LIC CARDS SERVICES LIMITED

CIN-U65100DL2008PLC184790

Annual Report 2019-20

BALANCE SHEET AS AT MARCH 31, 2020

Particulars	Note No.	Amount (Rs.) As At 31.03.2020	Amount (Rs.) As At 31.03.2019
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	10,000,000	10,000,000
(b) Reserves and Surplus	2	60,393,465	24,212,464
(2) Current Liabilities			
(a) Trade Payables	3	5,986,663	6,094,317
(b) Other Current Liabilities	4	111,456,700	80,176,279
(c) Short Term Provisions	5	-	348,054
TOTAL		**187,836,828**	**120,831,114**
II.ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	6		
(i) Tangible Assets		1,570,484	1,132,551
(ii) Intangible Assets		1	1
(b) Deferred Tax Assets	7	101,280	125,700
(c) Other Non Current Assets	8	87,289,332	66,929,675
(2) Current Assets			
(a) Current Investment	9	2,568,156	8,926,635
(b) Trade Receivables	10	12,550,353	15,571,016
(c) Cash and Cash Equivalents	11	20,318,958	5,268,890
(d) Short-Term Loans and Advances	12	2,866	2,410,785
(e) Other Current Assets	13	63,435,398	20,465,861
TOTAL		**187,836,828**	**120,831,114**
SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES FORMING PART OF THE FINANCIAL STATEMENTS	14		

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

CA Sandeep Jain
(Partner)
M. No. 099803
Place : New Delhi
Date: 3 SEP 2020

S S P J & CO. CHARTERED ACCOUNTANTS FRN: 018083N

For LIC Cards Services Limited

Chairman
(M R Kumar)
DIN- 03628755

Director
(Vipin Anand)
DIN- 05190124

Director
(Rakesh Kumar)
DIN- 08531595

LIC Cards Services Ltd. New Delhi

LIC CARDS SERVICES LIMITED

CIN-U65100DL2008PLC184790

Annual Report 2019-20

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020

Sr. No	Particulars	Note No.	Amount (Rs.) As At 31-03-2020	Amount (Rs.) As At 31-03-2019
I	Revenue from Operations	15	139,870,645	77,922,183
II	Other Income	16	8,916,012	6,129,917
III	**Total Revenue (I +II)**		**148,786,657**	**84,052,100**
IV	***Expenses:***			
	Employee Benefit Expenses	17	36,154,893	28,759,915
	Depreciation and Amortization Expense	6	272,491	245,991
	Other Expenses	18	62,233,112	37,618,259
	Total Expenses (IV)		**98,660,496**	**66,624,165**
V	**Profit before Exceptional & Extraordinery Items & Taxes**		**50,126,161**	**17,427,935**
VI	**Exeptional & Extraordinery Items**		-	-
VII	**Profit Before Tax**		**50,126,161**	**17,427,935**
VIII	***Tax Expense:***			
	(1) Current Tax		13,920,740	4,847,942
	(2) Deferred Tax Expense/(Income)		24,420	-7,800
IX	**Profit After Tax**		**36,181,001**	**12,587,793**
X	Earning per equity share: (1) Basic		36.18	12.59
	(2) Diluted		36.18	12.59

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES FORMING PART OF THE FINANCIAL STATEMENTS 14

As per our report of even date annexed

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

CA SANDEEP JAIN
(Partner)
M. No. 099803
Place : New Delhi
Date: 3 SEP 2020

S S P J & CO. CHARTERED ACCOUNTANTS FRN : 018083N

For LIC Cards Services Limited

Chairman	Director	Director
(M R Kumar)	(Vipin Anand)	(Rakesh Kumar)
DIN- 03628755	DIN- 05190124	DIN- 08531595

LIC Cards Services Ltd. New Delhi

LIC CARDS SERVICES LIMITED

CIN-U65100DL2008PLC184790

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

		As At 31.03.2020 (Rs.)	As At 31.03.2019 (Rs.)
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit/(Loss) Before Tax	50,126,161	17,427,935
	Adjustments for:		
	Depreciation	272,491	245,991
	Interest & Other Income	(8,916,012)	(6,129,917)
	Operating Profit before Working Capital Changes	41,482,640	11,544,008
	Adjustment For:		
	(Increase)/Decrease in Debtors	3,020,663	-6,964,727
	(Increase)/Decrease in Other Receivables	(74,842,016)	(41,890,559)
	Increase/(Decrease) in Trade Payables and Other Payables	30,824,713	32,179,250
	Cash Generated from Operations	486,000	-5,132,028
	Refund/(Payment) of Taxes (including TDS)	-	-
	Net Cash from/(used in) Operating Activities	486,000	-5,132,028
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Sale/(purchase) of Fixed Assets	(710,424)	(248,737)
	Proceeds from Mutual Funds	32,400,000	29,300,000
	Investment in Mutual Funds	(26,041,520)	(36,931,377)
	Interest & Other Income Received	8,916,012	6,129,917
	Net Cash Used in Investing Activities	14,564,068	(1,750,197)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Equity shares	-	-
	Net Cash Used in Financing Activities	-	-
D.	**Net Cash Flows during the year (A+B+C)**	15,050,068	-6,882,225
E.	Cash and cash equivalents at the beginning of the year	5,268,890	12,151,115
F.	Cash and cash equivalents at the end of the year	20,318,958	5,268,890
	Net Increase/(decrease) in cash and cash equivalents	15,050,068	-6,882,225

As per our report attached

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

CA Sandeep Jain
(Partner)
M. No. 099803

Place : New Delhi
Date : 3 SEP 2020

SSPJ & CO. CHARTERED ACCOUNTANTS FRN : 018083N

For LIC Cards Services Limited

Chairman
(M R Kumar)
DIN- 03628755

Director
(Vipin Anand)
DIN- 05190124

Director
(Rakesh Kumar)
DIN - 08531595

LIC Cards Services Ltd. New Delhi

	NOTE - 1 Share Capital	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	**AUTHORIZED CAPITAL**		
	10,00,000 Equity Shares of Rs. 10/- each with voting rights	10,000,000	10,000,000
		10,000,000	**10,000,000**
2	**ISSUED , SUBSCRIBED & PAID UP CAPITAL**		
	10,00,000 Equity Shares of Rs. 10/- each, Fully Paid with voting rights	10,000,000	10,000,000
		10,000,000	**10,000,000**
3	**Reconciliation**		
	Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year		
	Equity Shares		
	1. At the beginning of the year		
	Number of Shares	1,000,000	1,000,000
	Amount (Rs)	10,000,000	10,000,000
	Fresh issued during the year	Nil	Nil
	2. At the end of the year		
	Number of the Shares	1,000,000	1,000,000
	Amount (Rs)	10,000,000	10,000,000
4	Details of Equity Shares held by each shareholder holding more than 5% shares	No. of Shares & %	No. of Shares & %
	Life Insurance Corporation of India	9,99,994 & 99.9994%	9,99,994 & 99.9994%
	Total	**10,000,000**	**10,000,000**

	NOTE - 2 Reserves & Surplus	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	**STATEMENT OF PROFIT & LOSS**		
	Opening Balance	24,212,464	11,624,671
	Add: Profit / (Loss) during the Year	36,181,001	12,587,793
	Closing Balance	**60,393,465**	**24,212,464**

	NOTE - 3 Trade Payables	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	Expenses Payable	5,537,597	5,989,223
2	Commission Payable (NEFT Returned)	449,066	105,094
	Total	**5,986,663**	**6,094,317**

	NOTE - 4 Other Current Liabilities	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	Duties & Taxes Payable	2,070,395	3,796,169
2	Security Deposits	11,300	7,800
3	Audit Fee Payable	63,900	63,900
4	Amount Due to LIC of India	109,311,105	76,308,410
	Total	**111,456,700**	**80,176,279**

	NOTE - 5 Short Term Provisions	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	Provision for Income Tax (Net of Advance Tax, TDS and MAT set off)	-	348,054
	Total	-	**348,054**

3 SEP 2020

LIC Cards Services Ltd. New Delhi

SSPJ & CO. CHARTERED ACCOUNTANTS FRN : 018083N

Note -6: Fixed Assets											Amount (Rs.)
Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 1-Apr-2019	Additions for the year	Deletion for the year	As at 31-Mar-2020	As at 1-Apr-2019	Accumalated Depreciation on Assets sold during the year	Depreciation after Assets sold during the year	Depreciation for the year	Accumulated as at 31-Mar-2020	As at 31-Mar-2020	As at 31-Mar-2019
Tangible Assets											
Computer & Printers	1,766,243	578,988	-	2,345,231	1,637,306	-	1,637,306	57,755	1,695,061	650,170	128,937
Office Equipments	1,155,886	131,436	-	1,287,322	873,011	-	873,011	61,233	934,244	353,078	282,875
Furniture & Fixture	2,001,274	-	-	2,001,274	1,280,535	-	1,280,535	153,503	1,434,038	567,236	720,739
Total (A)	**4,923,403**	**710,424**	-	**5,633,827**	**3,790,852**	-	**3,790,852**	**272,491**	**4,063,343**	**1,570,484**	**1,132,551**
Intangible Assets											
Accounting Software	12,500	-	-	12,500	12,499	-	12,499	-	12,499	1	1
Total (B)	**12,500**	-	-	**12,500**	**12,499**	-	**12,499**	-	**12,499**	**1**	**1**
Grand Total	**4,935,903**	**710,424**	-	**5,646,327**	**3,803,351**	-	**3,803,351**	**272,491**	**4,075,842**	**1,570,485**	**1,132,552**
Previous Year	**4,800,384**	**254,696**	**119,177**	**4,935,903**	**3,670,578**	**113,218**	**3,557,360**	**245,991**	**3,803,351**	**1,132,552**	**1,129,806**

3 SEP 2020

LIC Cards Services Ltd. New Delhi

SSPJ & CO. CHARTERED ACCOUNTANTS FRN: 018083N

Sr. No.	NOTE - 7 Deferred Tax Assets/Liability	Amount (Rs.)	Amount (Rs.)
1	Opening DTA/DTL	125,700	117,900
	Add/(Less): DTA for the year	-24,420	7,800
	Total	**101,280**	**125,700**

	NOTE - 8 Other Non Current Assets	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	Fixed Deposit (Maturing Beyond 12 Months)	85,000,000	65,000,000
2	Interest Accrued on Deposits	2,289,332	1,929,675
	Total	**87,289,332**	**66,929,675**

	NOTE - 9 Current Investments	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	LIC Nomura MF Liquid Fund	2,568,156	8,926,635
	Total	**2,568,156**	**8,926,635**

	NOTE - 10 Trade Recievables	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
	Within 6 months		
	(Doubtful Debts - Nil, Provision for Doubtful Debts - Nil)		
1	Axis Bank	11,426,236	15,399,942
2	C.P.P.	1,798	3,154
3	Sodexo SVC India P Ltd.	1,017,247	-
4	Corporation Bank-LIC Cards Centre	104,427	167,275
	Sub Total (A)	12,549,708	15,570,371
	More than 6 Months		
	(Doubtful Debts - NIL, Provision for Doubtful Debts - NIL)		
1	Axis Bank	-	-
2	LIC of India	645	645
	Sub Total (B)	645	645
	Total [A + B]	**12,550,353**	**15,571,016**

	NOTE - 11 Cash & Cash Equivalent	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	**Cash-on-Hand**		
	Cash Balance	-	-
	Silver Coin	6,600	6,600
	Sub Total (A)	6,600	6,600
2	**Bank Balance**		
	With Scheduled Banks in Current account	7,812,358	262,290
	Fixed Deposits : Maturing within 3 Months	12,500,000	5,000,000
	Sub Total (B)	20,312,358	5,262,290
	Total [A + B]	**20,318,958**	**5,268,890**

	NOTE - 12 Short Terms Loans and Advances	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	MAT Credit Entitlement Account F.Y 2014-15	-	615,377
2	MAT Credit Entitlement Account F.Y 2015-16	-	1,451,301
3	MAT Credit Entitlement Account F.Y 2016-17	-	341,241
4	Prepaid Expenses	2,866	2,866
	Total	**2,866**	**2,410,785**

	NOTE - 13 Other Current Assets	Amount (Rs.)	Amount (Rs.)
Sr. No	Particulars	As At 31-03-2020	As At 31-03-2019
1	Advance Tax/TDS Recoverable (Net of Provision for Income Tax)	4,327,662	4,940,076
2	Interest on Fixed Deposits	6,538,900	1,444,166
3	Input Tax Credit Recoverable	46,836	59,620
4	Security Deposit	22,000	22,000
5	Fixed Deposit Maturing after 3 months but before 12 months	52,500,000	14,000,000
	Total	**63,435,398**	**20,465,861**

3 SEP 2020

LIC Cards Services Ltd. New Delhi

SSPJ & CO. CHARTERED ACCOUNTANTS FRN : 018083N

	NOTE - 15 Revenue from Operations		
Sr. No	Particulars	Amount (Rs.) As At 31-03-2020	Amount (Rs.) As At 31-03-2019
1	Sourcing Fee	70,773,450	41,327,050
2	Income from Spends on Cards	48,627,545	29,515,932
3	Income from Activization of Cards	7,913,600	5,159,400
4	Income from Sale of Gift Cards	2,011,275	1,881,449
5	Marketing Fee for CPP	24,289	38,351
6	Income from Sodexo Meal Cards	10,520,486	-
	Total	**139,870,645**	**77,922,183**

	NOTE - 16 Other Income		
Sr. No	Particulars	Amount (Rs.) As At 31-03-2020	Amount (Rs.) As At 31-03-2019
1	Interest Received	8,346,570	4,830,113
2	Interest on Income Tax Refund	127,748	79,496
3	Income on Mutual Fund Investments	441,520	431,377
4	Profit/Loss on Sale of Assets	-	4,209
5	Miscellaneous Income	174	784,722
	Total	**8,916,012**	**6,129,917**

	NOTE - 17 Employee Benefit Expenses		
Sr. No	Particulars	Amount (Rs.) As At 31-03-2020	Amount (Rs.) As At 31-03-2019
1	Salaries & Allowances	32,083,340	27,097,400
2	Leave Travel Concession	554,709	109,022
3	Staff Welfare	3,516,844	1,553,494
	Total	**36,154,893**	**28,759,915**

	NOTE - 18 Other Expenses		
Sr. No	Particulars	Amount (Rs.) As At 31-03-2020	Amount (Rs.) As At 31-03-2019
1	Commission/Incentive to City Sales Managers and Sales Representatives	50,184,682	28,380,621
2	Advertisement and Business Promotion Expenses	2,984,051	2,124,093
3	Repairs & Maintenance	187,579	116,806
4	Filling Fee and Professional Fee	294,603	196,208
5	Travelling & Conveyance Expenses	4,241,108	3,415,751
6	Printing & Stationery	308,075	281,410
7	Telephone Expenses	285,506	297,612
8	Office Upkeep & Maintenance Charges	627,938	508,155
9	Audit Fee	71,000	71,000
11	Subscription to Newspapers	9,267	6,905
12	Postage & Telegram	1,098,097	858,643
13	Rent for Office Premises	309,938	179,747
14	Electricity & Water Expenses	388,812	363,788
15	Agent Training Expenses	775,349	376,968
16	Interest on GST	12,924	-
17	Miscellaneous Expenses	454,183	440,551
	Total	**62,233,112**	**37,618,259**

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

CA SANDEEP JAIN
(Partner)
M. No. 099803
Place : New Delhi
Date:

S S P J & CO. CHARTERED ACCOUNTANTS FRN : 018083N

For LIC Cards Services Limited

Chairman
(M R Kumar)
DIN- 03628755

Director
(Vipin Anand)
DIN- 05190124

Director
(Rakesh Kumar)
DIN- 08531595

LIC Cards Services Ltd. New Delhi

Note – 14 Significant Accounting Policies

1. Basis of preparation of Financial Statements

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

2. Presentation of Financial Statements

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

3. Revenue Recognition

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

A Revenue from Operations:-

(a) Sales & Services:- on accrual basis.

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

B Other Income:-

(i) Interest income is accrued and recognized at applicable interest rate on gross basis inclusive of tax deducted at source thereof.

(ii) Other items of income are accounted as and when the right to receive arises.

- 3 SEP 2020

LIC Cards Services Ltd. New Delhi

S S P J & CO. CHARTERED ACCOUNTANTS FRN : 018083N

4. Tangible and Intangible Fixed Assets

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

5. Depreciation/Amortization

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

6. Impairment of Assets

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

7. Taxes on income

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

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

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

8. Transactions in foreign currency

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

3 SEP 2020

LIC Cards Services Ltd. New Delhi

SSPJ & CO. CHARTERED ACCOUNTANTS FRN : 018083N

9. Employees Benefits

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

10. Cash and Cash Equivalents

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

11. Accounting for Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized in terms of Indian Accounting Standard 37 - 'Provisions, Contingent Liabilities and Contingent Assets' issued by Ministry of Corporate Affairs, when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent liabilities are recognized only when there is possible obligation arising from past events due to occurrence or non – occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation can't be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent Assets are not recognized in the financial statements.

12. Indian Accounting Standard

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

13. Accounting of Investments

Funds are invested in Fixed Deposit of Banks, LIC Housing Finance Limited and Mutual Funds on the basis of liquidity, safety of funds and risk-free return. Investment in Fixed Deposit of Banks and LIC Housing Finance Limited are valued at cost.

LIC Cards Services Ltd. New Delhi

SSPJ & CO. CHARTERED ACCOUNTANTS FRN: 018083N

14. Other Notes to Accounts

1. In the opinion of the Board, current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business.

2. Sundry creditors include overdue amount of Rs. Nil (including interest of Rs. Nil) payable to micro, small and medium enterprises.

3. Company has not made any provision for Retirement Benefits since entire staffs of the company are employees of LIC of India (Holding company) and are posted at LIC Cards Services Limited from time to time. No actuarial valuation is possible in the absence of fixed tenure of posting of employees. Any such provisioning is being made in the books of LIC of India.

4. The Salaries and other emoluments of the staff are paid directly by the Life Insurance Corporation of India as the LIC has sent its employees on deputation to LIC Cards Services Limited. LIC deducts Income Tax (TDS) on salaries and other emoluments paid to the employees and issues Form 16 and salary certificates to them. LIC Cards Services Limited is not deducting any TDS on payroll cost transferred by LIC of India through Debit Note.

5. Employee cost represents the amount to be reimbursed by the company to Life Insurance Corporation of India (LIC) in respect of staff deputed at the company by LIC of India.

6. GST Inputs Tax Credit has been claimed on the basis of bills received from the vendors subject to further deposit of GST amount collected by vendors to the account of Government. Further, the Input Tax Credit claimed and liabilities discharged are subject to GST audit as mandated under the relevant law.

7. The segment reporting disclosure as required by Accounting Standard 17 – "Segment Reporting" is not applicable, as the company has a single reportable business segment of Marketing and Distribution of Credit Cards/Gift Cards/ Sodexo Meal Cards.

8. Income from spend on cards is booked as certified by the Management of the Company and it is pending verification from the records of Axis Bank. Company is following up with Axis Bank for verification of spend amount and their response is still awaited.

9. There is neither any income nor expenditure in foreign exchange during the Financial Years 2019-20 and 2018-19

LIC Cards Services Ltd. New Delhi

SSPJ & CO. CHARTERED ACCOUNTANTS FRN : 018083N

10. Related Party Disclosures as required by Accounting Standard 18 – "Related Party Disclosures" as issued by Ministry of Corporate Affairs - are given below:

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

Sr. No.	Related Party	Nature of relationship
1	LIC of India	Promoter (Holding Company)
2	Mr. Narendra Pal Chawla	Director (Executive)
3	Mr. Rakesh Kumar	Director (Executive)
4	LIC Housing Finance Limited	Associate Company
5	LIC Mutual Fund Assets Management Ltd	Associate Company

b) Details of transactions with related parties during the year

Amount (In Rs.)

Name of related party	Nature of transaction	2019-20	2018-19
Life Insurance Corporation of India	Reimbursement of Payroll cost of the staff posted at the company	3,30,02,695	2,70,97,400
Life Insurance Corporation of India	Rent Expense	3,09,938	1,79,747
Life Insurance Corporation of India	Electricity & Water Charges	3,59,392	3,75,395
Mr. Narendra Pal Chawla	Remuneration	8,77,451	27,91,772
Mr. Rakesh Kumar	Remuneration	35,69,116	Nil
Mr. Prakash Chand	Remuneration	Nil	1,72,951
LIC Housing Finance Ltd.	Interest Income	22,89,332	Nil
LIC Mutual Fund Assets Management Ltd	Investment Income	4,41,520	4,31,377

c) Closing balance with related parties as at year end

Amount (In Rs.)

Name of related party	Nature of transaction	As at 31.03.2020	As at 31.03.2019
Life Insurance Corporation of India	Outstanding as at year end	10,93,11,105	7,63,08,410
LIC Housing Finance Ltd	Fixed Deposit Balance as at year end	8,50,00,000	Nil
LIC Housing Finance Ltd	Interest Accrued as at year end	25,43,702	Nil
LIC Mutual Fund Assets Management Ltd	Outstanding as at year end	25,68,155	89,26,635

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

LIC Cards Services Ltd. New Delhi

SSPJ & CO. CHARTERED ACCOUNTANTS FRN : 018083N

11 In accordance with Accounting Standard 20 – "Earnings per Share", the required disclosure is given below

Amount (in Rs.)

Particulars	Year ended 31-03-2020	Year ended 31-03-2019
Net Profit attributable to shareholders (in Rs.)	3,61,81,001	1,25,87,793
Weighted Average no. of Equity shares outstanding	10,00,000	10,00,000
Basic & Diluted Earning per share of Rs. 10/- each (in Rs.)	36.18	12.59

12. Auditor's Remuneration

Amount (in Rs.)

Particulars	Year ended 31-03-20	Year ended 31-03-19
Audit Fees (Statutory Audit)	55,000/-	55,000/-
Other certification work (Tax Audit)	16,000/-	16,000/-
ITR filing & Other related work	78,500/-	46,500/-

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

Particulars	2019-20	2018-19
Opening Deferred Tax Assets (in Rs.)	1,25,700/-	1,17,900/-
Deferred tax Income/(Expense) for the year (in Rs.)	- 24,420/-	7,800/-
Net Deferred Tax Assets/(Liabilities) as at year end (in Rs.)	1,01,280/-	1,25,700/-

14. Impact of COVID-19: The Company does not foresee any large-scale contraction in business which could result in significant down-sizing on long term basis. However our liquidity position could be adversely affected in short term, if our ability to bill and/or collect from our customers on time is impacted due to COVID – 19 disruptions.

LIC Cards Services Ltd. New Delhi

S S P J & CO. CHARTERED ACCOUNTANTS FRN : 018083N

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

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

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

CA SANDEEP JAIN
(Partner)
M.No.: 099803

Place: New Delhi
Dated:

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

CHAIRMAN	DIRECTOR	DIRECTOR
(M R Kumar)	(Vipin Anand)	(Rakesh Kumar)
DIN-03628755	DIN-05190124	DIN-08521595

S S P J & CO. CHARTERED ACCOUNTANTS FRN : 018083N

LIC Cards Services Ltd. New Delhi