

Oracle Financial Services Software Limited

Unaudited Condensed Consolidated Balance Sheet as at June 30, 2016

| | (Amounts in ₹ million) | | |
|---------------------------------|------------------------|------------------|------------------|
| | June 30, 2016 | March 31, 2016 | April 1, 2015 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | 2,872.07 | 2,561.96 | 2,934.10 |
| Capital work-in-progress | 26.57 | 47.94 | 3.25 |
| Goodwill | 6,086.63 | 6,086.63 | 6,086.63 |
| Intangible assets | - | - | - |
| Investment property | 102.00 | 102.00 | 102.00 |
| Investment in an associate | 1.11 | 2.72 | 2.87 |
| Deferred tax assets (net) | 1,050.50 | 970.98 | 878.65 |
| Financial assets | 482.65 | 471.59 | 570.67 |
| Income tax assets (net) | 3,852.51 | 4,674.38 | 4,241.42 |
| Other non-current assets | 785.85 | 733.45 | 921.78 |
| | 15,259.89 | 15,651.65 | 15,741.37 |
| Current assets | | | |
| Current financial assets | | | |
| Trade receivables | 9,579.90 | 8,310.92 | 6,155.64 |
| Cash and bank balances | 32,479.39 | 27,854.92 | 36,165.64 |
| Other financials assets | 4,413.54 | 4,149.80 | 4,144.32 |
| Income tax assets (net) | - | 167.04 | 79.55 |
| Other current assets | 784.64 | 722.61 | 569.07 |
| | 47,257.47 | 41,205.29 | 47,114.22 |
| TOTAL | 62,517.36 | 56,856.94 | 62,855.59 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 423.71 | 423.45 | 422.24 |
| Other equity | 50,170.18 | 46,315.29 | 52,346.19 |
| Total equity | 50,593.89 | 46,738.74 | 52,768.43 |
| Non- current liabilities | | | |
| Deferred tax liability (net) | 4.96 | 5.00 | 37.12 |
| Financial liabilities | 40.93 | 26.81 | 24.72 |
| Other non-current liabilities | 193.22 | 191.65 | 196.27 |
| Income tax liabilities (net) | 268.86 | 476.26 | 234.17 |
| Long-term provisions | 698.33 | 665.65 | 606.67 |
| | 1,206.30 | 1,365.37 | 1,098.95 |
| Current liabilities | | | |
| Current financial liabilities | | | |
| Trade payables | 546.34 | 377.59 | 362.54 |
| Other financial liabilities | 3,230.28 | 1,926.23 | 2,477.29 |
| Other current liabilities | 4,874.06 | 4,490.15 | 4,588.06 |
| Income tax liabilities (net) | 793.68 | 741.37 | 498.27 |
| Short-term provisions | 1,272.81 | 1,217.49 | 1,062.05 |
| | 10,717.17 | 8,752.83 | 8,988.21 |
| TOTAL | 62,517.36 | 56,856.94 | 62,855.59 |

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

Oracle Financial Services Software Limited

Unaudited Condensed Consolidated Statement of Profit and Loss for three month period ended June 30, 2016

(Amounts in ₹ million, except share data)

Three month period ended June 30,

| | 2016 | 2015 |
|--|-------------|-------------|
|--|-------------|-------------|

| | | |
|-------------------------|-----------|-----------|
| Revenue from operations | 11,771.34 | 10,483.13 |
| Finance income | 415.05 | 768.02 |
| Other income, net | 120.09 | 76.78 |

EXPENSES

| | | |
|---|-----------------|-----------------|
| Employee benefit expenses | 5,495.34 | 4,883.64 |
| Travel related expenses | 605.48 | 501.52 |
| Professional fee expenses | 437.62 | 345.88 |
| Other operating expenses | 481.16 | 484.10 |
| Depreciation and amortization | 191.81 | 141.77 |
| Total expenses | 7,211.41 | 6,356.91 |
| Profit before Share of (loss) of an associate, exceptional item and tax | 5,095.07 | 4,971.02 |
| Share in (loss) of associate | (1.61) | (1.03) |
| Profit before exceptional item and tax | 5,093.46 | 4,969.99 |
| Exceptional item [Refer note 6] | - | (437.17) |
| Profit before tax | 5,093.46 | 4,532.82 |
| Tax expenses | | |
| Current tax | 1,700.11 | 1,927.05 |
| Deferred tax | (68.88) | (198.17) |
| Total tax expenses | 1,631.23 | 1,728.88 |
| Profit for the period | 3,462.23 | 2,803.94 |

Other comprehensive income

| | | |
|--|-----------------|-----------------|
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods: | | |
| Actuarial (loss) gain on gratuity fund | (13.80) | 8.50 |
| Deferred tax | 4.78 | (2.94) |
| Other comprehensive income to be reclassified to profit or loss in subsequent | | |
| Exchange differences on translation of foreign operations | 136.08 | 95.39 |
| Other comprehensive income for the period, net of tax | 127.06 | 100.95 |
| Total comprehensive income for the period, net of tax | 3,589.29 | 2,904.89 |

Profit attributable to:

| | | |
|-------------------------------|-----------------|----------|
| Equity holders of the Company | 3,462.23 | 2,803.94 |
| Non-controlling interests | - | - |
| 3,462.23 | 2,803.94 | |

Total comprehensive income attributable to:

| | | |
|-------------------------------|-----------------|----------|
| Equity holders of the Company | 3,589.29 | 2,904.89 |
| Non-controlling interests | - | - |
| 3,589.29 | 2,904.89 | |

Earnings per equity share of par value of ₹ 5 (June 30, 2015 ₹ 5) each (in ₹)

| | | |
|---------|-------|-------|
| Basic | 40.79 | 33.13 |
| Diluted | 40.68 | 32.96 |

Weighted average number of shares used in computing earnings per share

| | | |
|---------|------------|------------|
| Basic | 84,880,601 | 84,624,040 |
| Diluted | 85,112,916 | 85,080,298 |

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

Oracle Financial Services Software Limited

Unaudited Condensed Consolidated Statements of Changes in Equity for three month period ended June 30, 2016

Three month period ended June 30, 2016

(Amounts in ₹ million, except share data)

| Particulars | No of shares | Share Capital | Share application money pending allotment | Securities premium | General reserve | Employee stock options outstanding | Retained earnings | Other components of equity | Total equity attributable to equity holders of the Company |
|---|-------------------|---------------|---|--------------------|------------------|------------------------------------|-------------------|----------------------------|--|
| Balance as of April 1, 2016 | 84,690,036 | 423.45 | 3.00 | 11,617.95 | 10,145.19 | 1,345.71 | 22,680.15 | 523.29 | 46,738.74 |
| Changes in equity for three month period ended | | | | | | | | | |
| Profit for the period | | | | | | | 3,462.23 | | 3,462.23 |
| Shares issued for exercised options | 51,434 | 0.26 | (2.59) | 97.95 | | 170.24 | | | 95.62 |
| Gross employee stock compensation for options granted | | | | | | (45.92) | 45.92 | | 170.24 |
| Stock options exercised | | | | | | | | | - |
| Acturial gain loss tranferred to Other components of equity | | | | | | | | (9.02) | (9.02) |
| Translation of foreign operations | | | | | | | | 136.08 | 136.08 |
| Balance as of June 30, 2016 | 84,741,470 | 423.71 | 0.41 | 11,715.90 | 10,145.19 | 1,470.03 | 26,188.30 | 650.35 | 50,593.89 |

Three month period ended June 30, 2015

(Amounts in ₹ million, except share data)

| Particulars | No of shares | Share Capital | Share application money pending allotment | Securities premium | General reserve | Employee stock options outstanding | Retained earnings | Other components of equity | Total equity attributable to equity holders of the Company |
|---|-------------------|---------------|---|--------------------|------------------|------------------------------------|-------------------|----------------------------|--|
| Balance as of April 1, 2015 | 84,448,717 | 422.24 | 0.63 | 11,046.35 | 10,145.19 | 723.99 | 30,430.03 | - | 52,768.43 |
| Changes in equity for three month period ended | | | | | | | | | |
| Profit for the period | | | | | | | 2,803.94 | | 2,803.94 |
| Shares issued for exercised options | 15,655 | 0.08 | 25.58 | 33.22 | | 150.95 | | | 58.88 |
| Gross employee stock compensation for options granted | | | | | | | | | 150.95 |
| Stock options exercised | | | | | | | | 5.56 | 5.56 |
| Acturial gain loss tranferred to Other components of equity | | | | | | | | 95.39 | 95.39 |
| Translation of foreign operations | | | | | | | | | |
| Balance as of June 30, 2015 | 84,464,372 | 422.32 | 26.21 | 11,079.57 | 10,145.19 | 874.94 | 33,233.97 | 100.95 | 55,883.15 |

Oracle Financial Services Software Limited

Notes annexed to and forming part of condensed consolidated financial statements for the three month period ended June 30, 2016

(Amount in ₹ millions, except share data)

Note 1: Corporate information

Oracle Financial Services Software Limited (the “Company”) was incorporated in India with limited liability on September 27, 1989. The Company is a subsidiary of Oracle Global (Mauritius) Limited (“Oracle”) with Oracle holding 74.40% (March 31, 2016 - 74.66%) ownership interest in the Company as at June 30, 2016.

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

The Company has following subsidiaries, associate and controlled entities (hereinafter collectively referred as the “OFSS group”):

| Companies | Country of Incorporation | Holding % | Relationship |
|--|--------------------------|-----------|------------------|
| Direct holding | | | |
| Oracle Financial Services Software B.V. | The Netherlands | 100% | Subsidiary |
| Oracle Financial Services Software Pte. Ltd. | Singapore | 100% | Subsidiary |
| Oracle Financial Services Software America, Inc. | United States of America | 100% | Subsidiary |
| ISP Internet Mauritius Company | Republic of Mauritius | 100% | Subsidiary |
| Oracle (OFSS) Processing Services Limited | India | 100% | Subsidiary |
| Oracle (OFSS) ASP Private Limited | India | 100% | Subsidiary |
| Oracle Financial Services Software Chile Limitada | Chile | 100% | Subsidiary |
| Oracle Financial Services Software (Shanghai) Limited | Republic of China | 100% | Subsidiary |
| i-flex Employee Stock Option Trust | India | 100% | Controlled trust |
| Login SA | France | 33% | Associate |
| Subsidiaries of Oracle Financial Services Software America, Inc. | | | |
| Oracle Financial Services Software, Inc. | United States of America | 100% | Subsidiary |
| Mantas Inc. | United States of America | 100% | Subsidiary |
| Subsidiaries of Mantas Inc. | | | |
| Sotas Inc. | United States of America | 100% | Subsidiary |
| Subsidiaries of Sotas Inc. | | | |
| Mantas India Private Limited | India | 100% | Subsidiary |
| Subsidiary of Oracle Financial Services Software B.V. | | | |
| Oracle Financial Services Software SA | Greece | 100% | Subsidiary |
| Subsidiary of Oracle Financial Services Software Pte. Ltd. | | | |
| Oracle Financial Services Consulting Pte. Ltd. | Singapore | 100% | Subsidiary |
| Subsidiaries of ISP Internet Mauritius Company | | | |
| Oracle (OFSS) BPO Services Inc. | United States of America | 100% | Subsidiary |
| Oracle (OFSS) BPO Services Limited | India | 100% | Subsidiary |

Oracle Financial Services Software Limited

Notes annexed to and forming part of condensed consolidated financial statements for the three month period ended June 30, 2016

(Amount in ₹ millions, except share data)

Note 2: Significant accounting policies

2.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the OFSS group has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2015. Accordingly, the OFSS group has restated its financial statements for comparative period ended June 30, 2015.

These consolidated financial statements are the OFSS group’s first Ind AS financial statements. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under section 133 of the Companies Act, 2013 (the ‘Act’), read together with paragraph 7 of the Companies (Accounts) Rules 2014 (‘Previous GAAP’) to Ind AS of Shareholders’ equity as at June 30, 2015.

These consolidated financial statements of the OFSS group as at June 30, 2016 has been prepared in accordance with Ind AS 34 Interim Financial Reporting as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.2 Basis of consolidation

OFSS consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the company, its subsidiaries, its associate and controlled trust as listed out in Note 1. Control is achieved when the OFSS group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the OFSS group controls an investee if and only if the OFSS group has:

- i) Power over investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the OFSS group has less than a majority of the voting or similar rights of an investee, the OFSS group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a) The contractual arrangement with the other vote holders of the investee
- b) Rights arising from other contractual arrangements
- c) The OFSS group’s voting rights and potential voting rights
- d) The size of the OFSS group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting right holders

The OFSS group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the OFSS group obtains control over the subsidiary and ceases when the OFSS group loses control over the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the consolidation are drawn up to same reporting date as that of parent company i.e. as at June 30, 2016.

The financial statements of the OFSS group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation.

Oracle Financial Services Software Limited

Notes annexed to and forming part of condensed consolidated financial statements for the three month period ended June 30, 2016

(Amount in ₹ millions, except share data)

2.3 Summary of significant accounting policies

The significant accounting policies adopted by the OFSS group, in respect of the consolidated financial statements are set out as below:

(a) Business combination and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the OFSS group has elected to apply accounting for business combinations prospectively from April 1, 2015. As such, Previous GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward (please refer note 3).

(b) Current versus non- current classification

The OFSS group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The OFSS group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The OFSS group has identified twelve months as its operating cycle.

(c) Property, plant and equipment and Intangible Assets

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. When significant parts of plant and equipment are required to be replaced at intervals, the OFSS group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or 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.

Oracle Financial Services Software Limited

Notes annexed to and forming part of condensed consolidated financial statements for the three month period ended June 30, 2016

(Amount in ₹ millions, except share data)

In accordance with Ind AS 101 provisions related to first time adoption, the OFSS group has elected to consider historical cost as per Previous GAAP as their deemed cost as at the opening balance sheet as at April 1, 2015 under IndAS. All additions during the reported year are considered at Cost.

The OFSS group 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 OFSS group, therefore, charges to income the cost of acquiring such software.

Depreciation and amortization are 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> |
|-------------------------------------|--------------------------------------|
| Tangible assets | |
| Improvement of leasehold premises | Lesser of 7 years or lease term |
| Buildings | 20 |
| Computer equipments | 3 |
| Office equipments | 2-5 |
| Electricals and other installations | 2-7 |
| Furniture and fixtures | 2-7 |
| Vehicles under finance lease | Lesser of 3 to 5 years or lease term |
| Intangible assets | |
| Goodwill on acquisition | 3 to 5 |
| Product IPR | 5 |
| PeopleSoft ERP | 5 |

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.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical feasibility of project is established, future economic benefits are probable, the OFSS group has an intention and ability to complete and use or sell the software and the cost can be measured reliably.

Software product development costs incurred subsequent to the achievement of technical feasibility are not material and are expensed as incurred.

Foreign currencies

The OFSS group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the OFSS group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency balances

Transactions in foreign currencies are initially recorded by the OFSS group's entities at their respective functional currency using spot rates at the date the transaction.

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Notes annexed to and forming part of condensed consolidated financial statements for the three month period ended June 30, 2016

(Amount in ₹ millions, except share data)

Monetary assets and liabilities denominated in foreign currencies are translated into the relevant functional currency at exchange rates at the reporting date.

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.

OFSS group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the date of the transactions. For practical reasons, the OFSS group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the date of the transactions. The exchange differences arising on translation for consolidation are recognized in Other Comprehensive income ("OCI").

Goodwill arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (April 1, 2015), is treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non- monetary items are already expressed in functional currency of the parent and no further translation differences occur.

Cumulative currency translation differences of all foreign operations are deemed to be zero at the date of transition viz., April 1, 2015.

(d) Revenue recognition

Revenue from services

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the OFSS group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured under Ind AS at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The OFSS group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

In arrangements for software development and related services and maintenance services, the OFSS group has applied the guidance in Ind AS 18, Revenue, by applying the revenue recognition criteria for each separately identifiable component of a single transaction. The arrangements generally meet the criteria for considering software development and related services as separately identifiable components. For allocating the consideration, the OFSS group has measured the revenue in respect of each separable component of a transaction at its fair value, in accordance with principles given in Ind AS 18. The price that is regularly charged for an item when sold separately is the best evidence of its fair value. In cases where the OFSS group is unable to establish objective and reliable evidence of fair value for the software development and related services, the OFSS group has used a residual method to allocate the arrangement consideration. In these cases the balance of the consideration, after allocating the fair values of undelivered components of a transaction has been allocated to the delivered components for which specific fair values do not exist.

Interest income

Interest income is recognized using the effective interest method.

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Notes annexed to and forming part of condensed consolidated financial statements for the three month period ended June 30, 2016

(Amount in ₹ millions, except share data)

(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 OFSS group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI 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.

Deferred tax

Deferred tax is provided using the liability method 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 recognised 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 recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, and associates, deferred tax assets are recognised 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 utilised.

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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Notes annexed to and forming part of condensed consolidated financial statements for the three month period ended June 30, 2016

(Amount in ₹ millions, except share data)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised 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 recognised outside profit or loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI 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.

(f) Investment properties

Investment properties are measured initially and subsequently at cost. The OFSS group has elected to continue with the carrying value for all of its investment property as recognised in its Previous GAAP financial statements as deemed cost at the transition date. Though the OFSS group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

(g) Fair value measurement

The OFSS group has measured the financial instruments at fair value at the balance sheet date.

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 OFSS group.

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 OFSS group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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

Oracle Financial Services Software Limited

Notes annexed to and forming part of condensed consolidated financial statements for the three month period ended June 30, 2016

(Amount in ₹ millions, except share data)

- 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 recognised in the financial statements on a recurring basis, the OFSS group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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 OFSS group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the OFSS group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The OFSS group 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 OFSS group 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.

(h) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The OFSS group recognises a financial asset or a liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortised cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortised cost

This category is the most relevant to the OFSS group. Financial assets are measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortised using the effective interest rate (EIR) method, less impairment. Amortised 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 amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs.

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Notes annexed to and forming part of condensed consolidated financial statements for the three month period ended June 30, 2016

(Amount in ₹ millions, except share data)

Financial assets at fair value through OCI

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The OFSS group has not designated any financial assets at fair value through OCI.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by Ind AS 109. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the statement of profit or loss.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at

fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

Derecognition

A financial asset is derecognised i.e. removed from the OFSS group's consolidated statement of financial position when:

- The contractual rights to the cash flows from the financial asset expire or
- The OFSS group 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 OFSS group has transferred substantially all the risks and rewards of the asset, or (b) the OFSS group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the OFSS group 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 OFSS group continues to recognise the transferred asset to the extent of the OFSS group's continuing involvement. In that case, the OFSS group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the OFSS group has retained.

Impairment of financial assets

The OFSS group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that have occurred since the

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initial recognition of the asset, has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the trade receivables or a group of trade receivables is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The OFSS group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the OFSS group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognized in the statement of profit or loss. Interest income on financial assets measured at amortized cost continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Financial assets together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the OFSS group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the statement of profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The OFSS group's financial liabilities include trade payables, accrued expenses, advance from customers and unclaimed dividends.

Subsequent measurement

The OFSS group measures all financial liabilities at amortised cost except for financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Amortised 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 amortisation is included as finance costs in the statement of profit or loss.

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

Derecognition

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A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(i) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The OFSS group uses forward currency contracts derivative financial instrument to hedge its foreign currency risks. Such derivative financial instrument is initially recognised at fair value on the date on which a derivative contract is entered into and is subsequently remeasured at fair value. Derivative is carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the OFSS group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit or loss as a finance cost. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit or loss as a finance cost.

The OFSS group enters into foreign currency forward contracts that is used to hedge for the exposure of changes in the fair value of trade receivable on account of foreign currency rate movement.

(j) Leases

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 fulfilment 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.

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For arrangements entered into prior to 1 April 2015, the OFSS group has examined and determined that there were no arrangements that contain lease on the basis of facts and circumstances existing on the date of transition.

(k) Share based payments

Employees of the OFSS group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

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 recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the OFSS group's best estimate of the number of equity instruments that will ultimately vest.

(l) Provisions

Provisions are recognised when the OFSS group 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 recognised as a finance cost.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The OFSS group has no obligation, other than the contribution payable to the provident fund. The OFSS group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The OFSS group operates a defined benefit gratuity plan in India, which requires contributions to be made to a fund administered and managed by the LIC to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the OFSS group, although LIC administers the scheme.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Non vested past service cost has been adjusted against the retained earnings on the date of transition to Ind AS.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the OFSS group recognises related restructuring costs.

Any actuarial gains / losses on post employment benefits are recognized in other comprehensive income.

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Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The OFSS group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

(n) Treasury shares

The OFSS group has created an Employee Benefit Trust ('EBT') for providing share-based payment to its employees. The EBT was used as a vehicle for distributing shares to employees under the employee remuneration schemes. The OFSS group treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the OFSS group's own equity instruments.

(o) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(p) Earnings per share

The earnings considered in ascertaining the OFSS group's earnings per share comprise the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of shares, if any which would have been issued on the conversion of all dilutive potential equity shares. The weighted average number of shares and potentially dilutive equity shares are adjusted for the bonus shares and sub-division of shares. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Note 3: First time adoption of Ind AS

The OFSS group's date of transition to Ind AS is April 1, 2015. Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The OFSS group has applied the following material exemptions:

- Ind AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses under Ind AS that occurred before April 1, 2015. Use of this exemption means that the Previous GAAP carrying amounts of assets and liabilities, that are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS.
- Cumulative currency translation differences for all foreign operations are deemed to be zero as at April 1, 2015.

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- Ind AS 102 Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before April 1, 2015.
- Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the OFSS group has used Ind AS 101 exemption and assessed all arrangements based on conditions in place as at the date of transition.
- OFSS group has opted for historical cost of Property, plant and equipment as per Previous GAAP as the deemed cost on the opening balance sheet date.

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Notes annexed to and forming part of the unaudited condensed consolidated financial statements for three month period ended June 30, 2016

4. Capital Commitments

| Particulars | (Amounts in ₹ million) | |
|--|------------------------|----------------|
| | June 30, 2016 | March 31, 2016 |
| Contracts remaining to be executed on capital account not provided for (net of advances) | 211.38 | 250.59 |

5. SEGMENT INFORMATION

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

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

Three month period ended June 30, 2016

| Particulars | (Amounts in ₹ million) | | | |
|------------------------------|------------------------|----------|----------------|------------------------|
| | Products | Services | BPO - Services | Total |
| Revenue from operations | 9,982.02 | 1,497.36 | 291.96 | 11,771.34 |
| Segment result | 4,540.03 | 189.89 | 89.19 | 4,819.11 |
| Unallocable expenses | | | | (259.18) |
| Finance income | | | | 415.05 |
| Foreign exchange gain, net | | | | 55.10 |
| Miscellaneous income, net | | | | 64.99 |
| Share in (loss) of associate | | | | (1.61) |
| Profit before tax | | | | 5,093.46 |
| Tax expenses | | | | (1,631.23) |
| Profit for the period | | | | <u><u>3,462.23</u></u> |

Three month period ended June 30, 2015

| Particulars | (Amounts in ₹ million) | | | |
|-------------------------------|------------------------|----------|----------------|------------------------|
| | Products | Services | BPO - Services | Total |
| Revenue from operations | 8,758.05 | 1,443.00 | 282.08 | 10,483.13 |
| Segment result [Refer note 6] | 4,096.75 | 152.50 | (327.64) | 3,921.61 |
| Unallocable expenses | | | | (232.56) |
| Finance income | | | | 768.02 |
| Foreign exchange gain, net | | | | 116.28 |
| Miscellaneous income, net | | | | (39.50) |
| Share in (loss) of associate | | | | (1.03) |
| Profit before tax | | | | 4,532.82 |
| Tax expenses | | | | (1,728.88) |
| Profit for the period | | | | <u><u>2,803.94</u></u> |

Three month period ended June 30, 2016

| Particulars | (Amounts in ₹ million) | | | | |
|--------------------------------|------------------------|----------|----------------|-------------|-----------|
| | Products | Services | BPO - Services | Unallocable | Total |
| Capital expenditure by segment | | | | | |
| Tangible assets | 305.36 | 94.13 | - | 86.27 | 485.76 |
| Depreciation and amortisation | 142.73 | 23.88 | 19.55 | 5.65 | 191.81 |
| Other non cash expenses | 29.58 | (0.26) | - | - | 29.32 |
| Segment assets | 19,164.19 | 2,778.11 | 318.08 | 40,256.98 | 62,517.36 |
| Segment liabilities | 8,477.19 | 1,059.01 | 140.20 | 2,247.07 | 11,923.47 |
| Shareholders' funds | - | - | - | 50,593.89 | 50,593.89 |

Three month period ended June 30, 2015

| Particulars | (Amounts in ₹ million) | | | | |
|--------------------------------|------------------------|----------|----------------|-------------|-----------|
| | Products | Services | BPO - Services | Unallocable | Total |
| Capital expenditure by segment | | | | | |
| Tangible assets | 20.21 | 6.23 | - | 5.71 | 32.15 |
| Depreciation and amortisation | 102.53 | 26.38 | 7.33 | 5.53 | 141.77 |
| Other non cash expenses | (20.72) | 32.02 | - | - | 11.30 |
| Segment assets | 15,429.30 | 3,001.59 | 278.97 | 47,596.04 | 66,305.90 |
| Segment liabilities | 7,075.54 | 1,068.29 | 582.70 | 1,696.22 | 10,422.75 |
| Shareholders' funds | - | - | - | 55,883.15 | 55,883.15 |

6. In the three month period ended June 30, 2015, the Company had charged an amount of ₹ 4,37.17 million in the consolidated financial results in relation to an Arbitration award passed against a wholly owned subsidiary company.

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Notes annexed to and forming part of the unaudited condensed consolidated financial statements for three month period ended June 30, 2016

7. Reconciliations between Previous GAAP and Ind AS

Equity reconciliation

| | Particulars | As at March 31, 2016 | As at April 1, 2015 |
|--|------------------|----------------------|---------------------|
| Equity under Previous GAAP | | 36,754.08 | 34,441.31 |
| Adjustments: | | | |
| Equity accounting investment in an associate Login SA | 2.72 | 2.87 | |
| Fair valuation of Financial Assets along with Expected Credit Loss on financial assets | (154.17) | (109.92) | |
| Deferred Taxes including taxes on undistributed earnings of subsidiaries | (142.19) | (145.45) | |
| Consolidation of i-flex Employee Stock Option Trust | 328.11 | 328.55 | |
| Deferral of revenue including discounting due to extended payment terms | (312.91) | (215.66) | |
| Reversal of proposed Final Dividends | 10,243.03 | 18,331.34 | |
| Exchange differences on translation of foreign operations | 13.72 | 136.91 | |
| Others | 6.35 | (1.52) | |
| Equity under Ind AS | 46,738.74 | 52,768.43 | |

Comprehensive income reconciliation

| | Particulars | Three month period ended June 30, 2015 |
|--|-------------|--|
| Net income under Previous GAAP | | 3,293.31 |
| Adjustments: | | |
| Equity accounting investment in an associate Login SA | (1.03) | |
| Stock Compensation Charge for unvested options | (88.63) | |
| Fair valuation of Financial Assets along with Expected Credit Loss on financial assets | 30.71 | |
| Provisions for current period made in subsequent periods | (25.22) | |
| Deferred Taxes including taxes on undistributed earnings of subsidiaries | 81.93 | |
| Reclassification of actuarial gain to Other components of equity | (8.50) | |
| Deferral of revenue including discounting due to extended payment terms | (248.49) | |
| Exchange differences on translation of foreign operations | (229.89) | |
| Others | (0.25) | |
| Profit for the period under Ind AS | | 2,803.94 |
| Other comprehensive income | 100.95 | |
| Total comprehensive income under Ind AS | | 2,904.89 |

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Unaudited Condensed Statement of Cash Flow for the three month period ended June 30, 2016

| | (Amounts in ₹ million) | |
|---|-----------------------------------|------------------|
| | Three month period ended June 30, | |
| | 2016 | 2015 |
| Net cash provided by operating activities | 4,421.06 | 2,986.64 |
| Net cash provided by investing activities | 1,522.68 | 981.20 |
| Net cash provided by financing activities | 95.61 | 58.84 |
| Net increase in cash and cash equivalents | 6,039.35 | 4,026.68 |
| Cash and cash equivalents at beginning of the period | 5,789.66 | 6,244.58 |
| Effect of exchange difference on cash and bank balances | 200.30 | 157.26 |
| Cash and cash equivalents at end of the period | 12,029.31 | 10,428.52 |
| Component of cash and cash equivalents | | |
| Funds in transit | 48.29 | - |
| Balances with banks: | | |
| Current accounts* | 9,520.12 | 7,340.85 |
| Deposit accounts with original maturity of less than 3 months | 2,320.69 | 2,986.11 |
| Unclaimed dividend account** | 140.21 | 101.56 |
| Total cash and cash equivalents | 12,029.31 | 10,428.52 |

*Current account includes ₹ 358.47 (June 30, 2015 ₹ 329.44) on account of restricted cash and bank balances held by i-flex Employee Stock Option Trust controlled by the Company.

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