

Oracle Financial Services Software Limited

Balance sheet as at March 31, 2021

	(Amounts in ₹ million)	
	March 31, 2021	March 31, 2020
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,847.30	2,213.94
Capital work-in-progress	0.91	0.16
Right-of-use asset	369.22	622.57
Investment property	102.00	102.00
Financial assets		
Investments in subsidiaries	7,726.81	7,681.61
Other non-current financial assets	1,375.87	1,376.59
Deferred tax assets (net)	831.11	740.39
Income tax assets (net)	7,954.14	7,705.59
Other non-current assets	327.81	345.25
	<b>20,535.17</b>	<b>20,788.10</b>
<b>Current assets</b>		
Financial assets		
Trade receivables	4,562.87	4,154.31
Loan	30.00	106.00
Cash and cash equivalents	2,248.21	1,993.84
Other bank balances	31,054.91	30,545.37
Other current financial assets	1,766.85	1,656.02
Other current assets	1,677.62	1,424.00
	<b>41,340.46</b>	<b>39,879.54</b>
<b>TOTAL</b>	<b>61,875.63</b>	<b>60,667.64</b>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity</b>		
Equity share capital	430.31	429.40
Other equity	56,029.57	54,653.61
<b>Total equity</b>	<b>56,459.88</b>	<b>55,083.01</b>
<b>Non-current liabilities</b>		
Financial liabilities		
Lease liability	245.47	283.25
Provisions	1,256.87	1,150.97
	<b>1,502.34</b>	<b>1,434.22</b>
<b>Current liabilities</b>		
Financial liabilities		
Lease liability	59.48	269.35
Trade payables		
Payable to micro and small enterprises	4.82	2.58
Payable to others	172.66	263.00
Other current financial liabilities	1,515.75	1,577.10
Other current liabilities	1,036.98	1,060.07
Provisions	1,083.75	951.83
Income tax liabilities (net)	39.97	26.48
	<b>3,913.41</b>	<b>4,150.41</b>
<b>TOTAL</b>	<b>61,875.63</b>	<b>60,667.64</b>

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

Oracle Financial Services Software Limited

Statement of profit and loss for the year ended March 31, 2021

	(Amounts in ₹ million, except share data)	
	Year ended March 31,	
	2021	2020
Revenue from operations	36,452.12	35,255.08
Finance income	1,071.12	1,508.73
Other income, net	93.69	182.86
<b>Total income</b>	<b>37,616.93</b>	<b>36,946.67</b>
<b>Expenses</b>		
Employee benefit expenses	12,443.21	11,909.23
Travel related expenses	317.51	1,593.78
Professional fees	1,312.81	1,311.47
Finance cost	47.99	80.18
Other operating expenses	814.57	1,134.50
Depreciation and amortization	802.03	831.72
<b>Total expenses</b>	<b>15,738.12</b>	<b>16,860.88</b>
<b>Profit before tax</b>	<b>21,878.81</b>	<b>20,085.79</b>
Tax expenses		
Current tax	5,570.78	4,560.70
Deferred tax	(84.82)	(301.47)
Total tax expenses	5,485.96	4,259.23
<b>Profit for the year</b>	<b>16,392.85</b>	<b>15,826.56</b>
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Actuarial (loss) gain on gratuity fund	(23.46)	(92.36)
Deferred tax	5.90	23.25
<i>Items that will be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations	(12.26)	35.57
<b>Total other comprehensive income for the year, net of tax</b>	<b>(29.82)</b>	<b>(33.54)</b>
<b>Total comprehensive income for the year</b>	<b>16,363.03</b>	<b>15,793.02</b>
Earnings per equity share of par value of ₹ 5 (March 31, 2020 ₹ 5) each (in ₹)		
Basic	190.64	184.39
Diluted	189.80	183.62

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

Oracle Financial Services Software Limited

Statement of changes in equity for the year ended March 31, 2021

(a) Year ended March 31, 2021

(Amounts in ₹ million, except share data)

(Amounts in ₹ million, except share data)											
Particulars	Equity share capital		Other equity								Total equity attributable to equity share holders of the Company
	Number of shares	Share Capital	Share application money pending allotment	Securities premium	General reserve	Employee stock options outstanding	Contribution from Ultimate Holding Company	Retained earnings	Other comprehensive income		
									Foreign currency translation reserve	Remeasurement of defined benefit obligation	
Balance as of April 1, 2020	85,879,298	429.40	-	15,500.49	10,145.19	1,726.79	60.27	27,175.94	44.93	-	55,083.01
Changes in equity for the year ended March 31, 2021											
Application money received for exercised options	-	-	55.83	-	-	-	-	-	-	-	55.83
Shares issued for exercised options	182,935	0.91	(55.83)	54.92	-	-	-	-	-	-	-
Stock compensation charge	-	-	-	-	-	417.29	12.41	-	-	-	429.70
Forfeiture of options	-	-	-	-	-	(38.73)	-	38.73	-	-	-
Stock compensation related to options exercised	-	-	-	591.01	-	(591.01)	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	16,392.85	-	-	16,392.85
Interim equity dividend	-	-	-	-	-	-	-	(15,471.69)	-	-	(15,471.69)
Actuarial (loss) gain on gratuity fund including deferred tax thereon	-	-	-	-	-	-	-	-	-	(17.56)	(17.56)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	(12.26)	-	(12.26)
Actuarial (loss) gain on gratuity fund including deferred tax thereon transferred to retained earnings	-	-	-	-	-	-	-	(17.56)	-	17.56	-
Balance as of March 31, 2021	86,062,233	430.31	-	16,146.42	10,145.19	1,514.34	72.68	28,118.27	32.67	-	56,459.88

(b) Year ended March 31, 2020

(Amounts in ₹ million, except share data)

Particulars	Equity share capital		Other equity								Total equity attributable to equity share holders of the Company
	Number of shares	Share Capital	Share application money pending allotment	Securities premium	General reserve	Employee stock options outstanding	Contribution from Ultimate Holding Company	Retained earnings	Other comprehensive income		
									Foreign currency translation	Remeasurement of defined benefit	
Balance as of April 1, 2019	85,779,147	428.90	0.48	15,140.91	10,145.19	1,647.37	41.86	11,389.67	9.36	-	38,803.74
Changes in equity for the year ended March 31, 2020											
Application money received for exercised options	-	-	43.19	-	-	-	-	-	-	-	43.19
Shares issued for exercised options	100,151	0.50	(43.67)	43.17	-	-	-	-	-	-	-
Stock compensation charge	-	-	-	-	-	424.65	18.41	-	-	-	443.06
Forfeiture of options	-	-	-	-	-	(28.82)	-	28.82	-	-	-
Stock compensation related to options exercised	-	-	-	316.41	-	(316.41)	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	15,826.56	-	-	15,826.56
Actuarial (loss) gain on gratuity fund including deferred tax thereon	-	-	-	-	-	-	-	-	-	(69.11)	(69.11)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	35.57	-	35.57
Actuarial (loss) gain on gratuity fund including deferred tax thereon transferred to retained earnings	-	-	-	-	-	-	-	(69.11)	-	69.11	-
Balance as of March 31, 2020	85,879,298	429.40	-	15,500.49	10,145.19	1,726.79	60.27	27,175.94	44.93	-	55,083.01

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

# Oracle Financial Services Software Limited

## Notes annexed to and forming part of the financial statements for the year ended March 31, 2021

### 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:

- Product licenses and related activities ('Products') and
- 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. 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 revenue, deposits for premises, property, plant and equipment and right-of-use asset. Segment liabilities primarily includes trade payables, deferred revenues, advance from customer, employee benefit obligations, lease liability 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 two or more segments is allocated to 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, 2021

(Amounts in ₹ million)

Particulars	Products	Services	Total
Revenue from operations	32,864.37	3,587.75	36,452.12
Segment result	20,474.39	1,496.05	21,970.44
Unallocable expenses			(1,256.44)
Finance income			1,071.12
Other income, net			93.69
Profit before tax			21,878.81
Tax expenses			(5,485.96)
Profit for the period			16,392.85

### Year ended March 31, 2020

(Amounts in ₹ million)

Particulars	Products	Services	Total
Revenue from operations	31,668.22	3,586.86	35,255.08
Segment result	18,079.34	1,403.85	19,483.19
Unallocable expenses			(1,088.99)
Finance income			1,508.73
Other income, net			182.86
Profit before tax			20,085.79
Tax expenses			(4,259.23)
Profit for the year			15,826.56

### Other information

### Year ended March 31, 2021

(Amounts in ₹ million)

Particulars	Products	Services	Unallocable	Total
Capital expenditure by segment				
Property, plant and equipment	152.44	19.56	4.58	176.58
Depreciation and amortization	614.14	86.34	101.55	802.03
Other non cash expenses	(95.77)	7.54	(41.90)	(130.13)
Segment assets	8,327.23	1,694.39	51,854.01	61,875.63
Segment liabilities	4,060.15	1,113.33	242.27	5,415.75
Equity	-	-	56,459.88	56,459.88

**Oracle Financial Services Software Limited**

**Notes annexed to and forming part of the financial statements for the year ended March 31, 2021**

<b>Year ended March 31, 2020</b>				(Amounts in ₹ million)
<b>Particulars</b>	<b>Products</b>	<b>Services</b>	<b>Unallocable</b>	<b>Total</b>
Capital expenditure by segment				
Property, plant and equipment	309.42	47.81	9.25	366.48
Depreciation and amortization	697.04	103.41	31.27	831.72
Other non cash expenses	42.68	9.30	0.17	52.15
Segment assets	8,298.18	1,722.75	50,646.71	60,667.64
Segment liabilities	4,628.65	719.59	236.39	5,584.63
Equity	-	-	55,083.01	55,083.01

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

<b>Regions</b>	<b>Year ended March 31,</b>			
	<b>2021</b>		<b>2020</b>	
	Amounts in ₹ million	%	Amounts in ₹ million	%
India	3,368.20	9%	2,853.92	8%
Outside India				
Americas				
United States of America	7,939.83	22%	7,736.12	22%
Rest of America	2,614.54	7%	1,919.51	5%
Europe	6,625.43	18%	5,892.19	17%
Asia Pacific	8,948.50	25%	8,508.23	24%
Middle East and Africa	6,955.62	19%	8,345.11	24%
	36,452.12	100%	35,255.08	100%

Revenue of ₹ 26,882.14 million (March 31, 2020 ₹ 28,018.43 million) is derived from a single customer in 'Products' and 'Services' segment.

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

<b>Regions</b>	<b>As at</b>		<b>As at</b>	
	<b>March 31, 2021</b>		<b>March 31, 2020</b>	
	Amounts in ₹ million	%	Amounts in ₹ million	%
India	10,294.44	97%	10,601.39	96%
Outside India				
United States of America	-			
Europe	279.08	3%	272.79	3%
Asia Pacific	5.30	0%	52.78	0%
Middle East and Africa	22.56	0%	62.55	1%
	10,601.38	100%	10,989.51	100%

Non-current assets for this purpose consist of property, plant and equipment, capital work-in-progress, right-of-use asset, investment property, income tax assets (net) and other non-current assets.

Oracle Financial Services Software Limited

Statement of cash flow for the year ended March 31, 2021

(Amounts in ₹ million)

Year ended March 31,

	2021	2020
Cash flows from operating activities		
Profit before tax	21,878.81	20,085.79
Adjustments to reconcile profit before tax to cash provided by operating activities :		
Depreciation and amortization	802.03	831.72
(Profit) on sale of fixed assets, net	(0.10)	(0.23)
Employee stock compensation expense	426.61	432.01
Reversal of provision for diminution in value of investment in subsidiary company	(42.11)	-
Finance income	(1,071.12)	(1,508.73)
Effect of exchange rate changes in cash and cash equivalents	11.08	(82.31)
Effect of exchange rate changes in assets and liabilities	23.73	(120.69)
Finance cost	47.99	80.18
Impairment loss (reversed) on financial assets	(191.34)	(147.86)
Impairment loss recognized on other financial assets	1.95	6.90
Bad debts	101.37	193.11
Operating Profit before Working Capital changes	21,988.90	19,769.89
Movements in working capital		
(Increase) in other non-current financial assets	(41.18)	(809.22)
Decrease in other non-current assets	16.22	138.10
(Increase) decrease in trade receivables	(327.77)	846.80
Decrease (increase) in other current financial assets	(142.40)	748.03
(Increase) in other current assets	(252.37)	(313.39)
Increase in non-current provisions	77.47	75.95
(Decrease) in trade payables	(88.10)	(157.83)
(Decrease) in other current financial liabilities	(72.63)	(170.59)
(Decrease) increase in other current liabilities	(23.06)	72.65
Increase in current provisions	130.90	58.45
Cash from operating activities	21,265.98	20,258.84
Payment of domestic and foreign taxes	(5,818.22)	(5,412.15)
<b>Net cash provided by operating activities</b>	<b>15,447.76</b>	<b>14,846.69</b>
Cash flows from investing activities		
Purchase of property, plant and equipment	(168.30)	(473.18)
Proceeds from sale of property, plant and equipment	1.57	0.23
Income from investment in sublease	16.02	24.99
Refund (placement) of deposits for premises and others	88.41	(0.26)
Loan repaid by (provided to) step-down subsidiary company	76.00	(106.00)
Investment in step-down subsidiary company	-	(20.28)
Bank fixed deposits having maturity of more than three months matured	33,925.00	17,220.00
Bank fixed deposits having maturity of more than three months booked	(34,636.60)	(33,095.00)
Interest received	1,215.06	1,135.27
<b>Net cash provided by (used in) investing activities</b>	<b>517.16</b>	<b>(15,314.23)</b>
Cash flows from financing activities		
Proceeds from issue of shares under employee stock option plan	55.83	43.19
Equity dividend paid	(15,466.31)	(36.08)
Finance cost	(47.99)	(80.18)
Repayment of lease liability	(241.00)	(261.51)
<b>Net cash (used in) financing activities</b>	<b>(15,699.47)</b>	<b>(334.58)</b>
Net increase (decrease) in cash and cash equivalents	265.45	(802.12)
Cash and cash equivalents at beginning of the year	1,993.84	2,713.65
Effect of exchange rate changes in cash and cash equivalents	(11.08)	82.31
<b>Cash and cash equivalents at end of the year</b>	<b>2,248.21</b>	<b>1,993.84</b>

**Oracle Financial Services Software Limited**

**Statement of cash flow for the year ended March 31, 2021 (continued)**

(Amounts in ₹ million)

**Year ended March 31,**

**2021                      2020**

**Component of cash and cash equivalents**

Balances with banks:

In current accounts

1,912.23

1,693.25

In deposit accounts with original maturity of less than three months

250.05

220.04

In unclaimed dividend account\*

85.93

80.55

**Total cash and cash equivalents at the end of the year**

**2,248.21**

**1,993.84**

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