

**SOFTWARE.  
HARDWARE.  
COMPLETE.**



## ANNUAL REPORT

| 2009 - 2010

| Oracle Financial Services Software Limited

**ORACLE®**

**SOFTWARE. HARDWARE. COMPLETE.**

Oracle provides the world's most complete, open, and integrated business software and hardware systems, including a comprehensive footprint of business applications built on open standards. Today, 20 of the world's top 20 banks rely on Oracle to deliver higher levels of business productivity. Oracle FLEXCUBE, Oracle Reveleus, Oracle Mantas and Oracle Financial Services Consulting are key components of this portfolio.





*“Oracle Financial Services Software is providing us with a flexible, best-in-class solution that fits well with our current and future business requirements. Oracle Reveleus is a proven solution and we are impressed by how it has consistently delivered value to tier-1 banks across the world. We expect that we will be able to significantly improve our operational efficiency using Oracle Reveleus.”*

**Deepak Katyal**, Vice President, Information Technology, TAIB Bank.

*“Being a large bank in Azerbaijan, our interest is in the welfare of the general public and our esteemed shareholders. In order to serve them in the best possible way, a high-end solution is the answer and for this reason we are using Oracle FLEXCUBE to serve our customers and also obtain a competitive edge. About 700,000 of our customers have already benefited from improved customer service and we are confident this association will continue to be an enduring and beneficial one.”*

**Emil Mustafayev**, First Deputy Chairman, International Bank of Azerbaijan.

### **From the Chairman's desk**

Oracle Financial Services Software has completed another remarkable year. In 2009-2010, despite the financial services industry being adversely affected by a global economic crisis we delivered a 36% increase in the operating income.

Our mission of enabling financial institutions to reach their full potential continues to inspire us. We continued to invest in enhancing our portfolio and improving our value proposition to our customers. We gained new customers and momentum with a number of new releases of Oracle Financial Services Analytical Applications that address enterprise risk, fraud and financial crime and enterprise performance management. In the same year, we launched Oracle FLEXCUBE Release 11 to help our customers set new standards of efficiency for both their domestic and global operations.

Our products and services continue to win industry accolades and recognition. In May 2010, leading independent analyst firm, Forrester Research, Inc., recognized Oracle as a "Global Power Seller" for banking platform deals in its Global Banking Platform Deals 2009 report. Our customers have also won numerous awards for their innovation and leadership. Jibun Bank, Japan, won The Asian Banker IT Implementation Awards for "Best Core Banking Project." It was also given an Honorable Mention for "Most Innovative Entry," for the project's innovation in enabling a complete bank on a mobile phone. UBank, a division of National Australia Bank, has won the CANSTAR CANNEX Innovation Excellence Award for its USaver online savings account that showed innovation through its rate reassurance and online application process. USaver was also judged as the Best Online Savings Account 2010 in Money magazine's 'Best of the Best' awards.

After the events of 2008 and 2009, financial institutions are preparing for the "new normal" that has emerged. Regulators now expect banks to conduct regular stress tests for capital and liquidity. During the fiscal year we introduced offerings that address these requirements and have won deals in top tier banks.

We value the contribution of our employees to the Company's success. Their tireless efforts, limitless passion, and commitment to our mission have placed us firmly on the path of excellence.

We look forward to another exciting year ahead at Oracle Financial Services Software.

Regards,

**William T Comfort, Jr.**  
Chairman  
Oracle Financial Services Software Limited

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## Announcements 2009–2010

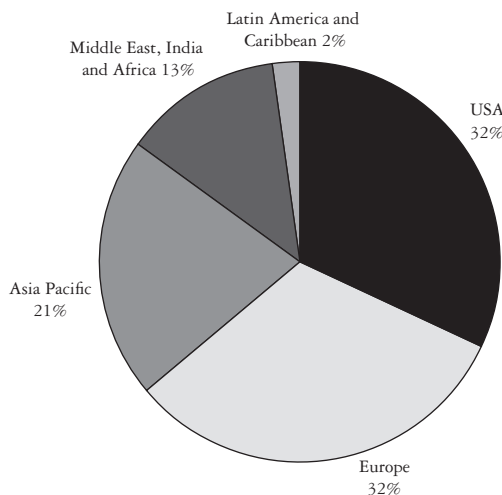
• Oracle Financial Services Software announces Oracle FLEXCUBE Enterprise Limits and Collateral Management	April 14, 2009
• Jibun Bank wins prestigious award for best core banking implementation	May 12, 2009
• Bank of London and The Middle East plc goes live on Oracle FLEXCUBE Private Banking	May 13, 2009
• Leading independent analyst firm names Oracle a 'Global Power Seller' in 2008 Banking Platform Deals	June 4, 2009
• Oracle Financial Services Software leads OpRisk & Compliance Annual Compliance Software Rankings	June 25, 2009
• National Bank of Cambodia selects Oracle FLEXCUBE as banking platform	June 30, 2009
• Cambodia's PRASAC Microfinance Institution selects Oracle FLEXCUBE Universal Banking	June 30, 2009
• International Bank of Azerbaijan goes live on Oracle FLEXCUBE Universal Banking	July 14, 2009
• Oracle Financial Services Software reports Q1 net income of Rs. 186 Crore	July 30, 2009
• Leading analyst firm positions Oracle FLEXCUBE in 'Leaders Quadrant' in International Retail Core Banking Report	August 5, 2009
• Oracle Financial Services Software announces new release of Oracle Mantas Fraud	September 1, 2009
• TAIB Bank uses Oracle Reveleus to accelerate time to Basel II compliance	September 10, 2009
• Oracle announces new Financial Services Analytical Applications for Enterprise Performance Management	September 11, 2009
• Oracle Financial Services Software announces new release of Oracle FLEXCUBE Universal Banking	September 14, 2009
• Oracle Announces Oracle Financial Services Revenue Management and Billing for Banking	September 14, 2009
• Oracle awarded SWIFTReady Labels	September 14, 2009
• Leading analyst firm positions Oracle Financial Services Software in 'Leaders Quadrant' in its 2009 Operational Risk Management Software Report	September 29, 2009
• Caribbean Development Bank goes live on Oracle FLEXCUBE Universal Banking to improve operational efficiency	October 1, 2009
• Oracle Announces new financial services solution for enterprise-wide stress testing	October 13, 2009
• Oracle Financial Services Software reports Q2 net income of Rs. 205 Crore	October 30, 2009
• Oracle Financial Services Software announces Oracle FLEXCUBE Universal Banking Release 11.0	January 7, 2010
• Oracle Financial Services Software reports Q3 net income of Rs. 227 Crore	January 29, 2010
• Oracle Financial Services announces the latest release of Oracle FLEXCUBE Investor Servicing	February 25, 2010

# Financials at a glance

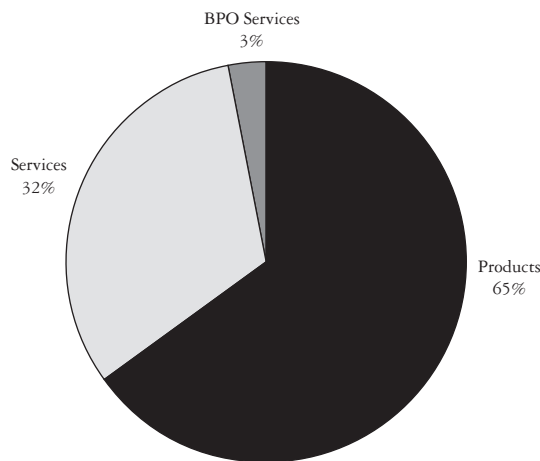
## Key performance indicators 2009-2010

As per Indian GAAP Consolidated results

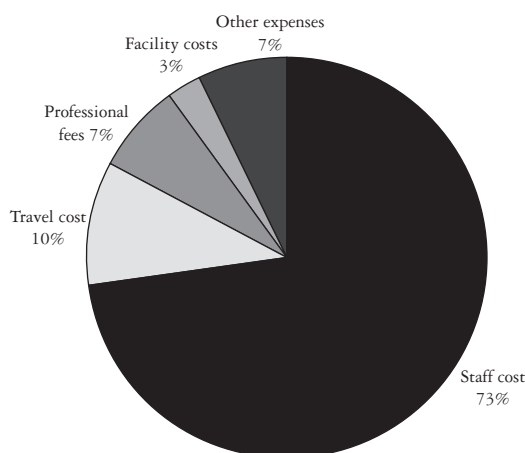
Fiscal year 2009-10 break up in terms of operating revenue by region, operating revenue by portfolio and expense by category



Operating revenue by region



Operating revenue by portfolio



Expense by category

(All figures in Rs. millions except EPS & Book Value)

As per Indian GAAP Consolidated results

## Our 10 years in the industry

	2000-01*	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Operating Revenue	3,038.55	4,157.18	6,141.21	7,881.29	11,385.93	14,823.00	20,609.38	23,802.36	29,276.20	28,739.74
Interest and Other Income (expense)	172.66	138.09	97.93	136.58	259.28	290.54	367.28	631.16	1,763.89	(858.03)
Total Revenue	3,211.21	4,295.27	6,239.14	8,017.87	11,645.21	15,113.54	20,976.66	24,433.52	31,040.09	27,881.71
Total Expenses	2,016.85	2,991.95	4,277.53	5,703.26	8,693.82	12,176.60	16,837.91	19,835.95	22,839.30	18,947.38
EBT	1,194.36	1,303.32	1,961.61	2,314.61	2,951.39	2,936.94	4,138.75	4,597.57	8,200.79	8,934.33
Tax	94.15	150.33	252.73	526.75	627.06	560.41	415.95	441.68	835.36	1,197.69
EAT	1,100.21	1,152.99	1,708.88	1,787.86	2,324.33	2,376.53	3,722.80	4,155.89	7,365.43	7,736.64
EPS	13.12	13.75	20.38	21.32	27.72	28.34	44.40	49.56	87.84	92.26
Book Value	37.86	56.19	92.16	111.25	136.58	164.53	281.66	331.17	417.97	511.55

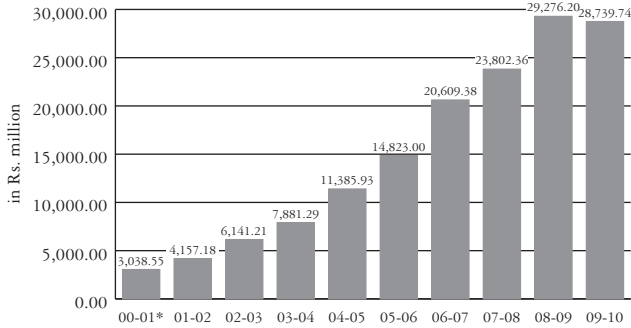
Notes: All EPS and Book Values are computed based on the current equity capital base of 83,854,857 shares as on March 31, 2010

\* As per Indian GAAP Unconsolidated Results

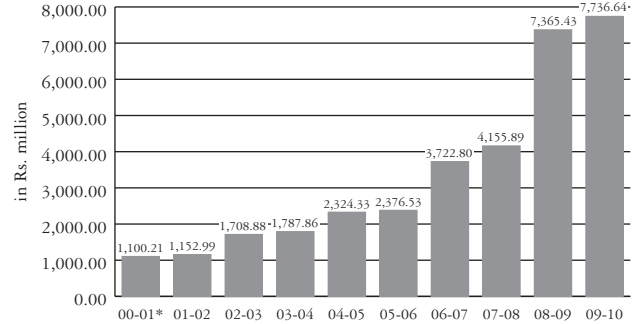


## Key metrics 2000–2010

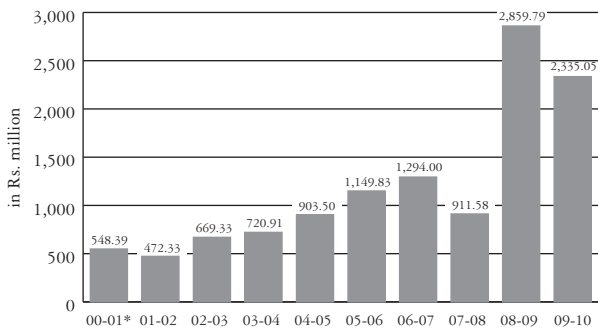
### Operating revenue



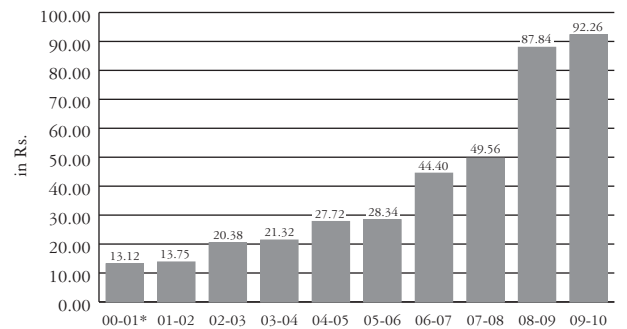
### Net income



### Economic Value Added

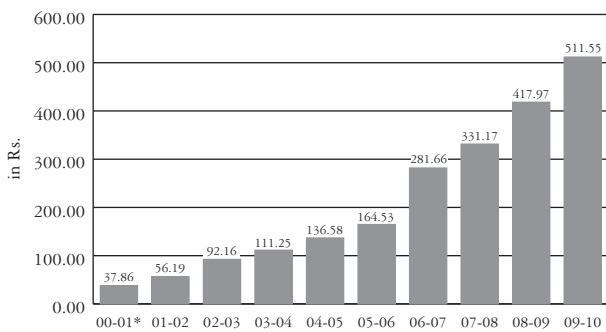


### Earnings Per Share



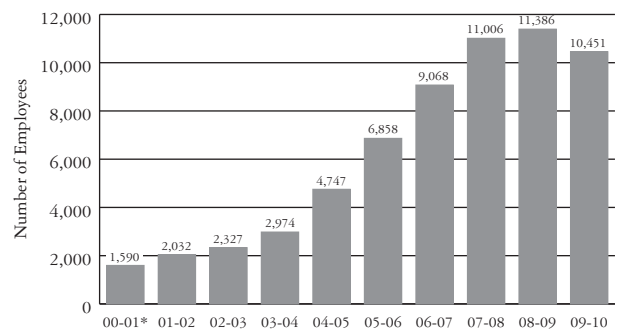
Earnings per share is computed on the equity capital base of 83,854,857 shares as on March 31, 2010

### Book value

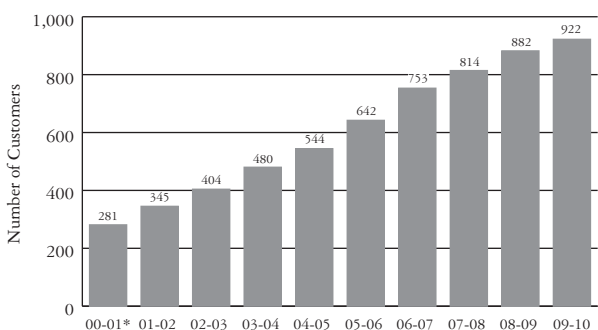


Book Value is computed on the equity capital base of 83,854,857 shares as on March 31, 2010

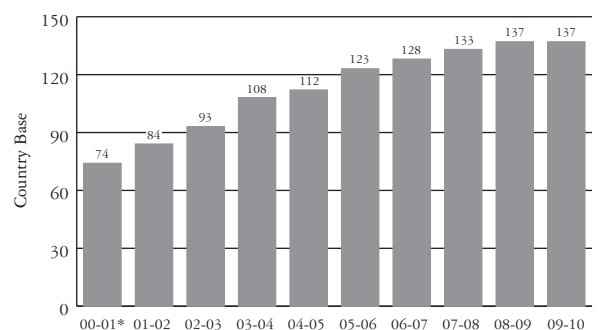
### Number of employees including subsidiaries



### Customers serviced



### Country presence



# Corporate information

## Oracle Financial Services Software

### Board of Directors

Derek H Williams  
Dorian Daley  
Frank Brienzi  
Joseph John (Whole-time Director)  
N R Kothandaraman (N R K Raman)  
(Managing Director and CEO)  
Tarjani Vakil  
William Corey West  
William T Comfort, Jr. (Chairman)  
Y M Kale

### Senior Management

#### Executive Vice Presidents

V Shankar  
Kishore Kapoor

#### Senior Vice Presidents

Atul Gupta  
Vikram Gupta  
Manmath Kulkarni  
S Hariharan  
S Sundararajan  
Sajal Mukherjee  
Vijay Sharma  
Vivek Govilkar  
R Narasimhan  
Kapil Gupta

#### Vice Presidents

A Srinivasan  
Abhik Ray  
Ajay Bhatia  
Anand Pitre  
Ashit Shah  
Bharat B Mehta  
Bhaskar Jayaraman  
Bimal Gupta  
Buddhadeb Das Gupta  
Chandrasekaran Balsubramanian  
Dinakar Kuntadi Kini  
Dinesh Shetty  
Don Ganguly

G Narasimhan  
Ganesh Ramakrishnan  
George Thomas  
Girish Chhatpar  
H S Teji  
Jambu Natarajan  
Junichi Kohara  
K Kochappan Davis  
K Laxminarayan  
K Surya  
Karthick R Prasad  
Kiran Narsu  
K Sanjay Iyer  
Laura Balachandran  
Loganathan Damodaran  
M Ravikumar  
Madhukar Harbanslal Kapoor  
Mahesh Rao  
Rajesh Makhija  
Manoj Narayan Kulkarni  
Meenakshy Iyer  
Mini S Muralidhar  
Mohan Bhatia  
Mustafa Moonim  
Naveen Grover  
Nikos G Goutsoulas  
O'Laughlin Patrick T  
P Prasannavadanan  
P Suresh Kumar  
Peter Martin Hill  
Pradeep Godbole  
R Ramamurthi  
Rajendra Potdar  
Ranjan Roy  
Ravi Mahadevan  
Ravi Pandit  
Ravikumar V  
Salmon Seth P  
Sanjay Bajaj  
Sanjay V Deshpande  
Sanjeet Prakash Rao  
Shahab Alam  
Sivaramakrishnan G  
Sridhar Ramachandran  
Sunder Annamraju

Surendra Shukla  
Tejus Sheth  
Teresa O'Leary  
Thomas Mathew  
Uttam Gadkary  
V Srinivasan  
V Srivatsan  
Varun Rajpal  
Venkata Subramanian  
Vijay Alexander  
Vinayak Hampihallikar

### Company Secretary

Hoshi D Bhagwagar

### Chief Financial Officer

Makarand Padalkar

### Chief Accounting Officer

Avadhut (Vinay) Ketkar

### Solicitors

Ramesh P Makhija & Co.

### Auditors

S. R. Batliboi & Associates

### Bankers

Bank of India  
Canara Bank  
Central Bank of Libya  
Citibank N.A.  
HDFC Bank Ltd.  
Kotak Mahindra Bank Ltd.  
Syndicate Bank  
State Bank of Mauritius Ltd.  
Yes Bank Ltd.

### Registrars & Transfer Agents

Link Intime India Private Limited  
C/13 Pannalal Silk Mills Compound  
L.B.S. Road, Bhandup (West)  
Mumbai 400078