Systems Hong Kong Limited	(60)	-	-	-
PT Oracle Indonesia	109,398	106,929	15,791	25,100
Sistemas Oracle de Chile, S.A.	494,028	477,069	101,627	105,234
Sistemas Oracle del Peru, S.A.	63,759	75,482	11,367	5,833
Miscellaneous Income (including sublease receipts)				
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	17,867	-	17,867	-
Oracle Canada ULC	2,104	-	2,104	-
Oracle Caribbean, Inc.	1,765	-	1,765	-
Oracle Colombia Limitada	6,937	-	6,937	-
Oracle Corporation Japan	889	-	889	-
Oracle Corporation Malaysia Sdn. Bhd.	4,054	-	4,054	-
Oracle Corporation (Thailand) Company Limited	723	-	723	-
Oracle (Philippines) Corporation	2,013	-	2,013	-
Oracle Taiwan LLC	3,096	-	3,096	-
Oracle Vietnam Pte. Ltd.	2,747	-	2,747	-
PT Oracle Indonesia	1,210	-	1,210	-
Sistemas Oracle de Chile, S.A.	3,455	-	3,455	-
Impairment allowance charge / (reversal)				
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	-	-	(40,756)	(3,882)
Oracle Argentina S.R.L.	-	-	(2,007)	-
Oracle Canada ULC	-	-	(1,250)	-
Oracle Caribbean, Inc.	-	-	(484)	(80)
Oracle Colombia Limitada	-	-	(39,760)	(8,835)
Oracle Corporation (Thailand) Company Limited	-	-	(216)	(112)
Oracle Corporation Japan	-	-	(364)	(210)
Oracle Corporation Malaysia Sdn. Bhd.	-	-	(1,783)	(253)
Oracle de Centroamerica, S.A.	-	-	(170)	(44)
Oracle de Mexico, S.A. de C.V.	-	-	(448)	(41)
Oracle Egypt Limited	-	-	-	(394)
Oracle Korea Ltd.	-	-	(148)	-
Oracle (Philippines) Corporation	-	-	(376)	(232)
Oracle Taiwan LLC	-	-	(668)	(693)
Oracle Vietnam Pte. Ltd.	-	-	(969)	(77)
PT Oracle Indonesia	-	-	(1,378)	(236)
Sistemas Oracle de Chile, S.A.	-	-	(24,409)	(140)
Sistemas Oracle del Peru, S.A.	-	-	(3,616)	(6)
Oracle Financial Services Software Pte. Ltd.	-	-	(149,497)	-
Bad debts				
<i>Fellow subsidiaries</i>				
Oracle Financial Services Software Pte. Ltd.	-	-	117,728	-
Advance from Customers (refunded) / received				
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	-	-	(10,403)	(10,403)

Oracle Financial Services Software, Inc.

(Amounts in USD)

	Transaction		Amount receivable (payable)	
	Year ended		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Deferred Revenue				
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	-	-	203,282	432,053
Oracle Caribbean, Inc.	-	-	49,713	21,103
Oracle Colombia Limitada	-	-	17,286	38,463
Oracle Corporation Japan	-	-	1,954	1,954
Oracle de Mexico, S.A. de C.V.	-	-	6,315	-
Oracle Korea Ltd.	-	-	-	31,856
Oracle Systems Hong Kong Limited	-	-	18,111	18,051
Oracle (Philippines) Corporation	-	-	29,821	-
Sistemas Oracle del Peru, S.A.	-	-	4,495	-
Sistemas Oracle de Chile, S.A.	-	-	-	3,822
Unbilled revenue				
<i>Parent Company</i>				
Oracle Financial Services Software Limited	-	-	670,876	453,243
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	-	-	1,380,621	1,957,276
Oracle Argentina S.R.L.	-	-	1,670	13,946
Oracle Canada ULC	-	-	1,573,897	512,465
Oracle Caribbean, Inc.	-	-	114,270	128,003
Oracle Colombia Limitada	-	-	16,327	23,329
Oracle Corporation Japan	-	-	20,046	33,640
Oracle Corporation (Thailand) Company Limited	-	-	(506)	21,297
Oracle Corporation Malaysia Sdn. Bhd.	-	-	477,132	88,435
Oracle de Centroamerica, S.A.	-	-	41,291	24,649
Oracle de Mexico, S.A. de C.V.	-	-	10,018	9,540
Oracle Do Brasil Sistemas Limitada	-	-	42,484	48,411
Oracle Egypt Limited	-	-	-	39,647
Oracle India Private Limited	-	-	-	3,039
Oracle (Philippines) Corporation	-	-	725,187	452,590
Oracle Taiwan LLC	-	-	22,849	54,135
Oracle Vietnam Pte. Ltd.	-	-	37,212	26,715
Oracle Financial Services Software B.V.	-	-	781,580	636,454
Oracle Financial Services Software Pte. Ltd.	-	-	3,512,218	341,022
Oracle Financial Services Software Chile Limitada	-	-	-	20,881
Oracle New Zealand Limited	-	-	945,761	-
Oracle Korea Ltd.	-	-	85,159	-
PT Oracle Indonesia	-	-	11,645	11,182
Sistemas Oracle de Chile, S.A.	-	-	57,156	-
Sistemas Oracle del Peru, S.A.	-	-	2,376	30,406
Cost of Services				
<i>Parent Company</i>				
Oracle Financial Services Software Limited	82,968,145	79,989,751	(8,071,174)	(7,794,979)
<i>Fellow subsidiaries</i>				
Oracle Financial Services Software B.V.	1,124,720	738,373	(243,356)	(217,832)
Oracle Financial Services Software Chile Limitada	241,647	713,848	(13,203)	(101,182)
Oracle Financial Services Software Pte. Ltd.	2,815,648	1,322,667	(567,450)	(453,989)
Oracle Financial Services Software SA	99,147	69,548	(16,546)	(18,634)
Billed				
Oracle Financial Services Software B.V.	-	-	(332,283)	(664,796)
Oracle Financial Services Software Chile Limitada	-	-	(28,269)	(989,843)
Oracle Financial Services Software Pte. Ltd.	-	-	(715,171)	(1,057,676)
Oracle Financial Services Software SA	-	-	(30,214)	(90,878)
Rent expenses				
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	68,532	203,735	4,749	(33,956)

	Transaction		Amount receivable (payable)	
	Year ended		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Professional fee expenses				
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	12,702,579	2,790,451	(10,670,507)	(1,906,402)
Oracle Canada ULC	173,669	-	(15,796)	-
Oracle Colombia Limitada	23,775	65,694	-	(154,928)
Oracle de Mexico, S.A. de C.V.	1,706	-	318,964	319,200
Oracle Do Brasil Sistemas Limitada	65,774	-	(61,135)	4,639
Oracle Global Services Canada ULC	425,928	267,087	(106,412)	(16,409)
Oracle India Private Limited	-	-	-	2
Oracle Korea Ltd.	-	6,325	-	-
Oracle Solution Services (India) Private Ltd.	457,350	122,305	(150,868)	(23,220)

Oracle Financial Services Software, Inc.

(Amounts in USD)

	Transaction		Amount receivable (payable)	
	Year ended		As at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Reimbursement of expenses incurred on behalf of Oracle Financial Services Software, Inc. by				
<i>Fellow subsidiaries</i>				
Non trade expenses				
<i>Holding Company</i>				
Oracle (OFSS) America Inc	(3,330)	3,330	(75,610)	(75,610)
<i>Parent Company</i>				
Oracle Financial Services Software Limited	3,286,951	2,398,638	(267,305)	(302,449)
<i>Fellow subsidiaries</i>				
<i>Professional fee expenses</i>				
Oracle America, Inc.	309,259	35,004	(249,164)	(40,478)
Oracle Canada ULC	-	-	-	(18,855)
Oracle Financial Services Software B.V.	-	127,372	-	-
Oracle (OFSS) BPO Services Inc	-	-	(12,150)	(2,177)
Oracle (OFSS) Mantas USA	-	-	(2,886,617)	(2,886,506)
<i>Others</i>				
Oracle America, Inc.	-	-	75,967	75,967
Oracle Canada ULC	10,404	-	(4)	(355,860)
Oracle Financial Services Software B.V.	400,622	-	26,331	-
Oracle (OFSS) BPO Services Inc	-	-	(2,878)	-
Recovery of expenses incurred by Oracle Financial Services Software Inc. on behalf of				
<i>Ultimate Holding Company</i>				
Oracle Corporation	-	-	-	11,168
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	-	(19,634)	-	-
Oracle Financial Services Software B.V.	2,000	-	2,005	-
Oracle Financial Services Software Chile Limitada	3,600	(3,600)	598,693	588,589
Staff welfare expenses				
<i>Fellow subsidiaries</i>				
Oracle America, Inc.	-	-	10,410	10,410
Oracle Corporation UK Limited	-	-	-	22,455
Oracle Nederland B.V.	-	-	-	2,495
Interest on Loan				
<i>Fellow subsidiaries</i>				
Oracle (OFSS) BPO Services Inc	453,290	250,411	631,193	177,903
Reversal of Impairment Allowance on loan (Refer note 20)				
<i>Fellow subsidiaries</i>				
Oracle (OFSS) BPO Services Inc	-	3,550,000	(5,500,000)	(5,500,000)
Loan				
<i>Fellow subsidiaries</i>				
Oracle (OFSS) BPO Services Inc	-	-	7,700,000	7,700,000
Stock compensation expense				
<i>Ultimate Holding Company</i>				
Oracle Corporation	1,153,635	714,266	16,286	11,168
<i>Parent Company</i>				
Oracle Financial Services Software Limited	11,362	1,756	-	-
Key Managerial Personnel				
Short term employment benefits	179,703	178,448	-	-
Post employment retiral benefits	6,695	6,593	-	-
Share based payments	253	256	-	-

Note 30: Tax Litigations

The company does not have any pending litigation.

	March 31, 2024	March 31, 2023
	Nil	Nil

Oracle Financial Services Software, Inc.

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

Note 30: 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 USD)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Amortized cost	Fair value through profit or loss	Carrying value	Fair value	Amortized cost	Fair value through profit or loss	Carrying value	Fair value
Assets								
Trade receivables	36,183,252	-	36,183,252	36,183,252	22,651,812	-	22,651,812	22,651,812
Cash and cash equivalents	205,974,991	-	205,974,991	205,974,991	184,754,391	-	184,754,391	184,754,391
Other financial assets	16,417,049	-	16,417,049	16,417,049	11,551,002	-	11,551,002	11,551,002
	258,575,292	-	258,575,292	258,575,292	218,957,205	-	218,957,205	218,957,205
Liabilities								
Trade payables	13,874,059	-	13,874,059	13,874,059	8,467,938	-	8,467,938	8,467,938
Other financial liabilities	17,234,464	-	17,234,464	17,234,464	15,903,847	-	15,903,847	15,903,847
	31,108,523	-	31,108,523	31,108,523	24,371,785	-	24,371,785	24,371,785

Oracle Financial Services Software, Inc.

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

Note 31: Segment information

Business segments are defined as a distinguishable component of an enterprise that is engaged in providing a group of related products or services and that is subject to differing risks and returns and about which separate financial information is available. This information is reviewed and evaluated regularly by the management in deciding how to allocate resources and in assessing the performance.

The Company is organized by business segment and geographically. For management purposes the Company is primarily organized on a worldwide basis into two business segments:

- a) Product licenses and related activities ('Products')
- b) IT solutions and consulting services ('Services')

The business segments are the basis on which the Company reports its primary operational information to management.

Product licenses and related activities segment deals with various banking software products. The related activities include enhancements, implementation and maintenance activities.

IT solutions and consulting services segment offers services spanning the entire lifecycle of applications used by financial service institutions. The division's portfolio includes Consulting, Application, Support and Technology Services that help institutions improve efficiency, optimize costs, meet risk and compliance mandates and implement IT solutions finely attuned to their business needs.

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 and business process outsourcing 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.

Year ended March 31, 2024

(Amounts in USD)

Particulars	Products	Services	Total
Revenue	154,210,409	43,757,562	197,967,971
Segment result	31,090,633	(3,874,611)	27,216,022
Unallocable expenses			(2,476,843)
Finance income			9,761,881
Other income, net			79,388
Profit before tax			34,580,448
Tax expenses			(11,160,115)
Net profit			23,420,333

Year ended March 31, 2023

(Amounts in USD)

Particulars	Products	Services	Total
Revenue	139,493,164	45,260,623	184,753,787
Segment result	36,883,154	(4,913,056)	31,970,098
Unallocable expenses			(2,241,529)
Finance income			3,180,309
Other (expense), net			(317,265)
Exceptional item [Refer note 20]			(3,550,000)
Profit before tax			29,041,613
Tax expenses			(10,844,606)
Net profit			18,197,007

Oracle Financial Services Software, Inc.

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

Other information

Year ended March 31, 2024 (Amounts in USD)

Particulars	Products	Services	Unallocable	Total
<i>Capital expenditure by segment</i>				
Property, Plant and Equipment	-	-	27,965	27,965
Depreciation and amortization	62,217	33,373	1,332	96,922
Other non cash expenses	1,480,761	(47,119)	-	1,433,642
Segment assets	49,081,642	10,472,016	215,944,664	275,498,322
Segment liabilities	32,002,653	6,936,061	40,200,932	79,139,646
Equity			196,358,676	196,358,676

Year ended March 31, 2023 (Amounts in USD)

Particulars	Products	Services	Unallocable	Total
<i>Capital expenditure by segment</i>				
Property, Plant and Equipment	-	-	136,579	136,579
Depreciation and amortization	210,990	35,163	15,675	261,828
Other non cash expenses	120,303	(76,154)	-	44,149
Segment assets	37,174,916	2,005,132	197,514,964	236,695,012
Segment liabilities	30,990,106	6,127,950	27,803,610	64,921,666
Equity			171,773,346	171,773,346

Oracle Financial Services Software, Inc.

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

Geographical segments

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

Regions	Year ended March 31,			
	2024		2023	
	Amounts in USD	%	Amounts in USD	%
India	2,633,712	1%	1,296,203	1%
Outside India				
Americas				
United States of America	152,366,149	77%	148,651,476	80%
Rest of America	22,223,530	11%	18,996,795	10%
Europe	3,406,375	2%	4,923,941	3%
Asia Pacific	14,788,628	8%	8,816,910	5%
Middle East and Africa	2,549,577	1%	2,068,462	1%
	197,967,971	100%	184,753,787	100%

(Amounts in USD)

Particulars	March 31, 2024	March 31, 2023
Revenue derived from two customers in 'Products' segment	111,841,674	94,229,122
Revenue derived from three customers in 'Services' segment	38,316,477	31,891,119

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

Regions	As at March 31, 2024		As at March 31, 2023	
	Amounts in USD	%	Amounts in USD	%
Outside India				
Americas				
United States of America	192,715	100%	281,015	100%
	192,715	100%	281,015	100%

Non current assets for this purpose consist of property, plant and equipment, capital work-in-progress, right-of-use assets and other non-current assets.

For and on behalf of the Board of Directors of
Oracle Financial Services Software, Inc.

Bala Hari
Director

New Jersey
June 21, 2024

Oracle Financial Services Software, Inc.

Unaudited Statement of cash flow for the year ended March 31, 2024

	(Amounts in USD)	
	Year ended March 31,	
	2024	2023
Cash flows from operating activities		
Profit before tax	34,580,448	29,041,613
Adjustments to reconcile profit before tax to cash (used in) provided by operating activities :		
Depreciation and amortization	96,922	261,828
(Profit) loss on sale of fixed assets, net	(628)	862
Impairment loss recognized on contract assets	1,313,620	43,926
Impairment loss recognized on loan to fellow Subsidiary	-	3,550,000
Bad debts	120,022	223
Finance income	(9,761,881)	(3,180,309)
Employee stock compensation expense	1,164,997	716,022
(Gain) on lease modification	-	(1,990)
Effect of exchange rate changes in assets and liabilities	44,427	222,470
Finance cost	1,486,831	1,227,923
Operating Profit before Working Capital changes	29,044,758	31,882,568
Movements in working capital		
(Increase) decrease in other non-current assets	(12,416)	19,386
(Increase) in trade receivables	(15,060,588)	(10,490,145)
(Increase) decrease in other current financial assets	(4,382,129)	1,939,360
(Increase) decrease in other current assets	(2,047,242)	947,959
Increase (decrease) in other non-current liabilities	1,444,982	(134,273)
Increase in trade payables	5,515,212	4,917,637
Increase in other current financial liabilities	1,245,129	1,886,381
Increase in current liabilities	1,464,569	783,535
(Decrease) in current provisions	(52,749)	(87,788)
Cash from operating activities	17,159,526	31,664,620
Payment of domestic and foreign taxes, net of refunds	(5,249,235)	(1,039,199)
Net cash provided by operating activities	11,910,291	30,625,421
Cash flows from investing activities		
Additions to fixed assets including capital work in progress	-	(175,712)
Proceeds from sale of property, plant and equipment	1,718	-
Repayment of Interest on loan by fellow subsidiary	-	72,508
Interest received	9,308,591	2,929,898
Net cash provided by investing activities	9,310,309	2,826,694
Cash flows from financing activities		
Repayment of lease liability	-	(101,055)
Interest paid on lease liability	-	(4,228)
Net cash (used in) financing activities	-	(105,283)
Net increase in cash and cash equivalents	21,220,600	33,346,832
Cash and cash equivalents at beginning of the year	184,754,391	151,407,559
Cash and cash equivalents at end of the year	205,974,991	184,754,391

Oracle Financial Services Software, Inc.

Unaudited Statement of cash flow for the year ended March 31, 2024 (continued)

Component of cash and cash equivalents	(Amounts in USD)	
	Year ended March 31,	
	2024	2023
Balances with banks:		
In current accounts	65,934,381	184,754,391
Money market funds	140,040,610	-
Total cash and cash equivalents [Refer note 7]	205,974,991	184,754,391

For and on behalf of the Board of Directors of
Oracle Financial Services Software, Inc.

Bala Hari
Director

New Jersey
June 21, 2024