



S S P J & Co.

(Formerly Sandeep Pawan Jain & Associates)

CHARTERED ACCOUNTANTS

Firm Registration No. 018083N

INDEPENDENT AUDITORS' REPORT

**To the Members of
LIC Cards Services Limited
New Delhi**

Report on the financial statements

Opinion

We have audited the accompanying financial statements of LIC Cards Services Limited ('the company' or "LIC CSL"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss for the year then ended, Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its Statement of Profit & Loss and Cash Flow Statement for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is included in Annexure B. This description forms part of our auditor's report.



Emphasis of Matters

We draw attention to the following matters:

1. With reference to Point No. 8 of "Other Notes to Accounts" proper system is not in place in LIC Cards Services Limited regarding verification of "Income from spend on cards received from Axis Bank". Income from spend on cards accounts to major portion of total income of the company and contributes around 40% of "Revenue from operations" of the company. We have been provided certificate from Statutory Auditor of Axis Bank's in which auditor has certified that "based on the procedures performed and according to the information and explanations given to us, nothing has come to our attention that causes us to believe that the payout is not done as per the terms of the Agreement for the year ended March 31, 2023".
2. With reference to Point No. 19 of "Other Notes to Accounts" LIC CSL is giving competition prizes/special awards/gift cards to its staff members and Area Managers. Amount of competition prizes/special awards/gift cards is authorized by the Chief Executive, however there is no written policy for the same. It is recommended to draft a policy in this regard so that amounts given as competition prizes/special awards/gift cards by company to its staff members are based on company policy.

"Our Opinion is not modified in respect of these matters"

Other Matters

We draw attention to the following matters: -

1. The company has an undue dependence on Axis Bank. Revenue from Axis Bank during the financial year 2022-23 is more the 90 percent of "Revenue from operations" of the company, whereas revenue from business with Union Bank of India and IDBI Bank put together accounts for only 2 percent of "Revenue from operations" of the company.
2. TDS Recoverable for FY 2022-23 reflecting in books of accounts of the company is subject to reconciliation.

As per submission made to us, the company has not described any establishment as branch, hence no branch audit is applicable to it.

Our Opinion is not modified in respect of these matters.



Report on Other Legal and Regulatory Requirements

1. Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) In our opinion there are no observations or comments on the financial transactions, which may have adverse effect on the functioning of the company.
 - (f) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) Report on the Internal Financial Controls under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act") is given in 'Annexure B'.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts that are required to be transferred to the Investor Education and Protection Fund by the Company.



iv.

- a. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year.
- vi. Report as per the Directions of C & AG, under section 143(5) of the Companies Act, 2013, is attached herewith in Annexure "C" to the Independent Auditors Report.

For and on behalf of
SSPJ & Co.
Chartered Accountants
Firm Regn. No. 018083N

Place: Delhi

Date: 15/05/2023



parteek singla
(CA Parteek Singla)
Partner
M.No. 539753

UDIN: 23539753BGXMEW7696

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 1 under Report on other Legal and Regulatory Requirements of our Report of even date to the members of LIC CARDS SERVICES LTD on the accounts of the company for the year ended March 31, 2023)

- 1)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment and intangible assets.
 - b) The fixed assets have been physically verified by the management at the reasonable intervals.
 - c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the Company is not holding/owning any immovable properties.
 - d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- 2)
 - a) The company is a service company and does not carry any inventories.
 - b) the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year.
- 3) The company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to the companies, firms or any other parties.
- 4) The company has not granted any loans, investments, guarantees, and security covered u/s 185 and 186, therefore reporting under this clause is not required.



- 5) In our opinion and according to information and explanations given to us the company has not accepted any deposit from public and from the members.
- 6) Maintenance of cost record has not been specified by the Central Government under sub-section (1) of the section 148 of the Companies Act, 2013.
- 7)
 - a) According to records of the company, the company, is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sale tax, value added tax, wealth tax, custom duty, excise duty, service tax cess, Goods & Service Tax and other statutory dues applicable to it.
 - b) According to information and explanations given to us, no undisputed amount payable in respect of income tax, wealth tax, sales tax, value added tax, service tax, custom duty and excise duty as at 31st March 2023 for a period of more than six months from the date they became payable.
 - c) According to the records of the company, there are no dues of sales tax, income tax, custom tax/wealth tax, value added tax, service tax, excise duty/cess which have not been deposited on account of any dispute.
- 8) Based upon our audit procedures performed, there are no transactions which are not recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961.
- 9)
 - a) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b) the company is not a declared wilful defaulter by any bank or financial institution or other lender.
 - c) No Term loans are there in the books of accounts of the company. Hence, application of loan is not applicable.
 - d) funds raised on short term basis have not been utilised for long term purposes
 - e) the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - f) the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.



- 10)
- a) No money through IPO or further public offer (including debt instruments) has been raised by the company during the year. Hence no comments required on application.
 - b) the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year
- 11) a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c) No whistle -blower complaints have been received during the year by the company.
- 12)The company is not a Nidhi Company,
- 13)All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act 2013, wherever applicable and the details have been disclosed in the financial statements and notes to accounts etc. as required by the applicable accounting standards.
- 14) a) Based upon the audit procedure performed and information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business.
- b) Internal audit of the company is conducted internally and the same has been considered for the period under audit.
- 15)The company has not entered into any non-cash transactions with directors or persons connected with them.
- 16)The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- 17)The company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- 18)There has not been any resignation of the statutory auditors during the year.



- 19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, the auditor is of the opinion that no material uncertainty exists as on date of the audit report and that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- 20) a) As explained, there is no ongoing projects for which the company is required to transfer any unspent amount to a Fund specified in Schedule VII of the Companies Act within six months of the expiry of the financial year.
- b) No amount is remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;
- 21) Reporting on consolidated financial statements is not applicable in this case.

For and on behalf of
SSPJ & Co.
Chartered Accountants
Firm Reg. No. 018083N



parteeek Singla
CA Parteeek Singla
Partner
M.No. 539753

Place: Delhi
Date: 15/5/23

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LIC CARDS SERVICES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of LIC CARDS SERVICES LIMITED ('the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India (the Guidance Note). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards of Auditing prescribed under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were



operating effectively as at 31-Mar-2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of
S S P J & Co.
Chartered Accountants
Firm Reg. No. 018083N



parteeK Singla
CA ParteeK Singla
Partner
M.No. 539753

Place: Delhi

Date: 15/5/23

**ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF LIC CARDS SERVICES LIMITED FOR THE FINANCIAL
YEAR 2022-23**

Report as per the Directions of C & AG, under section 143 (5) of the Companies Act, 2013

S. No.	Directions	Report
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The books of accounts of company are maintained in TALLY.EPR9. However, the operational income is majorly billed based on figures received from Axis Bank and there is no mechanism in place to cross verify these figures. Axis Bank billing amounts are based on figures processed by Axis Bank IT Systems.
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for Statutory Auditor of lender company).	Not Applicable. There is no long term or short-term loans taken by the company. Hence question of any restructuring does not arise.



3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utlized as per its term and conditions? List the cases of deviation.	Not Applicable. The company has not received any fund for any specific scheme from any Central/State Agencies.
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For and on behalf of
SSPJ & Co.
Chartered Accountants
Firm Reg. No. 018083N



parteek Singla
CA Parteek Singla
Partner
M.No. 539753

Place: Delhi
Date: 15/5/23

Compliance Certificate

We have conducted the audit of annual accounts of **LIC Cards Services Limited** for the year ended March 31, 2023 in accordance with the directions/sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

For and on behalf of
SSP J & Co.
Chartered Accountants
Firm Reg. No. 018083N



parteeek Singla

CA Parteeek Singla
Partner
M.No. 539753

Place: Delhi

Date: 15/5/23

LIC CARDS SERVICES LIMITED

CIN: U65100DL2008PLC184790

Balance Sheet as at March 31, 2023

	Notes	2023 (Rs. 000')	2022 (Rs. 000')
<u>EQUITY & LIABILITIES</u>			
<u>Shareholder's Fund</u>			
Share capital	2	10,000.00	10,000.00
Reserves and surplus	3	181,673.76	125,706.40
Money received against share warrants		-	-
		191,673.76	135,706.40
Share application money pending allotment			
<u>Non-Current Liabilities</u>			
Long Term Borrowings	4	-	-
Deferred Tax Liabilities (net)	5	-	-
Other Non-Current Liabilities	6	-	-
Long Term Provisions	7	-	-
		-	-
<u>Current Liabilities</u>			
Short Term Borrowings	8	-	-
Trade Payables	9	7,274.33	9,589.30
Other Current Liabilities	10	11,887.71	135,510.59
Short Term Provisions	11	19,168.08	9,012.55
		38,330.11	154,112.44
TOTAL EQUITY AND LIABILITIES		230,003.87	289,818.84

ASSETS

<u>Non-Current Assets</u>			
Property, Plant and Equipment	12	1,129.14	1,479.59
Intangible Assets	12	0.001	0.001
Capital work in progress	12	-	-
Intangible assets under development	12	-	-
Non-current investments	13	-	-
Deferred tax asset (net)	14	121.83	94.31
Long-term loan and advances	15	-	-
Other non current assets	16	79,243.07	142,126.36
		80,494.04	143,700.26
<u>Current Assets</u>			
Inventories	17	-	-
Current investment	18	355.55	10,197.13
Trade receivables	19	25,829.99	30,627.09
Cash and cash equivalents	20	40,851.47	2,732.49
Short-term loans and advances	21	33,754.26	19,671.92
Other current assets	22	48,718.56	82,889.95
		149,509.83	146,118.58
TOTAL ASSETS		230,003.87	289,818.84

Summary of significant accounting policies 1
Notes 1 to 30 form an integral part of these financial statements.
This is the Balance Sheet referred to in our report of even date

For SSPJ & Co.
Chartered Accountants
Firm Registration No: 018083N
CA. Parteek Singla
Partner
Membership No. 539753



For and on behalf of the Board of Directors of
For LIC Cards Services Limited

(Siddhartha Mohanty) (Tablesh Pandey) (Parveen Kumar)
Chairman Director Director
DIN- 08058830 DIN: 10119561 DIN: 10119480

Place : Delhi
Date : 15-05-2023

Place :
Date :

Place :
Date :

Place : Delhi
Date : 15/5/2023

UDIN: 23539753B9XMEW7696



LIC CARDS SERVICES LIMITED

CIN: U65100DL2008PLC184790

Statement of Profit and Loss for the year ended March 31, 2023

	Notes	2023 (Rs.000')	2022 (Rs.000')
<u>INCOME</u>			
Revenue from operations	23	216,859.40	166,556.63
Other Income	24	13,219.97	15,433.98
Total Revenue		<u>230,079.37</u>	<u>181,990.61</u>
<u>EXPENDITURE</u>			
Cost of materials consumed	25	-	-
Employee benefit expenses	26	55,502.10	77,181.64
Finance costs	27	34.20	273.31
Depreciation and amortization expenses	12	442.29	465.78
Other expenses	28	98,992.87	69,384.87
Total Expenses		<u>154,971.45</u>	<u>147,305.60</u>
Profit before exceptional and extraordinary items and tax		75,107.92	34,685.01
Exceptional items		-	-
Profit before extraordinary items and tax		75,107.92	34,685.01
Extraordinary items		-	-
Profit before tax		75,107.92	34,685.01
Tax expense/(income)			
-Current tax		19,168.08	9,012.55
-Deferred tax		(27.52)	(13.81)
Profit (Loss) for the period from continuing operations		55,967.36	25,686.27
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit (Loss) for the year		55,967.36	25,686.27
Earnings per equity share			
Basic		55.97	25.69
Diluted		55.97	25.69

For S S P J & Co.

Chartered Accountants

Firm Registration No: 018083N

Parteek Singla

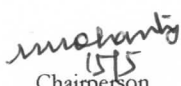


CA. Parteek Singla

Partner

Membership No. 539753



For and on behalf of the Board of Directors of
For LIC Cards Services Limited

 Chairperson
 Director
 Director
 (Siddhartha Mohanty) (Tablesch Pandey) (Parveen Kumar)
 DIN- 08058830 DIN: 10119561 DIN: 10119480

Place : Delhi

Date: 15-05-2023

Place :

Date :

Place :

Date :

Place :

Date :

UDIN: 23539753 BQ XMEW 7696



LIC CARDS SERVICES LIMITED
CIN: U65100DL2008PLC184790
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

	For the year ended 31.03.2023 (Rs.000')	For the year ended 31.03.2022 (Rs.000')
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before Tax	75,107.92	34,685.01
Adjustments for:		
Interest & other income	(13,219.97)	(15,433.98)
Depreciation & amortization	442.29	465.78
Operating Profit before Working Capital Changes	62,330.24	19,716.81
Adjustment for:		
(Increase)/decrease in inventories	-	-
(Increase)/decrease in debtors	4,797.10	(7,740.25)
(Increase)/decrease in loans and advances	(14,082.34)	(2,909.41)
(Increase)/decrease in other receivables	97,054.68	(10,688.64)
Increase/(decrease) in trade payables	(2,314.98)	1,132.21
Increase/(decrease) in other current liabilities	(123,622.88)	(12,969.48)
Increase/(decrease) in short term provisions	10,155.53	(4,306.88)
Cash Generated from Operations	<u>34,317.34</u>	<u>(17,765.63)</u>
Taxes paid	(19,168.08)	(9,012.55)
Net Cash from/(used in) Operating Activities	<u>15,149.26</u>	<u>(26,778.18)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale/(purchase) of fixed assets (net)	(91.84)	(280.08)
Proceeds from mutual funds	20,000.00	54,500.00
Investment in mutual funds	(10,158.42)	(55,438.39)
Interest & other income received	13,219.97	15,433.98
Net cash used in investing activities	<u>22,969.71</u>	<u>14,215.51</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Issue of new equity shares	-	-
Interest paid	-	-
Net cash used in financing activities	<u>-</u>	<u>-</u>
D. Net Cash Flows during the year (A+B+C)	38,118.98	(12,562.67)
E. Cash and cash equivalents at the beginning of the year	2,732.49	15,295.16
F. Cash and cash equivalents at the end of the year	<u>40,851.47</u>	<u>2,732.49</u>
Net Increase/(decrease) in cash and cash equivalents	<u>38,118.98</u>	<u>(12,562.67)</u>

Note:-

The cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statements', prescribed under Section 133 of the Companies Act, 2013.

As per our report attached

For SSPJ & Co.
Chartered Accountants
Firm Registration No: 018083N

parteeek Singla
CA. Parteeek Singla
Partner
Membership No. 539753



Place : Delhi
Date : 15-05-2023

Place :
Date :

**For and on behalf of the Board of Directors of
For LIC Cards Services Limited**

mohanty *Tables* *Parveen*
Chairperson Director Director
(Siddhartha Mohanty) (Tables Pandey) (Parveen Kumar)
DIN- 08058830 DIN: 10119561 DIN: 10119480

Place : Place : Place :
Date : Date : Date :



LIC CARDS SERVICES LIMITED

Notes to the financial statements for the year ended March 31, 2023

	2023 (Rs.000')	2022 (Rs.000')
2. Share capital		
Authorised capital		
10,00,000 Equity shares of Rs. 10 each	10,000.00	10,000.00
	<u>10,000.00</u>	<u>10,000.00</u>
Issued, subscribed and paid up capital		
10,00,000 Equity shares of Rs. 10 each fully paid up	10,000.00	10,000.00
	<u>10,000.00</u>	<u>10,000.00</u>

(a) Reconciliation of numbers of equity shares outstanding at the beginning and at the end of the year

Equity shares of Rs.10 each fully paid up	2023		2022	
	Number	(Rs.000')	Number	(Rs.000')
At the beginning of the year	1,000,000	10,000.00	1,000,000	10,000.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,000,000	10,000.00	1,000,000	10,000.00

(b) Disclosure for the aggregate number allotted as fully paid up without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Equity Shares:	2022	2021	2020	2019	2018
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

(c) Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Details of shareholders holding more than 5% shares in the company

Name of shareholders	2023		2022	
	Number	% holding	Number	% holding
Life Insurance Corporation of India	999,994	99.99%	999,994	99.99%

(e) Details of shares held by promoters of the company

Name of shareholders	2023		2022	
	Number	% holding	Number	% holding
Life Insurance Corporation of India	999,994	99.99%	999,994	99.99%
% Change during the year	-	0.00%	-	0.00%

	2023 (Rs.000')	2022 (Rs.000')
3. Reserves and surplus		
Surplus in the statement of profit and loss		
Balance as per last financial statements	125,706.40	100,020.12
Profit/(Loss) for the year/period	55,967.36	25,686.28
Closing balance	<u>181,673.76</u>	<u>125,706.40</u>

4. Long-term borrowings

- Secured borrowings
- Unsecured borrowings

	-	-
	-	-
	-	-



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5. Deferred tax liabilities (net)

Deferred tax liability arising on account of:

Business loss

Depreciation

-

-

-

-

6. Other Non-Current Liabilities

Other long term liabilities

-

-

-

7. Long term provisions

Long term provision

-

-

-

8. Short term borrowings

Secured borrowings

-

Unsecured borrowings

-

-

-

9. Trade Payables

Due to Micro, Small and Medium Enterprises

-

Due to others

7,274.33 9,589.30

7,274.33 9,589.30

As at 31-03-2023

Outstanding for following periods from due date of payment

Particular	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME (Undisputed)	-	-	-	-	-
Others (Undisputed)	6,730.13	93.30	227.96	222.93	7,274.33
Disputed dues -MSME	-	-	-	-	-
Disputed dues others	-	-	-	-	-

As at 31-03-2022

Outstanding for following periods from due date of payment

Particular	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME (Undisputed)	-	-	-	-	-
Others (Undisputed)	9,138.41	227.96	214.08	8.85	9,589.30
Disputed dues -MSME	-	-	-	-	-
Disputed dues others	-	-	-	-	-

10. Other current liabilities

Amount due to LIC of India (Holding Company)

6,863.16 128,779.23

Expenses payable

536.73 1,936.39

Security deposits

-

Statutory dues payable (GST/TDS)

4,388.82 4,704.97

Audit fees payable

99.00 90.00

11,887.71 135,510.59

11. Short-term provisions

Income tax

19,168.08 9,012.55

19,168.08 9,012.55

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LIC CARDS SERVICES LIMITED

Notes to the financial statements for the year ended March 31, 2023

12. Property, Plant & Equipment and Intangible Assets - Current Year

	Opening Balance (Rs.000')	Additions during the year (Rs.000')	Deletion during the year (Rs.000')	As at March 31, 2023 (Rs. 000')
Gross block				
Property, Plant and Equipment				
Office Equipments	1,441.64	75.76	31.20	1,486.20
Furniture and fixtures	2,301.55	-	-	2,301.55
Vehicle	-	-	-	-
Computers	2,604.93	52.90	130.29	2,527.54
Intangible Assets				
Accounting Software	12.50	-	-	12.50
Total - Current year	6,360.62	128.66	161.49	6,327.79
Total - Previous year	6,080.54	280.08	-	6,360.62
Accumulated depreciation				
Property, Plant and Equipment				
Office Equipments	1,095.80	108.07	29.64	1,174.23
Furniture and fixtures	1,617.54	103.83	-	1,721.37
Vehicle	-	-	-	-
Computers	2,155.19	230.39	95.03	2,290.55
Intangible Assets				
Accounting Software	12.50	-	-	12.50
Total - Current year	4,881.03	442.29	124.67	5,198.65
Total - Previous year	4,415.25	465.78	-	4,881.03
Net block				
Property, Plant and Equipment				
Office Equipments	345.84	-	-	311.97
Furniture and fixtures	684.01	-	-	580.18
Vehicle	-	-	-	-
Computers	449.74	-	-	236.99
Intangible Assets				
Accounting Software	0.001	-	-	0.001
Total - Current year	1,479.59	-	-	1,129.14
Total - Previous year	1,665.29	-	-	1,479.59



Property, Plant & Equipment and Intangible Assets - Previous Year

	Opening Balance (Rs.000')	Additions during the year (Rs.000')	Deletion during the year (Rs.000')	As at March 31, 2022 (Rs.000')
Gross block				
<i>Property, Plant and Equipment</i>				
Office Equipments	1,400.53	41.11	-	1,441.64
Furniture and fixtures	2,250.81	50.74	-	2,301.55
Vehicle	-	-	-	-
Computers	2,416.70	188.23	-	2,604.93
<i>Intangible Assets</i>				
Accounting Software	12.50	-	-	12.50
Total - Current year	6,080.54	280.08	-	6,360.62
Total - Previous year	5,646.33	465.43	31.22	6,080.54
Accumulated depreciation				
<i>Property, Plant and Equipment</i>				
Office Equipments	989.84	105.96	-	1,095.80
Furniture and fixtures	1,516.64	100.89	-	1,617.53
Vehicle	-	-	-	-
Computers	1,896.27	258.93	-	2,155.20
<i>Intangible Assets</i>				
Accounting Software	12.50	-	-	12.50
Total - Current year	4,415.25	465.78	-	4,881.03
Total - Previous year	4,075.84	369.07	29.66	4,415.25
Net block				
<i>Property, Plant and Equipment</i>				
Office Equipments	410.69	-	-	345.84
Furniture and fixtures	734.17	-	-	684.02
Vehicle	-	-	-	-
Computers	520.43	-	-	449.73
<i>Intangible Assets</i>				
Accounting Software	0.001	-	-	0.001
Total - Current year	1,665.29	-	-	1,479.59
Total - Previous year	1,570.49	-	-	1,665.29

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LIC CARDS SERVICES LIMITED

Notes to the financial statements for the year ended March 31, 2023

	2023 (Rs.000')	2022 (Rs.000')
13. Non current investments		
Non current investments	-	-
14. Deferred tax asset (net)		
Deferred tax asset arising on account of:		
Amount inadmissible u/s 40 (a)(ia)	-	-
Depreciation	121.83	94.31
Retirement benefits	-	-
Disallowance u/s 43B	-	-
Unabsorbed business losses	-	-
	<u>121.83</u>	<u>94.31</u>
	<u>121.83</u>	<u>94.31</u>
15. Long term loans and advances		
(Unsecured, considered good)	-	-
16. Other non current assets		
Fixed deposit (Maturing beyond 12 months)	77,500.00	131,500.00
Security deposits	32.00	32.00
Interest accrued on fixed deposits	1,711.07	-10,594.36
	<u>79,243.07</u>	<u>142,126.36</u>
17. Inventories		
(As certified by management)		
Closing inventory	-	-
18. Current investment		
LIC Nomura MF Liquid Fund (quoted at cost)	355.55	10,197.13
<i>(Market value of the fund as on 31.03.2023 is Rs.3,75,070/-)</i>		
<i>(Market value of the fund as on 31.03.2022 is Rs.1,02,60,687/-)</i>		
	<u>355.55</u>	<u>10,197.13</u>
19. Trade receivables		
(Unsecured, considered good)		
Outstanding for more than six months		
Due from others	-	-
Other trade receivables		
Due from others	25,829.99	30,627.09
	<u>25,829.99</u>	<u>30,627.09</u>

As at 31-03-2023

Outstanding as on 31st March, 2023 from due date of payment

Particular	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME (Undisputed)	-	-	-	-	-	-
Others (Undisputed)	25,829.99	-	-	-	-	25,829.99
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-

As at 31-03-2022

Outstanding as on 31st March, 2022 from due date of payment

Particular	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME (Undisputed)	-	-	-	-	-	-
Others (Undisputed)	30,627.09	-	-	-	-	30,627.09
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues others	-	-	-	-	-	-



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20. Cash and cash equivalents

Cash on hand	-	-
Balances with banks		
- in current account	6,990.82	2,732.49
- in fixed deposits (Maturing within 3 months)(including accrued interest)	33,860.65	-
	<u>40,851.47</u>	<u>2,732.49</u>

21. Short term loans and advances

(Unsecured, considered good)		
Advance recoverable in cash or kind	34.09	-
Prepaid expenses	3.60	14.91
TDS/TCS recoverable	33,708.64	19,653.75
Prepaid taxes	7.93	3.26
	<u>33,754.26</u>	<u>19,671.92</u>

22. Other current asstes

Interest accrued on Fixed Deposits	6,218.56	11,889.95
Fixed deposits (Maturing after 3 months but before 12 months)	42,500.00	71,000.00
	<u>48,718.56</u>	<u>82,889.95</u>

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LIC CARDS SERVICES LIMITED

Notes to the financial statements for the year ended March 31, 2023

	2023 (Rs.000 ¹)	2022 (Rs.000 ¹)
23. Revenue from operations		
Operating income		
Sourcing fees	95,369.85	79,157.25
Income from spends on cards	91,265.59	67,125.86
Income from activation of cards	12,190.65	7,810.05
Income from sale of Gift Cards	2,688.02	2,144.63
Marketing Fee for CPP	-	11.01
Income from Sodexo Meal Cards	15,345.29	10,307.83
	216,859.40	166,556.63
24. Other income		
Interest Income	13,060.55	14,292.89
Interest on Income Tax Refund	-	202.70
Income from Mutual Fund Investment	158.42	938.39
Profit on Sale of Fixed Asset	1.00	-
	13,219.97	15,433.98
25. Cost of materials consumed		
Opening inventories	-	-
Purchase of material	-	-
Less: Closing inventories	-	-
	-	-
26. Employee benefits expenses		
Salaries and allowances	53,083.93	74,863.75
Leave travel concession	167.43	383.45
Staff benefits/welfare	2,250.74	1,934.44
	55,502.10	77,181.64
27. Finance costs		
Interest on GST/Income Tax/TDS	34.20	273.31
Interest on bank loans	-	-
Bank charges	-	-
	34.20	273.31
28. Other expenses		
Auditor's remuneration		
- Statutory audit fees	85.00	75.00
- Tax audit fees	25.00	25.00
- Other remuneration to auditors	152.00	272.50
Advertisement & business promotion	2,034.03	1,307.40
Agent training expenses	454.62	277.39
Books and periodicals	2.51	4.70
Communication	344.14	330.04
Commission/incentive to city sales manager/ sales representatives	77,226.55	59,169.74
Entertainment expenses	283.82	226.00
Expenditure on CSR activities	908.05	796.38
Legal and professional	354.29	225.39
Miscellaneous expenses	2,155.98	556.40
Power and fuel	294.26	302.50
Postage and telegram	1,510.94	1,476.88
Printing and stationary	122.75	181.84
Rent	7,337.74	396.93
Repair and maintenance- machinery	89.37	317.83
Repair and maintenance- others	581.14	582.38
Travelling and conveyance	3,126.94	1,768.55
Website expenses	1,903.73	1,092.02
	98,992.87	69,384.87

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LIC CARDS SERVICES LIMITED
Notes to the financial statements for the year ended March 31, 2023

29 - RATIO ANALYSIS

Sr no	Particulars	Current Year		Previous year		As on March, 2023	As on March, 2022	Reason for change if more than 25%
		Numerat or	Denominat or	Numerat or	Denomina tor			
1	Current Ratio	149,510	38,330	146,119	154,112	3.90	0.95	Amount payable to LIC of India (Current Liabilities) Decreased during the year
2	Debt-Equity Ratio	-	191,674	-	135,706	-	-	Not Applicable, since no debt exist
3	Debt-Service Coverage Ratio	75,584	-	35,424	-	-	-	Not Applicable, since no debt exist
4	Return on Equity	55,967	191,674	25,686	135,706	0.29	0.19	Profit increased during the year
5	Inventory Turnover Ratio	-	-	-	-	-	-	Not Applicable, since no inventory exist
6	Trade Receivable Turnover Ratio	216,859	28,229	166,557	26,757	7.68	6.22	Change is less than 25%
7	Trade Payable Turnover Ratio	77,227	8,432	59,170	9,023	9.16	6.56	Commission expenses increased during the year.
8	Net Capital Turnover Ratio	230,079	191,674	181,991	135,706	1.20	1.34	Change is less than 25%
9	Net Profit Ratio	55,967	230,079	25,686	181,991	0.24	0.14	Profit and turnover increased during the year
10	Return on Capital employed	75,108	191,674	34,685	135,706	0.39	0.26	Profit and turnover increased during the year
11	Return on Investment	55,967	135,706	25,686	110,020	0.41	0.23	Profit and turnover increased during the year



LIC CARDS SERVICES LIMITED
Annual Report – 2022-23

30. Other Notes to Accounts

1. In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business.
2. Trade Payables include overdue amount of Rs. Nil (including interest of Rs. Nil) payable to micro, small and medium enterprises.
3. Company has not made any provision for retirement benefits since entire staff of the company are employees of LIC of India (Holding company) and are posted at LIC Cards Services Limited from time to time. No actuarial valuation is possible in the absence of fixed tenure of posting of employees. Any such provisioning is being made in the books of LIC of India.
4. The Salaries and other emoluments of the staff (other than competition prizes) are paid directly by the Life Insurance Corporation of India as the LIC has sent its employees on deputation to LIC Cards Services Limited. Life Insurance Corporation deducts Income Tax (TDS) on salaries and other emoluments paid to the employees and issues Form 16 and salary certificates to them. LIC Cards Services Limited is not deducting any TDS on payroll cost transferred by LIC of India.
5. Employee cost represents the amount to be reimbursed by the company to Life Insurance Corporation of India (LIC) in respect of staff deputed at the company by LIC of India.
6. GST Input Tax Credit has been claimed on the basis of bills received from the vendors, subject to further deposit of GST amount collected by vendors to the account of Government.
7. The segment reporting disclosure as required by Accounting Standard 17 – “Segment Reporting” is not applicable, as the company has a single reportable business segment of Marketing and Distribution of Credit Cards/Gift Cards/Sodexo Meal Cards.
8. Income from spend on cards is booked as certified by the Management of the Company. Axis Bank has provided the Merchant Category wise data for the cross verification of the same. Company was following up with Axis Bank for verification of spend amount for a long time and despite repeated reminders, their response was pending. Axis Bank has now given its Auditor’s Certificate certifying the process followed by them, although Auditor hasn’t certified the figures/revenue earned by LICSL from Axis Bank. Axis Bank’s Auditor has also mentioned in their certificate dated 29th April 2023 that “based on the procedures performed and according to the information and explanations given to us, nothing has come to our



LIC CARDS SERVICES LIMITED
Annual Report – 2022-23

attention that causes us to believe that the payout is not done as per the terms of the Agreement for the year ended March 31, 2023”.

9. Co-Branding fees from Sodexo meal cards is booked as certified by the Management of the Company.

10. There is neither any income, nor expenditure in foreign exchange during the Financial Years 2022-23 and 2021-22.

11. Market Value of LIC Nomura MF Liquid fund (Quoted) as on 31st March 2023 is Rs. 3,75,070/-.

12. Related Party Disclosures as required by Accounting Standard 18 – “Related Party Disclosures” as issued by Ministry of Corporate Affairs are given below:

a) Name of related parties and nature of relationship where control exist

Sr. No.	Related Party	Nature of relationship
1	LIC of India	Promoter (Holding Company)
2	Mr. Tapan Arandhara	Director (Executive)
3	LIC Housing Finance Limited	Associate Company
4	LIC Mutual Fund Limited	Associate Company
5	IDBI Bank Limited	Associate
6	IDBI Intech Limited	Subsidiary of Associate
7	Mr. Rakesh Kumar	Former Director (Executive)

b) Details of transactions with related parties during the year

Name of related party	Nature of transaction	Amount ('000)	
		2022-23	2021-22
Life Insurance Corporation of India	Reimbursement of Payroll cost of the staff posted at the company	53,083.93	74,863.74
Life Insurance Corporation of India	Rent Expense	7,337.74	396.93
Life Insurance Corporation of India	Electricity & Water Charges	294.26	272.95
Sh. Tapan Arandhara	Remuneration	4,222.30	3027.58
Sh. Rakesh Kumar	Remuneration	Nil	3520.85
Life Insurance Corporation of India	Municipal Tax on Rent	1,906.57	193.04
IDBI Bank Limited	Interest Income	5.29	Nil
LIC Housing Finance Limited	Interest Income	12,237.64	14,292.89
LIC Mutual Fund Assets	Investment Income	158.42	938.39



LIC CARDS SERVICES LIMITED
Annual Report – 2022-23

Management Ltd			
IDBI Bank Limited	Credit Card Income	1,827.85	1,589.00
IDBI Bank Limited	Gift Card Income	1,965.82	959.70
IDBI Intech Limited	Website Expenses	1,836.00	1,263.78

c) Closing balance with related parties as at year end

Name of related party	Nature of transaction	Amount ('000)	
		As at 31.03.2023	As at 31.03.2022
Life Insurance Corporation of India	Outstanding as at year end	6,863.16	1,28,779.22
LIC Housing Finance Ltd	Fixed Deposit Balance as at year end	1,40,000	2,02,500.00
LIC Housing Finance Ltd	Interest Accrued as at year end	11,783.71	22,484.31
LIC Mutual Fund Ltd	Outstanding as at year end	355.55	10,197.12
IDBI Bank Limited	Outstanding as at year end	279.22	1,112.95
IDBI Bank Limited	Fixed Deposit Balance as at year end	10,000	Nil
IDBI Bank Limited	Interest Accrued as at year end	6.57	Nil
LIC of India	Security on Rent	12.00	12.00

Above mentioned related parties are identified by the management of company as per Accounting Standard 18 - Related Party Disclosures and relied upon by the auditors.

13. In accordance with Accounting Standard 20 – “Earnings per Share”, the required disclosure is given below:

Particulars	Year ended 31-03-2023	Year ended 31-03-2022
Net Profit attributable to shareholders (Rs. in '000)	55,967.36	25,686.27
Weighted Average no. of Equity shares outstanding	10,00,000	10,00,000
Basic & Diluted Earnings per share of Rs. 10/- each (in Rs.)	55.97	Rs. 25.69



LIC CARDS SERVICES LIMITED
Annual Report – 2022-23

14. Auditor's Remuneration:

Particulars	Amount ('000)	
	Year ended 31-03-2023	Year ended 31-03-2022
Statutory Audit Fees	85.00	75.00
Tax Audit Fees	25.00	25.00
Other remuneration to auditor	152.00	272.50

Note: Above amounts are exclusive of GST.

15. In accordance with the provisions of Accounting Standard- 21 relating to "Accounting for Taxes on Income", the breakup of Deferred Tax Assets/Liabilities is shown below: -

Particulars	Amount ('000)	
	2022-23	2021-22
Opening Deferred Tax Assets	94.31	80.50
Deferred tax Income/(Expense) for the year	27.52	13.81
Net Deferred Tax Assets/(Liabilities) as at year end	121.83	94.31

16. The management has evaluated the financials of the company and do not foresee any contingent liabilities and assets.

17. Disclosures have been made by the LIC CSL wherever necessary/applicable.

18. Corporate Social Responsibility (CSR):

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The funds were utilized through the year as specified in Schedule VII of the Companies Act, 2013:

A) Gross Amount required to be spent by the company during the year is Rs. 9,08,050/-

B) Amount approved by the Board to be spent during the year is Rs. 9,08,050/-



LIC CARDS SERVICES LIMITED
Annual Report – 2022-23

- C) Amount spent during the year is Rs. 9,08,050/-. (Amount donated to Prime Minister's National Relief Fund).

Sr. No.	Particulars	Amount (in '000)
1	Construction/acquisition of any asset	Nil
2	On purposes other than 1 above	908.05

- D) Shortfall at the end of the year out of the amount required to be spent by the company during the year- Nil
 E) Total of previous years shortfall- Nil
 F) Reason of shortfall – N.A.
 G) Details of Related Party Transactions: - Nil
 H) In case of section 135(5)- unspent amount

Opening Balance	Amount deposited in specified fund of schedule VII within 6 months	Amount required to be spent during the year ('000)	Amount spent during the year ('000)	Closing Balance
Nil	Nil	908.05	908.05	Nil

- I) In case of section 135(5) – Excess Amount spent

Opening Balance	Amount required to be spent during the year ('000)	Amount spent during the year ('000)	Closing Balance
Nil	908.05	908.05	Nil

19. Competition prizes including gift card & special awards paid to LICCSL – Officers and Area Managers during the year:

Amount ('000)



LIC CARDS SERVICES LIMITED
Annual Report – 2022-23

Particulars	2022-23	2021-22
Competition Prizes including gift card & special awards	2442.50	1,399.71

20. Previous year figures are reclassified / regrouped wherever, it was considered necessary.

For S S P J & Co.
Chartered Accountants
Firm Reg. No. 018083N

**For and on behalf of the Board of
Directors of LIC Cards Services Ltd**



Parateek Singla
CA PARTEEK SINGLA
(Partner)
M.No.: 539753

Siddhartha Mohanty
CHAIRPERSON
(Siddhartha Mohanty)
DIN-08058830

Tablesh Pandey
DIRECTOR
(Tablesh Pandey)
DIN- 10119561

Praveen Kumar
DIRECTOR
(Praveen Kumar)
DIN-1011948

Place: New Delhi
Dated: 15/05/2023

Place:
Date:

Place:
Date:

Place:
Date:-



LIC CARDS SERVICES LIMITED
Annual Report – 2022-23

Note – 1 Significant Accounting Policies

1. Basis of preparation of Financial Statements

The financial statements are prepared under the historical cost convention on accrual basis and in conformity with the mandatory Accounting Standards (AS) as notified under Section 133 of Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

2. Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013. The disclosure requirements with respect to items in the Balance sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards. Cash flow statement of the Company has been prepared using indirect method.

3. Revenue Recognition

Revenue is recognized based on nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

A Revenue from Operations: -

(a) Sales & Services: - On Accrual Basis.

(b) Other Operational Revenue: - Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract with customers.

B Other Income: -

- (i) Interest income is accrued and recognized at applicable interest rates on gross basis inclusive of tax deducted at source thereof.
- (ii) Other items of income are accounted as and when the right to receive arises.



LIC CARDS SERVICES LIMITED
Annual Report – 2022-23

4. Tangible and Intangible Fixed Assets

The fixed assets are stated at their original cost of acquisition including incidental expenses related to acquisition and installation of concerned assets and are stated net of accumulated depreciation and impairment loss, if any.

5. Depreciation/Amortization

Depreciation on tangible fixed assets has been provided based on the useful life prescribed in schedule II of the Companies Act, 2013 in the manner stated therein. Intangible assets represented by computer software are being amortized over a period of three years.

6. Impairment of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. At the balance sheet date, the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Statement of Profit and Loss, to the extent the carrying amount exceeds the recoverable amount.

7. Taxes on income

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. Deferred Tax is accounted by using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date.

The carrying amount of Deferred Tax Assets or unrecognized Deferred Tax Assets are reviewed at each Balance Sheet date and are written down or recognized as the case may be, depending upon the virtual certainty criteria.

8. Transactions in foreign currency

- i. The reporting currency of the Company is Indian rupee.
- ii. The company is not dealing in foreign exchange.

9. Employees Benefits



LIC CARDS SERVICES LIMITED
Annual Report – 2022-23

Employees Benefits has been paid in accordance with the provisions of LIC of India (Holding company). No provision has been made for Gratuity and other retirement benefits, since all the employees of the company are employees of LIC of India (Holding company) and are posted from time to time and no actuarial valuation is possible in the absence of fixed tenure of posting of employees.

10. Cash and Cash Equivalents

Cash and Bank Balances also include Fixed Deposits maturing within three months.

11. Accounting for Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized in terms of Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets' notified by Ministry of Corporate Affairs, when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent liabilities are recognized only when there is possible obligation arising from past events due to occurrence or non – occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation can't be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent Assets are not recognized in the financial statements.

12. Accounting Standards

Accounting Standards as notified by Ministry of Corporate Affairs have been applied to the extent applicable.

13. Accounting of Investments

Funds are invested on the basis of liquidity, safety of funds and risk-free return. Investments are valued at cost. Funds invested in Fixed Deposits are valued at cost.

