

15th

ANNUAL REPORT

**LIC CARDS SERVICES
LIMITED**



YEAR 2023



**15th ANNUAL GENERAL MEETING
OF
LIC CARDS SERVICES LIMITED**

Date : 29th September, 2023

Time : 10.30 A.M.

**Venue : LIC Cards Services Limited
Sixth Floor,
Jeevan Prakash Building,
25, KG Marg,
New Delhi – 110001**

Mode : Webex Online Application



MANAGEMENT

BOARD OF DIRECTORS

CHAIRPERSON

Shri Siddhartha Mohanty

DIRECTORS

Shri Tablesh Pandey

Shri Praveen Kumar

CORPORATE IDENTIFICATION NUMBER

CIN- U65100DL2008PLC184790

GST NUMBER

07AABCL5546L1Z8

REGISTERED OFFICE ADDRESS

6th Floor, Jeevan Prakash Building, 25, KG Marg,

New Delhi - 110001. Tel: 28844288

www.liccards.in; lic-creditcard@licindia.com

AUDITORS

SSPJ & Co.

Chartered Accountants

105, Roots Tower, Plot No. 7,

District Centre Laxmi Nagar,

New Delhi - 110092

BANKERS

Union Bank of India

F Block, Connaught Place

New Delhi – 110001

HDFC Bank Limited

72, Ved Mansion,

Connaught Place

New Delhi – 110001

CHAIRPERSON'S SPEECH

Dear Members,

On behalf of the Board of Directors of your Company, LIC Cards Services Ltd., I have great pleasure in welcoming you all to the 15th Annual General Meeting today.

It is a privilege and a matter of great pleasure for me to preside over the Annual General Meeting of your Company.

The Annual Accounts of your Company for the Financial Year 2022–23, along with the Auditors' Report were sent to all the members. With your permission, I would like to take it as read.

I would like to touch upon the highlights of your Company's performance during the year 2022–23. In 2022–23, your Company has sold 71225 cards, compared to 60170 for FY 2021–22. As on March 31, 2023, the total Credit Card portfolio has increased to 4,79,182 from 4,07,957 as on March 31, 2022. Total Income earned for FY 2022–23 is Rs. 23.00 crore, and Net Profit before tax is Rs. 7.51 crore. The following new initiative was taken during the year 2022–2023 for the growth and expansion of your Company.

- **Finalisation of a third partner bank for the issuance of Co-branded Credit Cards**

Acknowledgement

On behalf of the Board of Directors of your Company and on my personal behalf, I express our sincere thanks to all the Stakeholders for their valuable support and look forward to their continuous patronage, guidance, and cooperation in the future.

I would also like to take this opportunity to thank our Business Associates, Axis Bank and IDBI Bank, for the support and help extended to your company.

The Board places on record its appreciation of M/S SSPJ & Co., Statutory Auditors, for FY 2022–23 for their support and guidance on financial and operational aspects.

I gratefully acknowledge the valuable support and cooperation provided by the Promoting Company, Life Insurance Corporation of India.

I also wish to place on record my appreciation for the sincere and dedicated efforts put in by all employees individually and as a part of Team LIC CSL, without which all these accomplishments would not have been possible and which helped your Company to deliver strong and desired results.

I am sure that your belief and faith in your Company will take it to new heights of excellence.

I wish to sincerely thank all of you for attending this AGM and look forward to your continued and unstinted support for your Company.

My best wishes to all of you.

Thank you

Siddhartha Mohanty
Chairperson

LIC CARDS SERVICES LIMITED

(CIN- U65100DL2008PLC184790)

6th Floor, Jeevan Prakash Building, 25, KG Marg, New Delhi -110001. Tel: 28844288,
www.liccards.in; lic-creditcard@licindia.com

NOTICE OF 15th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 15th Annual General Meeting of the Members of LIC Cards Services Limited (CIN- U65100DL2008PLC184790) will be held on Friday, the 29th September, 2023 at 10.30 A.M. at 6th Floor, Jeevan Prakash Building, 25, KG Marg, New Delhi – 110001 through webex online application to transact the following business:-

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2023 and the Profit & Loss Account for the Financial Year ended on 31st March, 2023 and the Report of Directors and Auditors thereon. For this purpose to pass the following as ordinary resolution:

“**RESOLVED THAT** the Audited Balance sheet as on 31st March, 2023 and the Profit & Loss Account for the Financial Year ended on 31st March, 2023 and the Report of Directors and Auditors thereon, now before the Meeting be and are hereby received, considered and adopted.”

2. To appoint a Director in place of Shri. Siddhartha Mohanty, who retires by rotation and being eligible offers himself for re-appointment. For this purpose to pass the following as ordinary resolution:-

“**RESOLVED THAT** the Director Shri. Siddhartha Mohanty, who retires by rotation and who is eligible for re-appointment be and is hereby re-appointed as Director on the Board of the Company.”

None of the Directors, except Shri. Siddhartha Mohanty may be deemed to be concerned or interested in the proposed resolution.

3. To fix the Remuneration of Statutory Auditor for Financial Year 2023-2024. For this purpose to pass the following resolutions:

“**RESOLVED THAT,** the Board of Directors of the Company be and are hereby authorized to fix and finalize the terms and conditions of the remuneration of payable to Statutory Auditor of the Company for the Financial Year 2023-24.”

Special Business

4. To Consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution;

“**RESOLVED THAT** Shri Tablesh Pandey, who was appointed as an Additional Director of the Company by the Board of Directors, in accordance with the provisions of Section 161 of the Companies Act, 2013, with effect from 18.04.2023 and who holds office only up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013 proposing his candidature for the Office of the Director, be and is hereby appointed as Director of the Company.”

5. To Consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution;

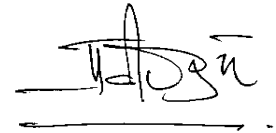
“**RESOLVED THAT** Shri Praveen Kumar, who was appointed as an Additional Director of the Company by the Board of Directors, in accordance with the provisions of Section 161 of the Companies Act, 2013, with effect from 28.04.2023 and who holds office only up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing in terms of Section 160 of the Companies Act, 2013 proposing his candidature for the Office of the Director, be and is hereby appointed as Director of the Company.”

6. To Consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution;

“**RESOLVED THAT** pursuant to the provisions of section 197 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the rules made thereunder, including any statutory modification thereof, or any other laws, consent of the Members of the Company hereby accorded for the remuneration structure (inclusive of salary, perquisites and allowances) of Shri Praveen Kumar, Chief Executive of the Company for the F.Y 2023-24.

“**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, Chief Executive of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form as return of appointment with the Registrar of Companies, NCT of Delhi and Haryana.”

By Order of the Board
For LIC Cards Services Limited



Praveen Kumar
Chief Executive

Place: New Delhi.

Date: 15.09.2023

NOTES:

1. Members are requested to bring their copies of the Annual Report for the meeting.
2. Members seeking any information relating to the Accounts may write to the Chief Executive Officer at the Company’s registered office at 6th Floor, Jeevan Prakash Building, 25, KG Marg, New Delhi -110001 or send email at lic-credicard@licindia.com.
3. All the documents referred to in the Notice shall be available for inspection through electronic mode, basis the request being sent on lic-creditcard@licindia.com.
4. Ministry of Corporate Affairs (MA), vide its General Circular No. 10/2022 dated 28.12.2022 has allowed the Companies to conduct AGM through online mode for this year.
5. The Company is pleased to inform that, AGM of the Company will be held through, the two way online facility. The web-link of the meeting shall be provided separately in due course.
6. In case of any assistance with regard to using technology before or during the meeting, please contact Shri. Mukesh Yadav – Assistant General Manager on 9867882302.
7. The proceedings of the meeting shall be recorded and shall be kept in the safe custody of the Company. Such recording shall be made available at the request of the Members.
8. The notice of the AGM is being sent by electronic mode to the members at e-mail addresses which are available with the Company.

9. The facility for joining the meeting shall be kept open 10 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 10 minutes after the scheduled time of the meeting.
10. Attendance of members is allowed at the meeting through online mode and the same shall be counted for quorum. Therefore, proxy shall not be allowed to attend and vote at the meeting.
11. The voting at the meeting shall be conducted by show of hands unless a poll in accordance with section 109 of the Companies Act, 2013 is demanded by any member.
12. The members can pose question currently at the Meeting or they can submit questions or queries regarding agenda items on the designated email address through which the notice has been sent.
13. The explanatory statement pursuant to section 102 of the companies act, 2013 is annexed hereto.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

Item No. -6 - Approval of Remuneration Payable to Chief Executive for the F.Y 2023-24

I. General information:

- (1) Nature of industry: Credit Card Industry
- (2) Date or expected date of commencement of commercial production: The Company is already in existence since 2008 and operations are in place
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A
- (4) Financial performance based on given indicators

Particulars	2022-23	(Amount ('000))
Profit/ (Loss) before Income Tax		75107.92
Less: Tax Expenses		19140.56
Net Profit/ (Loss) after Tax		55967.36

- (5) Foreign investments or collaborations, if any: N.A

II. Information about Shri Praveen Kumar:

- Background details: Shri Praveen Kumar had a long and a distinguished career at LIC of India wherein he served LIC of India in different capacities. In his last assignment he was the Regional Manager, LIC HFL.
- Past remuneration: LIC CSL paid remuneration of Rs 54.50 lakh (inclusive of salary, perquisites and allowances)
- Recognition or awards: N.A
- Job profile and his suitability: Shri Praveen Kumar had a long and a distinguished career at LIC of India wherein he served LIC of India in different capacities. In his last assignment he was the Regional Manager, LIC HFL. Shri Praveen Kumar joined LIC CSL in April, 2022. Considering his vast experience in different roles, Shri Praveen Kumar is suitable for the current role of Director and Chief Executive at LIC CSL.
- Remuneration proposed: The proposed remuneration for the F.Y 2023-24 will be approx 50 lakh and the same will be within the limit of Schedule V of the Companies Act, 2013. As per Schedule V of the Companies Act, 2013 limit of yearly remuneration payable is Rs 84 lakh subject to approval of shareholders in general meeting.
- Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: The remuneration paid to Shri Praveen Kumar is commensurate with the

size of the company and profile of person with respect to the industry the company operates in and working in LIC of India.

- Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any, Shri Praveen Kumar is not directly indirectly related with any Managerial Personnel or Director of the Company.

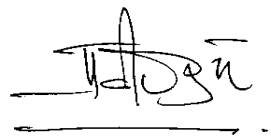
III. Other information:

- Reasons of inadequate profits: The Company is in growing stage. Presently growth in Income is on lesser side as compared to growth in Expenditure.
- Steps taken or proposed to be taken for improvement: Continuous efforts are being undertaken by the Company to explore more Business opportunities.
- Expected increase in productivity and profits in measurable terms: The Company expects to increase its productivity and profits in future. The Financials would show better numbers in the upcoming financial years.

Your Board recommends passing of this resolution for approval of remuneration payable to Chief Executive of the Company by way of Ordinary Resolution.

None of the Directors, except Shri. Praveen Kumar is concerned or interested in the proposed resolution as Item 6 of this notice.

By Order of the Board
For LIC Cards Services Limited



Praveen Kumar
Chief Executive

Place: New Delhi
Date: 15.09.2023

**To
The Members,
LIC Cards Services Limited**

Your Directors have pleasure in presenting their 15th Annual Report on the business and operations of the Company together with the Audited Financial Statement of the Company for the year ended 31st March 2023.

1. FINANCIAL RESULTS

A highlight of Financial Performance of your Company's is given below:

Sr.No.	Particulars	F.Y. ended on 31.03. 2023 (Lakh)	F.Y. ended on 31.03. 2022 (Lakh)
1.	Sourcing fees on sale of Cards	953.70	791.57
2.	Income from spends	912.66	671.26
3.	Income from Activisation	121.91	78.10
4.	Income from Gift Card	26.88	21.45
5.	Income from Meal Card	153.45	103.08
6.	Interest & other income	132.20	154.45
7.	Total Income	2300.80	1819.91
8.	Operating, Admn. & Other Expenses	209.03	109.39
9.	Employees Cost	543.21	756.12
10.	Commission and incentive to SRs & CSMs	772.27	591.70
11.	Advertisement & Business promotion expenses	25.20	15.85
12	Total Expenses	1549.71	1473.06
13.	Profit/Loss before exceptional and extraordinary items & Tax (7-12)	751.07	346.85
14.	Provision for Income Tax	191.40	89.99
15.	Profit/(Loss) after tax (13-14)	559.67	256.86
16.	Paid up Capital	100.00	100.00
17.	Net Worth	1916.74	1357.06

Note:

Amount due to Sponsor (LIC of India) as on 31.03.2023 is Rs 68.63/ Lakh- as against Rs 1287.79 Lakh as on 31.03.2022 and this has been duly accounted for in the Management Expenses.

2. DIVIDEND

As company required funds for business and growth, no Dividend is recommended for the year under review.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

4. RESERVES

The Company has transferred Rs.5,59,67,360/- to Reserves.

5. COMPANY'S WORKING DURING THE YEAR/ STATE OF COMPANY'S AFFAIR

The Financial Year 2022-23 has been a very successful year for your Company.

New Initiates: During the year 2022-2023 the Company has finalized its Third Partner Bank i.e IDFC First Bank

Performance Review:

In the Financial year 2022-23 LIC CSL performance is as under:

		% to Budget	Growth (%age)
Total Income	Rs 2300.80 Lakh	99.30%	26.42%
Total Expenses	Rs 1549.71 Lakh	90.71%	5.20%

- No. of Cards Sold for the F.Y 2022-23 is 71,225 as compared to 60,170 for the F.Y 2021-22.
- Profit before Tax for the F.Y 2022-2023 is Rs 751.07 Lakh- as compared to Rs 346.85 Lakh for the previous year 2021-22.
- Profit after Tax for the F.Y 2022-2023 is Rs 559.67 Lakh- as compared to Rs 256.86 Lakh for the previous year 2021-22.
- Net Worth of the Company as at the close of F.Y 2022-2023 is Rs 1916.74 Lakh as compared to Rs 1357.06 lakh for the previous year 2021-22.
- Portfolio size has been increased to 479182 Credit Cards at the end of 2022-23 as compared to 407957 for the previous year 2021-22.

Future prospects:

The Financial Year 2022-23 has been a very successful year for your Company. Your Company will ensure to increase its total portfolio by a good number and achievement of target in future also. This is due to the fact that the popularity of credit cards is to rise in the year 2022 because of multiple factors such as

- enhanced reach of e-commerce industry,
- rise in the customers' demand for the traits of convenience and quickness in varied financial processes,
- increasing awareness of the credit tool across age groups,
- demand for credit cards have grown in non-metro cities etc.

Further, your company will have substantial increase in Spend Income. Endeavour will be to have new partnership in Co-branded Credit Card also. Your Company new initiatives such as Tie up with IDFC First Bank for Co-Branded Credit Card will have substantial increase in the Revenue of your Company in the coming years.

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the financial year 2022-23, there was no change in the nature of business of the Company.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

9. INTERNAL FINANCIAL CONTROLS

The Internal Controls of the Company are adequate and commensurate with the size and scale of the operations. These controls operate through well documented standard operating procedures, policies and process guidelines that are designed to provide reasonable assurance to management of the reliability of financial information compliance to operating and adherence to Statutory / regulatory requirements. The Internal Controls are routinely tested and certified by the Statutory Auditors.

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Associate Company or a Joint Venture.

11. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

The Company does not have any Subsidiary, Associate Company or a Joint Venture.

12. DEPOSITS

The Company has not accepted any Deposits from public during the financial year 2022-23.

13. STATUTORY AUDITORS

M/s. SSPJ & Co., Chartered Accountants have been appointed as Statutory Auditors of your Company by Comptroller and Auditor General of India in terms of provisions of Section 139 of the Companies Act, 2013 who will hold office till the conclusion of 15th Annual General Meeting to be held in the calendar year 2023.

14. AUDITORS' REPORT- The explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor, if any, in his report shall be given.

15. SHARE CAPITAL

The paid up equity share capital of the Company as on 31/03/2023 was Rs. 1,00,00,000/-. Further the Company has not bought back any of its securities, has not issued any Sweat Equity Shares, has not provided any Stock Option Scheme to the employees and no Bonus Shares were issued during the year under review.

16. EXTRACT OF THE ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92(3) and Section 134(3)(a) read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in form MGT-9 as Annexure I and is attached to this Report and is also available on the website of company. The company has filed its annual return for the financial year ended 31.03.2022 and the same has been uploaded on the website of the Company i.e. www.liccards.in

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is engaged in the business of marketing and distribution of Credit Cards and Gift Cards and not carrying on any manufacturing activities. Further, your Company has not earned any Foreign Currency nor incurred any expenditure in Foreign Currency during the Financial Year 2022-23.

Hence, the particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable

Particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as follows:

<p>(A) Conservation of Energy-</p> <p>(i) The steps taken or impact on conservation of energy- As the Company is engaged in business of investment management of Pension Assets, scope to conserve energy is limited. However, efforts are made to conserve energy wherever possible.</p> <p>(ii) The steps taken by the Company for utilizing alternate sources of energy</p> <p>(iii) The capital investment on energy conservation equipment</p>	<p>Not Applicable</p>
<p>(B) Technology absorption</p> <p>(i) The efforts made towards technology absorption</p> <p>(ii) The benefits derived like product improvement, cost reduction, product development or import substitution</p> <p>(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-</p> <p>(a) The details of technology imported</p> <p>(b) The year of import</p> <p>(c) Whether the technology has been fully absorbed</p> <p>(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof</p> <p>(iv) The expenditure incurred on Research and Development</p>	<p>Not Applicable</p>
<p>(C) Foreign Exchange earnings and outgo</p> <p>The foreign exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows - There were no Foreign Exchange earnings and outgo during the year</p>	<p>Not Applicable</p>

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year 2022-23 your Company has contributed Rs. 9,08,050/- to the Prime Minister's National Relief Fund, pursuant to the provisions of Section 135 of the Companies Act, 2013 and applicable Rule. An annual report on CSR Activities is furnished in Annexure II and is attached to this Report.

19. DIRECTORS:

CHANGES IN DIRECTORS:

During the F.Y 2022-23 the following Directors have been appointed and resigned:

Name of Directors	Appointment/ Resignation	Date of Appointment/ Resignation
Shri M.R Kumar	Resignation	13.03.2023 (After office hours)
Shri B.C Patnaik	Resignation	01.04.2023
Shri Tapan Arandhara	Resignation	28.04.2023 (After office hours)
Shri Tablesh Pandey	Appointment	As Additional Director on 18.04.2023
Shri Praveen Kumar	Appointment	As Additional Director on 28.04.2023

Shri Siddhartha Mohanty consented to act as a Chairperson of the Board of Directors vide letter dated 15.05.2023

KEY MANAGERIAL PERSONNEL

As per Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company, and every other public company having paid up share capital of Rs. 10 Crores or more shall have the whole-time key managerial personnel.

Hence the particular of this provision is not applicable to your company as paid up share capital of your Company is less than Rs.10 Crores.

RETIREMENT BY ROTATION

Shri Siddhartha Mohanty retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

20. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During Financial Year 2022-23, four Meetings of the Board of Directors were held on 09.06.2022, 12.09.2022, 20.12.2022 and 01.02.2023.

Board Meeting	Total No. of directors on Date of Meeting	No. of Directors Attended	% of Attendance
09.06.2022	4	3	75%
12.09.2022	4	4	100%
20.12.2022	4	3	75%
01.02.2023	4	4	100%

21. AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE

The provision of constitution of Audit Committee under sec 177 of the Companies Act, 2013 and a Nomination and Remuneration Committee and Stakeholder Relationship Committee under sec 178 of the companies Act, 2013 is applicable to every listed company and the Public Companies having

- i. paid up share capital of Ten crores rupees or more
- ii. turnover of One hundred crores rupees or more; or
- iii. having, in aggregate, outstanding loans, debentures and deposits, exceeding Fifty crore rupees

Hence the particular of this provision is not applicable to your company.

22. VIGIL MECHANISM

The provision of establishment of vigil mechanism under sec 177 (9) of the Companies Act, 2013 is applicable to and Companies having

- i. every listed company;
- ii. Companies which accept deposits from the Public Companies which have borrowed money from Banks and PFI in excess of Rs.50 crores; or
- iii. Companies which are required to constitute an audit committee

Hence the particular of this provision is not applicable to your company but as good Corporate Governance practice, your Company has adopted the policy of vigilance mechanism.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year, the Company has not granted any loans or provided guarantees or made any investments under Section 186 of the Companies Act, 2013 hence the said provision is not applicable.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013:

The particulars of every contract or arrangements or transactions entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto is furnished in Form No. AOC -2 as Annexure II and is attached to this Report.

25. MANAGERIAL REMUNERATION

Particulars of Employees:

The disclosure pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 is not applicable as during the financial year none of the employees was in receipt of remuneration of more than Rs 8.50 Lakh per month or Rs 102 Lakh per annum.

Disclosure if MD/WTD is receiving remuneration or commission from a MD/WTD or Subsidiary Company

As per Section 197 (14) of The Companies Act, 2013 no remuneration or Commission was paid by your Company

REMUNERATION TO CHIEF EXECUTIVE AND/OR WHOLE TIME DIRECTOR

As per clause 119AA of the Article of association the Chief Executive and/or Whole time Director shall receive such remuneration and be subject to such terms and conditions of service as may from time to time be determined by LIC of India.

Further, as per clause 119A of the Article of association LIC of India, may from time to time appoint Chief Executive and/or Whole time Director of the Company for such period as it shall think fit, and LIC of India may also, from time to time (subject to the provisions of any agreement between such Director and LIC of India) remove him from office, and appoint another in his place. Such power of appointment, removal or replacement vested with the LIC of India shall be exercised by it through the Chairperson/CE & MD for the time being of the LIC of India.

REMUNERATION TO NON EXECUTIVE DIRECTOR

The LIC of India shall also be entitled to appoint Non Executive Directors of the Company and such Directors shall not be entitled to any sitting fees.

26. A statement on Declaration given by the independent Directors under sub-section (6) of Section 149 of Companies Act, 2013 [Rule 4 of Chapter XI of (Appointment and Qualifications of Directors) Rules, 2014]

This provision of appointment of independent Directors is applicable for the Public Companies having

- paid up share capital of Ten crore rupees or more
- turnover of One hundred crore rupees or more; or
- having, in aggregate, outstanding loans, debentures and deposits, exceeding Fifty crore rupees

Hence the particular of this provision is not applicable to your company.

27. SECRETARIAL AUDIT

As per section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, this provision is applicable to Listed Company and every public company having a paid-up share capital of fifty crore rupees or more or every public company having a turnover of two hundred fifty crore rupees or more.

Hence the particular of this provision is not applicable to your company.

28. COST AUDIT

Since your Company is engaged in the business of marketing and distribution of Credit Cards, Meal Cards and Gift Cards and not carrying on any production and manufacturing activities, your Company is exempted from Cost Audit as per the provision of Sec 148 of the Companies Act, 2013.

29. CORPORATE GOVERNANCE CERTIFICATE

The provision of Corporate Governance Certificate is not applicable to your Company.

30. RISK MANAGEMENT POLICY

Your Company is engaged in the business of marketing and distribution of Credit Cards and Gift Card and Risks associated with Credit Cards and Gift cards are managed by the respective Banks.

31. REGULATORY COMPLIANCE

The Company has been following guidelines, directions and circulars issued by Ministry of Corporate Affairs and other appropriate authorities from time to time as applicable to the Company.

32. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3(c)) and 134 (5) of the Companies Act, 2013 the Directors of the Company state that:-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) The Directorshad laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33. FORMAL ANNUAL EVALUATION

Pursuant to the provision of Sec 134 of the companies Act, 2013 every listed company and every other public company having a paid up share capital of twenty five crore rupees or more calculated at the end of the preceding financial year shall include, in the report by its Board of directors, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Directors.

Hence the particular of this provision is not applicable to your company as paid up share capital of your Company is only 1 crore.

34. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

Your Company has neither made any application nor is any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the review year.

35. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Your Company has not taken any loan from Banks & Financial Institutions. So, provisions of this clause are not applicable to your Company.

36. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company firmly believes in providing a safe and harassment free working environment for its employees. It has a zero-tolerance policy towards sexual harassment and has adopted Policy on Prevention of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaint was received.

37. ACKNOWLEDGEMENTS.

Your Directors would like to place on record their appreciation and gratitude for valuable assistance and co-operation extended to the Company by Life Insurance Corporation of India, the promoter of the Company, Shareholders, Customers, Axis Bank, IDBI Bank, Union Bank of India and other Business Associates, M/S SSPJ & Co. Statutory Auditors, Bankers and various departments of Government and Local Authorities. Your Directors also wish to place on record their sincere appreciation for the valued contribution, unstinted efforts and spirit of dedication shown by the Officials at all levels for the progress and the high performance of the Company during the Year under review

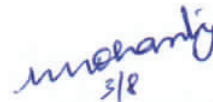
For and on behalf of the Board of Directors

Place: Delhi

Date: 03.08.2023



DIRECTOR



CHAIRPERSON

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31/03/2023

I REGISTRATION & OTHER DETAILS:

i	CIN	U65100DL2008PLC184790
ii	Registration Date	11-Nov-08
iii	Name of the Company	LIC CARDS SERVICES LIMITED
iv	Category of the Company	PUBLIC LIMITED COMPANY
v	Address of the Registered office & contact details	
	Address :	6TH FLOOR, JEEVAN PRAKASH BULIDING, 25 KG MARG
	Town / City :	NEW DELHI
	State :	DELHI - 110001
	Country Name :	INDIA
	Telephone (with STD Code) :	011-28844288
	Fax Number :	-
	Email Address :	lic-creditcard@licindia.com
	Website, if any:	www.liccards.in
vi	Whether listed company	NO
vii	Name and Address of Registrar & Transfer Agents (RTA):-	
	Name of RTA:	Beetal Financial & Computer Services Private Ltd
	Address :	Beetal House, 3rd Floor, 99, Madangir, B/H Local Shopping Center
	Town / City :	New Delhi
	State :	Delhi
	Pin Code:	110062
	Telephone :	011-29961281
	Fax Number :	-
	Email Address :	beetalrta@gmail.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

Marketing & Distribution of Payment Products

All the business activities contributing 10 % or more of the total turnover

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Marketing & Distribution of White label/ Co- branded Cards	0	100
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No. of Companies for which information is being filled

1

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	LIC OF INDIA	0	HOLDING	100	0

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual (on behalf of LIC)	0	6	6	0.0006%	0	6	6	0.0006%	0%
b) Central Govt	0	0	0	0%	0	0	0	0%	0%
c) State Govt(s)	0	0	0	0%	0	0	0	0%	0%
d) Bodies Corp.	0	0	0	0%	0	0	0	0%	0%
e) Banks / FI (LIC OF INDIA)	999994	0	999994	99.9994%	999994	0	999994	99.9994%	0%
f) Any other	0	0	0	0%	0	0	0	0%	0%
(2) Foreign	0	0	0	0%	0	0	0	0%	0%
a) NRI - Individual/	0	0	0	0%	0	0	0	0%	0%
b) Other - Individual/	0	0	0	0%	0	0	0	0%	0%
c) Bodies Corp.	0	0	0	0%	0	0	0	0%	0%
d) Banks / FI	0	0	0	0%	0	0	0	0%	0%
e) Any Others	0	0	0	0%	0	0	0	0%	0%
Total shareholding of Promoter (A)	0	0	0	100%	0	0	0	100%	0%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0%	0	0	0	0%	0%
b) Banks / FI	0	0	0	0%	0	0	0	0%	0%
c) Central Govt	0	0	0	0%	0	0	0	0%	0%
d) State Govt(s)	0	0	0	0%	0	0	0	0%	0%
e) Venture Capital Funds	0	0	0	0%	0	0	0	0%	0%
f) Insurance Companies	0	0	0	0%	0	0	0	0%	0%
g) FIs	0	0	0	0%	0	0	0	0%	0%
h) Foreign Venture Capital Funds	0	0	0	0%	0	0	0	0%	0%
i) Others (specify)	0	0	0	0%	0	0	0	0%	0%
Sub-total (B)(1):-	0	0	0	0%	0	0	0	0%	0%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0%	0	0	0	0%	0%
ii) Overseas	0	0	0	0%	0	0	0	0%	0%
b) Individuals				0%				0%	0%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0%	0	0	0	0%	0%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)	0	0	0	0%	0	0	0	0%	0%
Sub-total (B)(2):-	0	0	0	0%	0	0	0	0%	0%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0%	0	0	0	0%	0%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0%	0	0	0	0%	0%
Grand Total (A+B+C)	999994	6	1000000	100%	999994	6	1000000	100%	0%

ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	LIC OF INDIA	999994	99.9994%	0%	999994	99.9994%	0%	NIL
2	SH JAGAT SINGH TOLIA (On behalf of LIC of India)	1	0.0000%	0%	1	0.0001%	0%	NIL
3	SH ANIRBAN SARKAR (On behalf of LIC of India)	1	0.0000%	0%	1	0.0001%	0%	NIL
4	SMT PRATIBHA SINGH (On behalf of LIC of India)	1	0.0000%	0%	1	0.0001%	0%	NIL
5	SHRI SALIL VISHWANATH (On behalf of LIC of India)	1	0.0000%	0%	1	0.0001%	0%	NIL
6	SHRI RATNAKAR PATNAIK (On behalf of LIC of India)	1	0.0000%	0%	1	0.0001%	0%	NIL
7	MS. GEETA PRABHAKARAN (On behalf of LIC of India)	1	0.0000%	0%	1	0.0001%	0%	NIL
	TOTAL	1000000	100%	0%	1000000	100%	0%	NIL

iii Change in Promoters' Shareholding (please specify, if there is no change) NIL

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL

Sl. No.: 1 For Each of the Top 10 Shareholders	Shareholding at the		Cumulative Shareholding	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	0	0%	0	0%
Changes During the Year				
Increase				
Date	Reason for Increase			
0	0	0%	0	0%
0	0	0%	0	0%
0	0	0%	0	0%
0	0	0%	0	0%
Decrease				
Date	Reason for Decrease			
0	0	0%	0	0%
0	0	0%	0	0%
At the End of the year (or on the date of separation, if separated during the year)	0	0%	0	0%

V Shareholding of Directors and Key Managerial Personnel: NIL

(Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	0	0.0000%	0	0.0000%
Changes During the Year	0	0.0000%		
Increase				
Date	Reason for Increase			
0	0	0%	0	0%
0	0	0%	0	0%
0	0	0%	0	0%
0	0	0%	0	0%
Decrease				
Date	Reason for Decrease			
0	0	0.0000%	0	0%
0	0	0%	0	0%
At the End of the year	0	0.0000%	0	0.0000%

(Key Managerial Personnel)	Shareholding at the		Cumulative Shareholding	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	0	0.0000%	0	0.0000%
Changes During the Year	0	0.0000%		
Increase				
Date	Reason for Increase			
0	0	0%	0	0%
0	0	0%	0	0%
0	0	0%	0	0%
0	0	0%	0	0%
Decrease				
Date	Reason for Decrease			
0	0	0.0000%	0	0%
0	0	0%	0	0%
At the End of the year	0	0.0000%	0	0.0000%

INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. *Remuneration to Managing Director, Whole-time Directors and/or Manager:* **NOT APPLICABLE**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		A	B	C	D	
1	Gross salary	NIL	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL	NIL
	- others, specify	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.

B. *Remuneration to other directors:* **NIL**

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		A	B	C	D	
1	Independent Directors					
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive					
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	NIL	NIL	NIL	0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	0
2	Stock Option	NIL	NIL	NIL	0
3	Sweat Equity	NIL	NIL	NIL	0
4	Commission	NIL	NIL	NIL	
	- as % of profit	NIL	NIL	NIL	0
	- others, specify...	NIL	NIL	NIL	0
5	Others, please specify	NIL	NIL	NIL	0
	Total	NIL	NIL	NIL	0

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)	
A. COMPANY						
Penalty	-	-	NIL	-	-	-
Punishment	-	-	NIL	-	-	-
Compounding	-	-	NIL	-	-	-
B. DIRECTORS						
Penalty	-	-	NIL	-	-	-
Punishment	-	-	NIL	-	-	-
Compounding	-	-	NIL	-	-	-
C. OTHER OFFICERS IN DEFAULT						
Penalty	-	-	NIL	-	-	-
Punishment	-	-	NIL	-	-	-
Compounding	-	-	NIL	-	-	-

ANNEXURE -II

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES UNDERTAKEN DURING THE YEAR 2022-23

1 Brief outline on CSR Policy of the Company

The purpose of this policy is to make the stakeholders aware about:

- CSR and how such activities are conducted in the Company
- Associated practices of CSR.
- Focus areas of CSR.

The activities to be carried out under CSR Activities have been defined in the policy and same is available on Company's website i.e www.liccards.in. The Board will approve the total fund to be utilized for CSR activity for respective financial year. Further, Out of approved CSR activities, the Board shall decide which activity/project should be given priority for the respective financial year.

2	Composition of CSR Committee	Not Applicable
3	Website where CSR Policy and CSR projects approved by the board are disclosed	www.liccards.in
4	Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014	NIL
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	NIL
6	Average net profit of the company as per section 135(5)	Rs 4,54,02,522/-
7	(a) Two percent of average net profit of the company as per section 135(5)	Rs 9,08,050/-
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
	(c) Amount required to be set off for the financial year, if any	NIL
	(d) Total CSR obligation for the financial year (7a+7b-7c).	Rs 9,08,050/-
8	(a) CSR amount spent or unspent for the financial year:	Total Amount Spent for the Financial Year 2022-23 is Rs Rs 9,08,050/-
	(b) Details of CSR amount spent against ongoing projects for the financial year:	NIL
	(c) Details of CSR amount spent against other than ongoing projects for the financial year	Contributed Rs. Rs 9,08,050/- towards the Prime Minister's National Relief Fund, New Delhi – 110011
	(d) Amount spent in Administrative Overheads	NIL
	(e) Amount spent on Impact Assessment, if applicable	NIL
	(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	Rs 9,08,050/-
	(g) Excess amount for set off, if any	NIL
9	(a) Details of Unspent CSR amount for the preceding three financial years:	NIL

	(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):	NIL
10	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). (a) Date of creation or acquisition of the capital asset(s). (b) Amount of CSR spent for creation or acquisition of capital asset. (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NIL
11	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	NIL

Place: Delhi
Date: 03.08.2023

FOR AND ON BEHALF OF THE BOARD


DIRECTOR


CHAIRPERSON

ANNEXURE III**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not on an arm's length basis: **NIL**

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts/arrangements/transactions

(c) Duration of the contracts / arrangements/transactions

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

(e) Justification for entering into such contracts or arrangements or transactions

(f) Date(s) of approval by the Board

(g) Amount paid as advances, if any:

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

2. Details of material contracts or arrangement or transactions on an arm's length basis:

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	7337.74	396.93
Life Insurance Corporation of India	Electricity & Water Charges	294.26	272.95
Sh Tapan Arandhara	Remuneration	4222.30	3,027.58
Sh Rakesh Kumar	Remuneration	NIL	3520.85
Life Insurance Corporation of India	Municipal Tax on Rent	1906.57	193.04
LIC Housing Finance Limited	Interest Income	12,237.64	14,292.89

LIC Mutual Fund Assets Management Ltd	Investment Income	158.42	938.39
IDBI Bank Limited	Credit Card Income	1827.85	1,589.00
IDBI Bank Limited	Gift Card Income	1965.82	959.70
IDBI Intech Limited	Website Expenses	1836.00	1,263.78
IDBI Intech Limited	Interest Income	5.29	NIL

FOR AND ON BEHALF OF THE BOARD

Place: Delhi
Date: 03.08.2023


DIRECTOR


3/8
CHAIRPERSON

LIC CARDS SERVICES LIMITED
CIN: U65100DL2008PLC184790
Balance Sheet as at March 31, 2023

	Notes	2023 (Rs. 000')	2022 (Rs. 000')
EQUITY & LIABILITIES			
Shareholder's Fund			
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			
Non-Current Liabilities			
Long Term Borrowings	4	-	-
Deferred Tax Liabilities (net)	5	-	-
Other Non-Current Liabilities	6	-	-
Long Term Provisions	7	-	-
		-	-
Current Liabilities			
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

Non-Current Assets			
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
Current Assets			
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: 23 539753 B9 XMEW7696



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**

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

Place : Delhi
Date : 15-05-2023

Place : Place : Place :
Date : Date : 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
	10,000.00	10,000.00
Issued, subscribed and paid up capital		
10,00,000 Equity shares of Rs. 10 each fully paid up	10,000.00	10,000.00
	10,000.00	10,000.00

(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	181,673.76	125,706.40

4. Long-term borrowings

- Secured borrowings
- Unsecured borrowings

-	-
-	-
-	-



[Handwritten signature]

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***(this space has been intentionally left blank)*

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

(this space has been intentionally left blank)

[Handwritten signature]



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	-	-	-	-	-	-



(Handwritten signature)

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>

(this space has been intentionally left blank)



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

(this space has been intentionally left blank)



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



**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 its 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 its 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



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

Place: Delhi

Date: 15/5/23

UDIN:

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
S S P J & 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/utilized 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.
----	--	--

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

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



parteeek Singla
CA Parteeek Singla
Partner
M.No. 539753

Place: Delhi

Date: 15/5/23