

BOBCARD LIMITED
(formerly known as BOB Financial Solutions Limited)

Board Report
2023-24

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their 30th Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended 31st March, 2024.

CORPORATE OVERVIEW:

The Company is a Systemically Important Non Deposit taking Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India ('RBI') Act, 1934. Its core business is Credit Card issuance. It also provides services to its parent entity Bank of Baroda as a payments processing partner supporting Merchant Acquiring Operation.

FY 2023-24 was continuation of transformative phase for the Company on its operational metrics, financial parameters and technology-based delivery. Headwinds of regulatory and business-related challenges notwithstanding, the Company continued to grow its new customer acquisition and cards in force, spends and market share. We continue towards the efforts for building synergy with the parent Bank resulting in transformative changes within the Company including but not limited to integration with BOBWorld to render one view of the relationship across group entities for Bank customer as well as create a sourcing funnel for BANCA customers that hinges on technology. The Company's performance and results for the fiscal is proof of the eco-system changes, evolution stage, rapid pace of growth over the last couple of years and strategy, driving the Company to reposition, rebrand and recreate itself.

The Unsecured Tier II Debentures issued by the Company which are listed on the BSE Limited ("BSE") and have been rated 'IND AAA Stable Outlook', 'ICRA AAA with Stable Outlook' and 'CRISIL AAA with Stable Outlook' by India Ratings, ICRA Limited and CRISIL Ratings. The Commercial Papers issued by the Company had received rating of CRISIL A1+ from CRISIL and IND A1+ from India Ratings.

FINANCIAL HIGHLIGHTS FOR FY2023-24:

The Financial Performance of the Company for the year ended 31st March 2024 was as under:

Particulars	(Amount in ₹Millions)	
	2023-24	2022-23
Total Revenue	13,266.57	8821.84
Total Expenses (including exceptional and prior period items)	12,059.82	8803.23
Profit / (loss) before Tax	1,206.75	18.61
Tax expenses	302.98	3.35
Profit / (loss) after Tax	903.77	15.26
CRAR	18.30%	30.54%
EPS (Rs.)	0.93	0.03

FINANCIAL PERFORMANCE [FY 2023-24]:

- ✓ Total revenue for FY 2023-24 increased by 50.38% to around ₹ 13,266.57 million as against ₹ 8,821.84 million in the preceding FY 2022-23 primarily driven by increase in credit card base and the spends.
- ✓ Total expenses at ₹ 12,059.82 million increased by 36.99% as compared to ₹ 8,803.23 million in the preceding FY 2022-23 on account of increase in operating expenses and finance cost mainly due to increase in credit card business.

PERFORMANCE OVERVIEW [FY 2023-24]:

Credit Card Business:

Increase in revenue in Credit card business to ₹ 13,142.99 million from ₹ 7,985.96 million mainly driven by higher income on the back of higher card base.

Merchant Acquiring Operations:

Decrease in revenue in Merchant acquiring business to ₹ 123.58 million from ₹ 824.63 million mainly due to handover of Merchant acquiring operations to the Parent Bank.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year ended 31st March 2024, as prescribed under the extant Master Directions-Non Banking Financial Company – Systemically Important Non-Deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016 read with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is presented in a separate section forming part of the annual report.

Capital Adequacy & Liquidity

As per the Capital Adequacy norms issued by the RBI, Company's capital to risk ratio consisting of tier I and tier II capital should not be less than 15% of its aggregate risk weighted assets on balance sheet and or risk adjusted value of off-balance sheet items. As on March 31, 2024, Company CRAR was 18.30% compared to 30.54% as of March 31, 2023.

The Tier I capital in respect of an NBFC-ND-SI, at any point of time, is required to be not less than 10%. Company's Tier I capital was 15.03% as of March 31, 2024 compared to 25.49% as of March 31, 2023.

SHARE CAPITAL:

During FY 2023-24, the Company had increased its authorized share capital from ₹10,000 million to ₹20,000 million. The Company's issued, subscribed, and paid-up equity share capital is ₹ 9,750 million consisting of 97,50,00,000 equity shares of Rs.10/- . each.

RESERVES:

The Company had created statutory reserve pursuant to section 45IC of the Reserve Bank of India Act, 1934 by transferring amount not less than 20% of its net profit every year as disclosed under Statement of Profit and Loss and before any dividend. During FY 2023-24, the Company had appropriated ₹ 180.75 million towards the statutory reserve (Previous year: 4.65 million)

DIVIDEND:

With a view to conserve internal resources and meet the growth and transformation initiatives, your Directors do not propose to recommend any dividend during FY 2023-24.

DEPOSIT:

The Company had neither invited nor accepted any deposits from the public during FY 2023-24 and has no plans in near future. Prior approval of RBI will be obtained for acceptance of deposits, if any, in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During FY 2023-24, the Company had not given any loans or guarantees to any other body corporate.

CHANGE IN THE NATURE OF BUSINESS:

There had been no change in the nature of business of the Company during FY 2023-24.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY:

No adverse material changes have occurred or commitments made after 31st March, 2024 which may affect the financial position of the Company or require disclosure.

DETAILS OF APPLICATION UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

No application was made under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

MAJOR INITIATIVES TAKEN:***Key Business Highlights***

- ✓ FY 2023-24 was a year of continued consolidation for the Company.

- ✓ The Company continued its strong issuance trend and clocked 2.5 million cards as of FY24 closure despite the headwinds of 37/365 days regulatory closure.
- ✓ Retail spends too, clocked ₹ 2,60,000 Million, up from ₹ 1,73,000 Million for preceding year.

The Company launched multiple customer communication initiatives for encouraging card usage as well as enhancing customer engagement. This was especially important in the light of regulatory mandates around activation of new credit cards and usage of vintage cards.

- Launched Credit cards on UPI in May'23
- Digital only card & ERP implementation was completed in the H1 of FY24
- GooglePay for MasterCard was enabled to encourage contactless transaction un Dec'23
- Visa Business Empower was launched as network choice variant for SME clientele
- Overlimit control aligned to the RBI mandate of customer opt-in for the facility was enabled in Jan'24
- Rupay Corporate card was launched in Feb'24

With focus on leveraging the parent Bank's distribution strength while building its own, the Company continued to invest both in human resources as well as points of presence, to effectively align with all the Zones and Regions of Bank of Baroda.

Technology

The Company made significant progress in its technology initiatives to strengthen its technology stack and data security capabilities and emerge as a leading digital player among the various credit card issuers. Some of the key enablers accomplished during FY 2023-24 are enumerated below:

Customer-centric

- ✓ **Digital Card** has been launched for existing relationships, Digital card cardholders will be able to generate and use the card as soon as it is onboarded. This will help increase customer card activation and spending.
- ✓ Early mover on the UPI stack helped introduce an additional form factor. This enables easy card activation and induces spending as it has spread wider acceptance across small to large merchants.
- ✓ **Retail to EMI feature** introduced on Mobile App and Portal along with post-purchase EMI & insta-money. This new EMI product through which customers can convert their billed balance to EMI will help increase EMI book and increase in revenue stream

- ✓ CSAT Survey/Feedback feature is released in the mobile app version - Now customers can share their feedback by submitting the CSAT survey to share their requirements and expectations in the mobile app. This survey will help us analyze the feedback and improve the experience.
- ✓ **New Website** - We refreshed the website with revamped Branding (BOBCARD). This intuitive website powered by SEO will help significantly boost our visibility, credibility, and customer engagement align.

Compliance

- ✓ Automation of master guidance related to card closure, encompassing the RBI guidelines for both 30+7 days and 365 days.

Internal/ automation initiatives

- ✓ Aditya -Phase 1 (LMS)- - Aditya Phase 1 is a comprehensive lead management solution tailored to meet the unique requirements of our organization. By centralizing lead data and automating key tasks, it empowers our sales team to efficiently manage leads from inception to closure.
- ✓ Automation across various business processes and reconciliation has contributed to enhanced efficiency and a substantial reduction in human effort. (Reward point, Interest Calculator, Real time payment process, settlement recon etc .)

NPA & Risk Management

The Company has strengthened the robust risk management infrastructure augmented by its data analytics and decision science algorithms. Some of the key achievements accomplished during FY 2023-24 are enumerated below:

- ✓ Addition of Account Aggregator Framework in the lending ecosystem to eliminate processing times as well as transactional and application frauds
- ✓ Improved Behavioural Scorecard for better risk separation
- ✓ Built upon the pre-qualified database of Banca customers for effective penetration for cross-selling to the Bank database, while maintaining the arm's length.
- ✓ Developed models to accurately estimate risk for new-to-credit and new-to-card customers who have a credit history and account for a large section of the population. They are expected to be key growth drivers for India's credit card market.
- ✓ Segmented Expected Credit Loss (ECL) models using modelling, which are Ind-AS compliant and took into consideration economic indicators in portfolio stress-

testing models basis its learnings from the any macroeconomic headwinds coming our way.

- ✓ Initiated Legal proceedings under Sec. 25 and Arbitration for hastening the recoveries from existing NPA and write-off portfolio.
- ✓ Bad debt recoveries showing an exponential jump, in particularly from the cohort that was worst hit during the COVID period, thus reinforcing that situation is moved to total normalcy.

Customer Service:

The Company continued to have its core focus area on Service delivery excellence to maintain its relationship with the customers. With clear intent to emerge as a customer-centric organization, the Company revisited and revised its internal policies and processes to increase their efficiency and adopted latest technology solutions to revolutionize its Customer Experience standards.

With a vision to create bespoke customer experience across touchpoints through smart adoption of technology, the Company ensured that the human element of service is not compromised.

The Company embraced the multipronged approach of:

- ✓ Customer Engagement through proper tracking and managing customer journey in delivering superior experience
- ✓ Customer Experience upliftment through processes and innovation on doing better every time
- ✓ Service Agent empowerment through better decisioning by way of providing real time information at the click of a button
- ✓ Measurable service parameters to ensure accountability and focus on continuous improvements on both qualitative and quantitative aspects.

Initiatives Undertaken: -

- ✓ Expansion of Local Customer Support Centres to 16 Zonal locations to service local customers, Bank of Baroda Branches and Sales teams.
- ✓ Re-strengthening of Grievance Redressal mechanism and Root Cause Analysis of recurring complaint with timely corrective measures have resulted in considerable reduction in complaints during FY 2023-24 as compared to the previous Financial Year.
- ✓ First Contact Resolution rate improved to 75% + across Voice & Non-Voice Support Channels
- ✓ Extension of new services on WhatsApp Channel for improved customer connect and engagement.
- ✓ Introduction of new Self-Serve features on the BOBCARD Mobile App i.e. Card replacement, EMI Closure, Retail Balance to EMI, Instant Money, Spend Analyzer and many more.

- ✓ In-house development of tool which enable a 360° view of customers, for pro-active redressal of Customer Queries / Concerns
- ✓ To further upscale the service delivery standards Customer Feedback and Satisfaction Surveys were initiated thru Voice / Non-voice channels (Mobile App – email interactions)
- ✓ Regular Training sessions and Product Knowledge Test were conduct to upgrade the knowledge level of the customer facing teams to improve the response quality.
- ✓ Introduced “Customer Satisfaction Survey” in BOBCARD Mobile App.

The Company continued to aspire delighting the customers with various automated & DIY solutions for a quick turnaround time for various types of customer Queries / Request fulfilment.

Major Initiatives Underway

- ✓ Introduction of Microsite for more effective management of customer Queries / Requests / Complaints with an improved and structured response Turn Around Time
- ✓ Alignment of Customer Web Portal with that of Mobile App to give customer uniform experience .

Marketing:

Our marketing initiatives in FY 2023-24 have been pivotal in driving business growth and brand success. The company's customer-centric approach, leveraging smart credit solutions, customer behavior & data analytics, has led to reimagined marketing campaign strategies. Embracing digital transformation, we optimized user experiences through user-friendly platforms and personalized marketing.

Innovative campaigns, including social media engagements and collaborations with influencers, amplified brand visibility and engagement. Catchy & clear communication of value propositions such as product benefits, shopping offers on card and hassle-free card application helped us in acquiring new customers and winning loyalty from existing customers. Our commitment to “Credit for Everyone in India” further enhanced brand consideration & reputation.

Strategic alliances with leading online, travel, and lifestyle partners expanded card benefits, driving usage and revenue. Data-driven insights enabled agile marketing strategies, ensuring relevance in dynamic market conditions. Overall, the company's marketing efforts reflect a blend of creativity, technology adoption, strategic partnerships, and customer-centricity, setting a benchmark for success in the credit card industry.

Some of our key initiatives in FY 2023-24 were:

- ✓ We launched our new BOBCARD website focused on enhancing user experience and digital presence. With intuitive navigation, mobile

responsiveness, and robust tech infra, the website is launched to improve engagement and conversions. Advanced security measures and interactive elements are added to enhance functionality and appeal. The website also serves as a robust marketing tool, showcasing products, enhancing brand storytelling, and generating leads. The new website is testament to our commitment to innovation, customer satisfaction, and strategic marketing, setting a strong foundation for future growth.

- ✓ We launched rebranding announcement with the thematic campaign proposition 'Remember to Reimagine.' This exercise involved refreshing all brand assets to adopt a new visual identity, serving as a catalyst to amplify our new brand identity and drive awareness & consideration. We revamped pre-purchase to post-purchase collaterals for all 22 cards in our product portfolio to reflect the new branding.
- ✓ Deployed multiple formats of communications - Digital Film-based brand campaign "Aur Kya Chahiye" aimed to raise awareness among consumers about the capabilities of RuPay BOBCARD on UPI. Through various creative assets, we showcased how effortlessly RuPay BOBCARD can be added to UPI, delivering customer delight, enhancing experiences, and providing convenience for everyday digital transactions. Customers can enjoy instant access of up to 50 days of interest-free credit - at kirana stores to high-end stores i.e. UPI Convenience with Credit Card Rewards, toh #AurKyaChahiye.
- ✓ We launched a multi-channel brand campaign "Reimagine Festivities with 500+ offers" as part of our third offering under brand property #FestiveShoppingRewards. The campaign elements were promoted majorly through digital marketing channels including our Social Handles, PR, WhatsApp, SMS, Website, Influencer Marketing, etc. Moreover, we received big support from our parent group, Bank of Baroda, in creating maximum visibility through bank branches and other bank channels.
- ✓ We participated in Amazon Great Indian Festival Sale, Flipkart's Festival Sale, Croma Festival Sale, Reliance Digital Festival of Electronics Sale, JioMart Festival Sale, and many more. These partnerships helped us in creating maximum reach and driving lot of user-generated campaign buzz.
- ✓ We introduced RuPay-exclusive Virtual Additional cards to pitch the bundled offering of "UPI Convenience + Credit Card Rewards" to our existing customers.
- ✓ Conducted extensive digital promotions for seamless card servicing supports available to customers via bobcard mobile app, Email, Website, WhatsApp, SMS, & Social Media
- ✓ Over 10K offer communications across 50+ spend categories were sent throughout the year, via various brand channels - Social, Email, Website, SMS & WhatsApp.
- ✓ Executed personalised product welcome lifecycle campaigns using interactive video via WhatsApp. Additionally, Email & SMS brand channels were also used to reiterate product benefits & push early activation.
- ✓ Integrated product awareness and acquisition campaigns were carried out across all brand and partner channels, leveraging the latest digital marketing strategies to achieve brand & business goals.

- ✓ Supported RBI initiative of creating awareness for safe digital payments and fraud awareness customer communications.

DIRECTORS /KEY MANAGERIAL PERSONNEL (KMPs):

At the last Annual General Meeting of the Company, held on 28th September, 2023, the members had approved the re-appointment of Ms. Kadagatoor Venkateshmurthy Sheetal (DIN 09409028) who was retiring by rotation and offered herself for re-appointment.

Following changes in the office of Directorship of the Company have taken place during FY 2023-24:

- Ms. Deepashri Cornelius (PAN:BVLPS3134E), Company Secretary (Key Managerial Personnel) ceased to be the Company Secretary & Compliance Officer of the Company w.e.f from June 12, 2023 due to sudden demise.
- Shri Sanjiv Chadha (DIN: 08368448), Nominee Director & Chairman ceased from the Board of the Company w.e.f July 01, 2023 due to his superannuation from the services of Bank of Baroda.
- Shri Debadatta Chand (DIN: 07899346), Non- Executive Nominee Director was elected as the Chairman of the Board in its Meeting dated July 31, 2023.
- Shri Shailendra Singh (DIN: 08751442) was reappointed as the Managing Director and Chief Executive Officer [Key Managerial Personnel- KMP] (including terms & conditions) of the Company w.e.f from June 06, 2023 for a further period of 2 years and ceased to be the Managing Director & CEO of the Company w.e.f from March 01, 2024 on repatriation advice received from Bank of Baroda.
- Ms. Sakshi Mehta (PAN:CWUPM3353A), Company Secretary (Key Managerial Personnel) was appointed to be the Company Secretary & Compliance Officer w.e.f from December 04, 2023.
- Shri Joydeep Dutta Roy (DIN: 08055872) was appointed as Non-Executive Director w.e.f. April 01, 2023 and ceased from the position as Non- Executive Director of the Company w.e.f from January 30, 2024 due to his resignation from the services of Bank of Baroda.
- Shri Ravindra Rai M (DIN: 10535708) was appointed as Whole Time Director of the Company w.e.f March 27, 2024.
- Shri Sanjay Mudaliar (DIN: 07484086), was appointed as an Additional Director (Non-Executive Nominee Director) w.e.f. March 27, 2024.
- Ms. Pooja Karnani (PAN: AHEPB7049P), Chief Financial Officer (Key Managerial Personnel) ceased to be the Chief Financial Officer of the Company w.e.f March 28, 2024 due to personal reasons.

- Ms. Rupali Rane (PAN: AHYPD2561L) was appointed as Chief Financial Officer (Key Managerial Personnel) of the Company w.e.f March 29, 2024.

On the basis of declarations given by the independent directors to the Company that they meet the criteria of “Independence” as per the provisions of Section 149(6) of the Companies Act, 2013, the Board is of the opinion that the independent directors possess integrity, expertise and experience (including proficiency).

KEY MANGERIAL PERSONNEL (KMPs):

In terms of section 203 of the Companies Act 2013, the details of KMPs as at 31/03/2024 are as under:-

Name	Designation
Shri Ravindra Rai M.	Whole Time Director
Ms. Rupali Rane	Chief Financial Officer
Ms. Sakshi Mehta	Company Secretary

CORPORATE GOVERNANCE:

The Company maintained its commitment to achieve high standard of corporate governance. The Company is in compliance with all applicable norms as are in force from time to time.

BOARD OF DIRECTORS:

A. Board Meetings

The Board met at least once in every quarter. Notices of the meetings were sent well in advance along with a detailed agenda and supporting documents. 7 Board Meetings were held during FY 2023-24.

Sr. No.	Quarter	Date of Meeting
1	April - June	May 03, 2023
2	July - September	July 31, 2023 and September 02, 2023
3	October - December	October 31, 2023 and December 04, 2023
4	January - March	January 25, 2024 and March 27, 2024

B. Directors Details:

The Composition and other required details of the Board of Directors including their attendance are as given below alongwith the changes in the Board during the year under review:

Sr. no.	Name of Director	Director since	Capacity/ Designations	DIN	No. of meetings		No. of other Directorship	Remuneration	No. of shares held in & convertible instruments held in NBFC
					Hel d	Att ended			
1	Shri Sanjiv Chadha*	01.05.2020	Non-Executive Nominee Director	08368448	1	1	7	Salary: Nil Sitting fees: Nil Commission: Nil	-
2	Shri Debadatta Chand	16.03.2023	Non-Executive Nominee Director	07899346	7	6	5	Salary: Nil Sitting fees: Nil Commission: Nil	-
3	Shri Joydeep Dutta Roy#	01.04.2023	Non-Executive Director	08055872	6	4	6	Salary: Nil Sitting fees: Nil Commission: Nil	-
4	Ms. Kadagatoo rVenkateshmurthy Sheetal	01.12.2021	Non-Executive Director	09409028	7	7	-	Salary: Nil Sitting fees: Nil Commission: Nil	-
5	Shri Sanjay Kao	17.01.2022	Independent Director	09447175	7	7	1	Salary: Nil Sitting fees:Rs.4,60,000 Commission: Nil	-
6	Shri Sriraman Jagannathan	29.12.2022	Independent Director	02936357	7	6	-	Salary: Nil Sitting fees:Rs.3,80,000 Commission: Nil	-
7	Shri Shailendra Singh @	06.06.2020	Managing Director & CEO	08751442	6	6	-	Salary:Rs.45,07,986 Sitting fees: Nil Commission: Nil	100 equity shares

8	Ravindra Rai M [§]	27.03.2024	Whole Time Director	10535708	NA	NA	-	Salary: Rs. 59,042 Sitting fees: Nil Commission: Nil	-
9	Sanjay Vinayak Mudaliar [§]	27.03.2024	Additional Director (Non-Executive Nominee Director)	07484086	NA	NA	-	Salary: Nil Sitting fees: Nil Commission: Nil	-

* Shri Sanjiv Chadha ceased to be the Non-Executive Nominee Director w.e.f. July 01, 2023.

Shri Joydeep Dutta Roy ceased to be the Non-Executive Director w.e.f. January 30, 2024.

@ Shri Shailendra Singh ceased to be the Managing Director & CEO w.e.f. March 01, 2024.

§ Shri Ravindra Rai M and Shri Sanjay Vinayak Mudaliar appointed as Whole Time Director and Additional Director (Non-Executive Nominee Director) respectively w.e.f. March 27, 2024.

Details of change in composition of the Board during the financial year 2023-24:

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Shri Sanjiv Chadha	Non-Executive Nominee Director	Cessation	July 01, 2023
2.	Shri Joydeep Dutta Roy	Non- Executive Director	Cessation	January 30, 2024
3.	Shri Shailendra Singh	Managing Director & CEO	Cessation	March 01, 2024
4.	Shri Ravindra Rai M.	Whole Time Director	Appointment	March 27, 2024
5.	Shri Sanjay Mudaliar	Additional Director (Non-Executive Nominee Director)	Appointment	March 27, 2024

During the year, none of the Independent Director resigned before expiry of their tenure and none of the Directors are inter-se related to each other.

COMMITTEES OF THE BOARD

Currently, there are 3 Board Committees – the Audit & Risk Management Committee, the Human Resources and Nomination & Remuneration Committee and the Corporate Social Responsibility (CSR) Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairperson. Matters requiring the Board’s attention/approval, as emanating from the Board Committee Meetings, are placed before the Board by the respective Committee’s Chairperson. The role and composition of these Committees, including the number of meetings held during FY 2023-24 and the related attendance, are provided below.

1. Audit and Risk Management Committee:

The Audit & Risk Management Committee of the Board is inter alia responsible for (including terms in consonance with Section 177 of the Companies Act, 2013):

1. Recommending the appointment, remuneration and terms of appointment of auditors of the company;
2. Reviewing and monitoring the auditor’s independence and performance, and effectiveness of audit process;
3. Examining the financial statements and the auditors’ report thereon;
4. Approving and / or subsequently modifying / ratifying transactions of the company with related parties;
5. Scrutinizing inter-corporate loans and investments of the Company;
6. Valuing undertakings or assets of the company, wherever necessary;
7. Evaluating internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters.
9. Overseeing the establishment of vigil mechanism.
10. Ensuring that an Information System Audit of the internal systems and processes is conducted at least once in two years or such other frequency as may be prescribed to assess operational risks faced by the Company.
11. Monitoring of internal audit of all outsourced activities by the Company.
12. Formulating the scope, functioning, periodicity and methodology for conducting the internal audit, in consultation with the internal auditor.

13. Evaluating potential external/internal threats/risks (existing or likely) to the Company.
14. Reviewing and monitoring the implementation of various risk measures.
15. Reviewing the functions of Risk Management Department.
16. Taking decisions on matters as may be referred to it from time to time by the Board.

The constitution of Audit & Risk Management Committee during the year 2023-24 and attendance of each member of the Committee is as under: -

Sr.no.	Name of Director	Capacity	Number of meetings of the Committee		No. of shares held in NBFC
			Held	Attended	
1.	Shri Sanjay Kao	Chairperson	5	5	-
2.	Shri Sriraman Jagannathan	Member	5	4	-
3.	Ms. Kadagatoor Venkateshmurthy Sheetal#	Member	5	5	-

#Ms. Kadagatoor Venkateshmurthy Sheetal was appointed as a member of the ARMC w.e.f 01/04/2023

5 meetings of the said Committee were held during FY 2023-24. Audit & Risk Management Committee meetings are usually attended by the Managing Director, Deputy Managing Director (DMD), Chief Financial Officer (CFO), Chief Risk Officer (CRO), Chief Operating Officer (COO), Head - Products & Portfolio Management, Company Secretary, Internal Auditors and representatives of the Statutory Auditors. Senior Executives of the Company are invited to participate in deliberations as appropriate.

The recommendations made by the Audit and Risk Management Committee of the Board during FY2023-24 were accepted by the Board.

B. Human Resources and Nomination & Remuneration Committee (HRNRC):

The HRNRC is, inter alia, responsible for:

1. Guiding the Board by laying down criteria and terms and conditions in relation to appointment and removal of Directors, KMP and Senior Management. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with laid down criteria and to recommend to the Board their appointment and removal;

For every appointment the Nomination and Remuneration Committee (NRC) shall evaluate the balance of skills, knowledge and experience and capabilities required to the Board for appointment of an independent director in such description.

- Use the services of an external agency, if required,
 - Consider candidates from wide range of backgrounds having due regard to diversity and,
 - Consider the time commitments of the candidates.
2. Formulating criteria for qualifications, positive attributes and independence of Directors.
 3. Ensuring 'fit and proper' status of proposed/ existing directors (as per RBI guidelines, provisions of Companies Act, 2013 and other regulatory body or applicable statute, rule or regulation and other such applicable guidelines) and that there is no conflict of interest in appointment of Directors on Board of the Company.
 4. Specifying the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the HRNRC or by an independent external agency and review its implementation and compliance. Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
 5. Examining vacancies and suggest course of action.
 6. Recommending to the Board a Compensation policy relating to remuneration for Directors, KMP and other employees. and to oversee the framing, review and implementation of the same.
 7. Reviewing the composition of Committees of the Board and to identify and recommend to the Board, the Directors who can best serve as members of each Board Committee.
 8. Reviewing and providing recommendations on, including but not limited to, Designations, Organisation & Grade Structure, Compensation Benchmarking, Performance Management System, LTI/ ESOP.
 9. Reviewing, monitoring and recommending to the Board on human resource strategies/policies that pertain to staffing, compensation, benefits, and related issues of strategic importance;
 10. Reviewing and Recommending to the Board concerning the approval or amendments to the Human Resource policy;

11. Exercise such powers as are granted under the applicable employee stock option scheme of the Company, as amended from time to time; and perform such other activities as may be delegated by the Board
12. The NRC to work in close coordination with Risk Management Committee (RMC) of the company to achieve effective alignment between compensation and risks.
13. The NRC to ensure that compensation levels are supported by the need to retain earnings of the company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP).
14. Reporting its actions and recommendations, if any to the Board after each Committee meeting.
15. Perform such other activities as may be delegated by the Board and carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or under the Master Directions or provided under the Companies Act or any other applicable law, as and when amended from time to time.

Notwithstanding anything contained in terms of reference, in case of any contradiction of the provision of the terms above with any existing legislations, rules, regulations, or laws, the provisions of such law, legislation, rules, regulation or enactment shall prevail over these terms.

The existing constitution of HRNRC and details of their attendance is as under:-

Sr.No.	Name of Director	Capacity	Number of meetings of the Committee		No. of shares held in NBFC
			Held	Attended	
1.	Shri Sriraman Jagannathan	Chairman	4	3	-
2.	Shri Sanjay Kao	Member	4	4	-
3.	Shri Joydeep Dutta Roy*	Member	3	3	-
4.	Ms Kadagatoor Venkateshmurthy Sheetal*#	Member	1	1	-

* Ms Kadagatoor Venkateshmurthy Sheetal ceased to be a Member of the Committee and Shri Joydeep Dutta Roy was appointed as a Member w.e.f. 01/04/2023.

Since Joydeep Dutta Roy ceased to be the Director of the Company w.e.f 30/01/2024, Ms Kadagatoor Venkateshmurthy Sheetal was appointed as a Member of the Committee w.e.f 29/02/2024

C. Corporate Social Responsibility (CSR) Committee:

The CSR Committee is, inter alia, responsible for formulating and monitoring the CSR Policy of the Company. The Committee also has the responsibility to recommend annual CSR plan and budget of the Company to the Board of Directors.

The CSR policy adopted by the Company is placed on the Company's website at <https://www.bobcard.co.in/public-disclosures>

There were no meeting held of the CSR Committee during FY 2023-24.

For FY 2023-24, the Company was not required to spend any amount towards CSR activities and as per statutory requirement, the Annual Report on CSR Activities for the year ended 31st March, 2024 is enclosed as **Annexure A**.

SHAREHOLDERS MEETINGS:

Annual General Meetings:-

Financial Year	Date	Time	Venue	Special Resolutions Passed, if any
2023-24	28.09.2023	10:30 A.M	Himgiri Meeting Room, Ground Floor, Baroda Corporate Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	(i) Re-appointment of Shri Shailendra Singh as the Managing Director- CEO of the Company. (ii) To amend the Articles of Association of the Company.
2022-23	28.09.2022	11.30 A.M.	Himgiri Meeting Room, Ground Floor, Baroda Corporate Centre, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	-
2021-22	28.09.2021	11.00 A.M.	Himgiri Meeting Room , Ground Floor, Bank of Baroda, Baroda Corporate Centre, Bandra Kurla	-

			Complex, Bandra (E), Mumbai - 400051	
--	--	--	--------------------------------------	--

Extra-Ordinary General Meetings: -

Financial Year	Date	Time	Venue	Special Resolution(s) Passed
2023-24	08.01.2024	02:00 P.M.	Himgiri Meeting Room , Ground Floor, Bank of Baroda, Baroda Corporate Centre, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	Change of name of the Company from BOB Financial Solutions Limited to BOBCARD LIMITED.
2022-23	02.05.2022	11.00 A.M.	Aravalli Meeting Room , Ground Floor, Bank of Baroda , Baroda Corporate Centre , Bandra Kurla Complex, Bandra (E), Mumbai - 400051	1) Revision in overall borrowing limits from Rs.15,000 Million to Rs.28,000 Million.
	26.05.2022	12 Noon	Ground Floor, Bank of Baroda , Baroda Corporate Centre , Bandra Kurla Complex, Bandra (E), Mumbai - 400051	1) Increase in Authorised Share Capital from Rs. 4,000 Million to Rs. 10,000 Million. 2) Alteration of Clause V (Capital clause) of the Memorandum of Association of the Company
	12.12.2022	11.00 A.M.	Himgiri Meeting Room , Ground Floor, Bank of Baroda , Baroda Corporate Centre , Bandra Kurla Complex, Bandra (E), Mumbai - 400051	1) Revision in overall borrowing limits of Company from Rs.28,000 million to Rs. 50,000 million 2) Creation of Mortgage/charge on the assets of the Company
2021-22	17.05.2021	11.00 A.M.	Jeevan Meeting Room , Ground Floor, Bank of Baroda , Baroda Corporate Centre , Bandra Kurla	Increase in borrowing limits to Rs.15,000 million

			Complex, Bandra (E), Mumbai - 400051	
	21.06.2021	11.00 A.M.	Jeevan Meeting Room , Ground Floor, Bank of Baroda , Baroda Corporate Centre , Bandra Kurla Complex, Bandra (E), Mumbai - 400051	Change in place of Keeping statutory records of the Company.

Details of non-compliance with requirements of Companies Act, 2013

The Company has complied with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

Details of penalties and strictures

The Company has no penalties or stricture imposed on it by the Reserve Bank or any other statutory authority.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 134(3)(c) and 134(5) of the Companies Act, 2013, the Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed and proper explanations provided relating to material departures, if any;
- ii. such accounting policies have been selected and applied consistently and judgments and estimates made 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 of the Company for that period;
- iii. proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, have been taken for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts for the financial year ended 31/03/2024 have been prepared on a going concern basis;
- v. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

BOARD EVALUATION:

As per the provisions of section 134(p) r/w section 178 of the Companies Act 2013, a formal evaluation by the Board of its own performance and that of its Committees and Individual Directors have been carried out for FY 2023-24.

For FY 2023-24, a separate Independent Director's Meeting was also held on March 23, 2024.

The Board believes that all Directors upheld highest standards of integrity, adhered to Company's code of conduct, made constructive and effective contribution at meetings and generally carried out their responsibilities well in the interest of the Company and its stakeholders.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

In terms of section 134 of the Companies Act, 2013, the Company has an internal control system, commensurate with the size, scale and complexity of its operations. The internal controls ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

The key elements of internal control systems of the Company are as follows:

- Clearly defined organization structure and limits of authority.
- Well defined key responsibility areas and key performance indicators at various levels.
- Appropriate information flow to facilitate effective monitoring.
- Corporate policies for financial reporting, accounting, information security and corporate governance.

To maintain objectivity and independence, the adherence to internal controls and their adequacy is reviewed by the Internal Auditors who report to the Audit & Risk Management Committee. For FY 2023-24, M/s A P Sanzgiri & Co., Chartered Accountants were appointed as Internal Auditors of the Company. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system, its compliance with operating systems, accounting procedures and policies in the Company. Based on the report of internal auditors, process owners undertake corrective action in their respective areas and thereby further strengthen controls. Significant audit observations and corrective actions thereon are presented to the Audit and Risk Management Committee from time to time. During the year under review, the suggestions/observations of the Internal Auditors in this regard were duly discussed at Audit & Risk Management Committee and appropriately implemented by the Company.

A qualified and independent Audit & Risk Management Committee of the Board of Directors reviewed the Internal Audit reports and the adequacy of internal control systems at quarterly intervals. The Company was not required to maintain the cost records as per section 148(1) of the Companies Act, 2013.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:

Based on the work performed by the internal, statutory and secretarial auditors and the relevant Board Committees, the Directors are of the opinion that the Company has in place, adequate internal financial controls with reference to financial statements, commensurate with the size and nature of the business of the Company. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

RISK MANAGEMENT:

As per section 134(3) of the Companies Act, 2013, the Company undertakes regular review of its risk profile and keeps the Board of Directors adequately informed about the risk profile and the measures identified to mitigate such risks.

The Company originally had a "Risk Management Committee" constituted by the Board in its meeting dated 29th September, 2009, comprising of senior executives of the Company. However, basis the opinion of the Audit Committee the said "Risk Management Committee" was discontinued and accordingly, the Audit Committee was retitled as "Audit and Risk Management Committee" in September- 2017 and entrusted additional areas to oversee potential external or internal threats to the Company and to review the functions of Risk Management Department.

The Company has constituted the Assets Liability Management Company (ALCO) consisting of senior management personnel primarily for ALM processes in the Company. The Company has also constituted a Product and Process Approval Committee (PPAC) to evaluate proposed products and processes in pre-launch phase post initial risk evaluation.

SIGNIFICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS:

To the best of our knowledge, the Company has not received any such orders from regulators, courts or tribunals during the year which may impact the going concern status of the Company or its operations in future.

ONE TIME SETTLEMENT WITH BANKS OR FINANCIAL INSTITUTIONS

During FY2024, there was no instance of one-time settlement with Banks or Financial Institutions. Therefore, as per rule 8(5)(xii) of Companies (Accounts) Rules, 2014, reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not reported.

ANNUAL RETURN:

Pursuant to Section 92(3) and 134(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company can be accessed on the Company's website www.bobcard.co.in

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREX EARNINGS, AND OUTGO:

The particulars relating to Conservation of Energy, technology absorption, foreign exchange earnings and outgo required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 r/w Rule 8 (3) of the Companies (Account) Rules 2014, are given below:

A. Conservation of energy:

- i) Steps taken or impact on conservation of energy :

The Company is in the business of Card Issuance, Operations & Transaction Settlement Services. The nature of business is purely service oriented.

The Company's activities do not require substantial energy consumption. However the Company continues to lay emphasis on reducing energy consumption by constantly monitoring the consumption and taking steps to reduce wasteful use of energy. We use energy efficient Hardware infrastructure equipment to manage our workload which helps to reduce the energy footprint in data centres while maintaining high performance and reliability.

B. Technology absorption:

- i) Efforts made towards technology absorption:

The Company in addition to adding several new features to its existing portal, had launched Mobile Application for its cardholders to offer several services in self-serve mode. The simplified User Interface and enhanced user experience led to significant adoption resulting in a significant reduction in call volume and manual interventions. With e communication and our digital foot print we encourage to use the digital mode of communication .

C. Foreign exchange Receipts and outgo:*

The Foreign Exchange receipts represented actual inflows during FY 2023-24 and the Foreign Currency expenditure represented outgo during the year in terms of actual outflows.

Activities in foreign currency:

The Company receives funds in foreign currency for settlement of international transactions. The Company gets debited towards settlement agency charges in foreign currency.

(Amount in ₹millions)

Particulars	FY 2023-24	FY 2022-23
Foreign Exchange Income: (Income from Credit Card International Operation, currency conversion charges, business development incentive income)	81.61	84.02
Expenditure in foreign currency (Scheme Charges)	279.28	350.91

*The information on Foreign Exchange receipts and outgo is also furnished in the Note No.46 in the Notes

RELATED PARTY TRANSACTIONS:

There have been no material transactions with Directors or the Key Management Personnel and their relatives during FY 2023-24 that could have potential conflict with the interest of the Company.

To the best of our knowledge, all related party transactions, with Bank of Baroda (holding company) and/or its other subsidiaries/ associates during FY 2023-24 were on an arm's length basis and in the ordinary course of business. The particulars of contracts/arrangements entered into with related parties are disclosed in AOC-2, appended as an **Annexure B** to this Report.

All related party transactions are placed before the Audit and Risk Management Committee and the Board for their approval. Transactions with related parties, as per the requirements of Ind-AS, are disclosed to the notes to accounts annexed to the financial statements. The latest policy on related party transactions is available on our website at <https://www.bobcard.co.in/public-disclosures>

STATUTORY AUDITORS:

Statutory Auditors' Report dated 3rd May, 2024 on the financial statements of the Company for the financial year ended 31st March, 2024 is enclosed with the Financial Statements of the Company.

There was no observation, qualification, reservation or adverse remark made by Statutory Auditors under provisions of section 143 of the Companies Act, 2013.

For FY 2023-24, the C&AG has issued a clean report, with no comments on the financial statements of the Company (Copy of the same is forming the part of Annual Report).

AUDITORS' REMUNERATION:

In accordance with Section 142 r/w section 139(5) of the Companies Act, 2013, the remuneration of Statutory Auditors is required to be fixed by the Company in its Annual General Meeting. Accordingly, an Ordinary Resolution will be proposed at the forthcoming Annual General Meeting seeking approval for the remuneration recommended by the Board and further authority for the Board to finalize with the Statutory Auditors appointed by the Comptroller and Auditor General of India (C&AG) for the FY 2023-24.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has duly complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

SECRETARIAL AUDIT:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014, the Board had appointed M/s. Ragini Chokshi & Co., a firm of Company Secretaries in practice, to undertake the Secretarial Audit of the Company for F.Y. 2023-24.

With respect to the observation made by the secretarial auditors on lapse of filing of few intimations and outcomes with Stock Exchange and shall ensure all the requisite documents are filed within timeline henceforth. It may be noted that delay in appointment of qualified Company Secretary as Compliance Officer of the Company as per regulation 6(1A) of SEBI (LODR), Regulations, 2015 was due to unfortunate sudden demise of former Company Secretary, Late Ms. Deepashri Cornelius. The Secretarial Audit Report (MR-3) has been enclosed as **Annexure C** to this report.

VIGILANCE MECHANISM/ WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy and a Vigilance Policy. The mechanism under these Policies has been communicated within the organisation. The objective of this mechanism is to eliminate and help to prevent malpractices, to investigate and resolve complaints, take appropriate action to safeguard the interests of the Company and to ensure that whistleblower is protected. The Company has appointed a Chief Vigilance Officer (Chief Manager on deputation to the Company, from BOB) for the purpose of reporting, enforcing and monitoring the Vigilance Policy and Whistle Blower Policy. No complaints were received by the Company during FY 2023-24.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Company follows the fit and proper criteria as laid down by RBI Directions and the Nomination and Remuneration Policy of the Company laid down under section 178(2) and (3) of the Companies Act, 2013 and RBI Directions / circulars for appointment of Directors. The Human Resources & Nomination and Remuneration

Committee of the Board recommends the appointment / re-appointment of a Director on the basis of satisfactory compliance of fit and proper criteria.

INFORMATION PURSUANT TO RULE 14 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) RULES, 2013:

The Company has duly constituted Internal Committee in compliance with the provisions of section 4 of the “Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013” (“POSH”) and the Rules there under. The Committee is inter alia responsible to inquire into sexual harassment complaints by aggrieved women and recommend appropriate action.

During FY 2023-24, the Company had received 2 complaints under POSH which were disposed off within the prescribed timelines.

ACKNOWLEDGMENT:

The Board of Directors acknowledge with gratitude the utmost co-operation and support extended by Bank of Baroda, Visa / Master Card International/NPCI, Service Providers, our Auditors, Comptroller and Auditor General of India, Reserve Bank of India, BSE and all the valued customers and expect their continued support and patronage in future too.

Your Directors wish to place on record their deep appreciation for the dedicated service rendered by employees at all levels, enabling the Company to help achieve its growth plan during the year.

**FOR AND ON BEHALF OF THE BOARD
OF DIRECTORS OF BOBCARD LIMITED
(FORMERLY KNOWN AS BOB
FINANCIAL SOLUTIONS LIMITED)**

**Date: September 27, .2024
Place: Mumbai.**

**SD/-
Debadatta Chand
Chairman
(DIN:07899346)**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)
ACTIVITIES FOR THE FINANCIAL YEAR 2023-24**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline on CSR Policy of the Company

In adherence to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors, upon the recommendations of its CSR Committee, has adopted a Company policy on CSR.

The thrust areas of the policy are - promoting & empowerment of woman and other weaker sections of society, supporting education of under privileged children / girl child, sponsoring vocational education for women, financial literacy, Disaster relief, conservation of environment, health care programs, contribution to the prime minister national relief fund or any other funds of the government of India.

2. Composition of CSR Committee

The constitution of CSR Committee during FY 2023-24 was as under: -

Sr. No.	Name of Director	Designation of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Kadagatoor Venkateshmurthy Sheetal - Chairperson	Non-Executive Director	NIL	NIL
2.	Shri Sriraman Jagannathan - Member	Independent Director	NIL	NIL
3.	Shri Shailendra Singh* - Member	Managing Director & CEO	NIL	NIL
4.	Shri Ravindra Rai M** - Member	Whole - Time Director	NIL	NIL

* Shri Shailendra Singh ceased to be the MD & CEO w.e.f. 01.03.2024

** Shri Ravindra Rai M appointed as member w.e.f. 27.03.2024

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The CSR policy has been uploaded on the website of the Company under web-link: <https://www.bobcard.co.in/public-disclosures>

4. Provide the executive summary along with web-link(s) 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, if applicable (attach the report)

Not applicable since the Company is having average CSR obligation less than Rs.100 million in pursuant to section 135(5) of the Act, in the three immediately preceding financial years.

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: Not Applicable

6. Average net profit of the company as per section 135(5)

Particulars	Amount (in million)		
	F.Y.2020-21 (A) As per INDAS	F.Y.2021-22 (B) As per INDAS	F.Y. 2022-23 (C) As per INDAS
Profit before Tax	-225.342	-59.592	18.61
Add: Capital Expenses and loss on sale of Fixed Assets	2.74	0.775	0.889
Total	-222.602	-58.817	19.501
Average Net Profit(A+B+C/3)	-87.306		
2 %	N.A.		

Average net profit of the company as per sub-section (5) of section 135: Rs. (-873.06) Lacs

7. (a) Two percent of average net profit of the company as per sub-section (5) of section 135: NOT APPLICABLE

(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 [(b)+(c)-(d)]: NIL

8. (a) CSR Amount spent or unspent for the Financial Year (both Ongoing Project and other than Ongoing Project)

i. Details of CSR amount spent against ongoing projects for the financial year: Nil

ii. Details of CSR amount spent against other than ongoing projects for the financial year: Nil

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: Not applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: NIL

(e) CSR amount spent or unspent for the Financial Year: NIL

(f) Excess amount for set off, if any: NIL

8. Details of Unspent CSR amount for the preceding three financial years:

Sr. No	Preceding financial year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Amount (in Rs)	
1	2021-22	16,66,800	16,66,800	-	-	-	Nil
2	2022-23	Nil	Nil	-	-	-	Nil
3	2023-24	Nil	Nil	-	-	-	Nil

9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NO

If Yes, enter the number of Capital assets created/ acquired: Not Applicable.

10. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5): NOT APPLICABLE

During FY 2023-24, the implementation and monitoring of CSR Policy was in conformity with the CSR objectives and CSR Policy of the Company. The Board, through its CSR Committee & Senior Management closely monitors the progress of the CSR initiatives, undertaken by the Company.

**SD/-
Ravindra Rai M
Managing Director & CEO
DIN: 10535708**

**SD/-
K.V. Sheetal
Chairperson - CSR Committee
DIN: 09409028**

Annexure "B"

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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. -

----- NIL -----

2. Details of contracts or arrangements or transactions at Arm's length basis (for the Financial Year 2023-24).

Sl. No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Amount paid as advances, if any	Date(s) of approval by the Board, if any
1	Bank of Baroda (Holding Company)	Merchant Support Charges Claim	5 years	Agreement for providing settlement, compliance and processing partner services. Arrangement is for 5 years from the date of agreement. w.e.f. 01/10/2022.	No	May 03, 2023
2	Bank of Baroda (Holding Company)	Space sharing for Jogeshwari office	Ongoing	As stated in Letter No. BCC/ EM/ RVG / 107/2186 dated 26.06.2015 issued by Bank of Baroda.	No	May 03, 2023
3	Bank of Baroda (Holding Company)	Interest/ fees/ charges for Banking services provided by BOB	Ongoing	As per schedule of charges provided by the Bank.	No	May 03, 2023
4	Bank of Baroda (Holding Company)	Royalty	3 years	Authority to use Bank of Baroda's name / logo for 3 years from commencement date (1st April 2022) extendable further on	No	May 03, 2023

				mutually acceptable terms and conditions.		
5	Bank of Baroda (Parent Entity)	Royalty	3 years	Payment of Royalty basis number of credit cards issued through BOB branches. As stated in Master Services Agreement dated 03/08/2021 executed between the parties.	No	May 03, 2023
6	Bank of Baroda (Holding Company)	Financial checks on prospective credit card applications	3 years	As stated in Master Services Agreement dated 03/08/2021 executed between the parties.	No	May 03, 2023
7	Baroda Global Shared Services Limited (Fellow Subsidiary)	Processing of credit card issuance	Ongoing	The arrangement is in force and effective from April 01, 2019 unless terminated.	No	May 03, 2023
8	Indiafirst Life Insurance Company Ltd (Subsidiary of Parent Entity)	Insurance Charges	Ongoing	Insurance charges (excl. Payment towards gratuity trust). As per policy dated 16th September, 2023	No	May 03, 2023

**For BOBCARD LIMITED
(Formerly known as BOB Financial Solutions Limited)**

**SD/-
Shri Debadatta Chand
Chairman
DIN: 07899346**

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024
{Pursuant to Section 204(3) of the companies Act 2013 and Rule no. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel Rules, 2014)}

To,
The Members,
BOBCARD LIMITED (*formerly known as BOB Financial Solutions Limited*)
2nd Floor, Baroda House Behind Dewan Shopping Centre,
Jogeshwari - West, Mumbai- 400102

We have conducted the secretarial audit of the compliance of applicable statutory Provisions and the adherence to good corporate practices by **BOBCARD LIMITED** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has ,during the audit period covering the financial year ended on the **31st March, 2024**, ("the Audit Period") complied with the statutory provisions listed hereunder and also that the company has proper Board- processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, minutes books, forms and returns filed and other records maintained by the company for the financial year ended on **31st March, 2024**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the Company)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company as it does not have FDI or ODI)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company)**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company)**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; **(Not applicable to the Company)**
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
- f) The Securities and Exchange Board of India (Debenture Trustees) Regulations 1993;
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company)**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company)** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not applicable to the Company)**

(vi) The company has identified the following as industry specific law applicable to the Company:

RBI Circulars on Non-Banking Financial Companies (non-deposit accepting, systematically important) including Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and as notified by the Central Government, and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following observations:

- a) The Company has made timely filing of all intimations/outcomes under Regulation 51 and Part B, Schedule III of the SEBI (LODR) Regulations, 2015, except few intimations/outcomes were filed beyond the prescribed timelines.
- b) The Company has made timely submission of information related to the payment obligation of Commercial Paper pursuant to Regulation 57(1) of the SEBI (LODR) Regulations, 2015 except for the month ended August 2023.

- c) It is observed that the Company appointed a qualified company secretary as the compliance officer, as required by Regulation 6(1A) of the SEBI (LODR) Regulations, 2015, beyond the prescribed timeline.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were carried through with requisite majority and no dissenting views have been recorded

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, there were no instances of:

- (i) Public/ Preferential issue of shares/sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger /amalgamation /reconstruction, etc.
- (iv) Foreign technical collaborations.

For **Ragini Chokshi & Company**
Practicing Company Secretary

SD/-
Ragini Chokshi
Partner
C.P. No. 1436
Membership No: 2390
PR No. 659/2020
UDIN: F002390F000303350

Date: 03.05.2024
Place: Mumbai

Annexure A

To,
The Members
BOBCARD LIMITED
CIN: U65990MH1994GOI081616
2nd Floor, Baroda House Behind Dewan Shopping Centre,
Jogeshwari - West, Mumbai- 400102

Our report of even date is to be read along with the letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Ragini Chokshi & Company**
Practicing Company Secretary

SD/-
Ragini Chokshi
Partner
C.P. No. 1436
Membership No: 2390
PR No. 659/2020
UDIN: F002390F000303350

Date: 03.05.2024
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENTS

A. The Indian Credit Cards Industry & Key Developments in FY 23-24

Overview

The Indian credit card industry is on a rise, with the total number hitting the 100 million mark at start of CY2024. This trend of growth has been consistent over the past half-decade. This uptick is driven by a combination of sustained push from banks and evolving consumer spending patterns. Expansion beyond the traditional focus areas of metros to non-metros and smaller towns is driving the growth of credit cards along with New to credit (NTC) young population between 18-25 years of age is another significant factor driving credit card growth.

Credit card spending among Indians spiked to ~1.79 trillion in festive month of October 2023 from an average of 1.4 trillion in preceding months and since then has now settled in new normal range of 1.65 trillion range per month. This increase reflects mixed spending trends in point of sale (PoS) and e-commerce payments.

Given the trend of rising personal loans, it is not surprising that India's central bank tightened norms for personal loans and credit cards. The Reserve Bank of India has increased the risk weights for banks and non-bank financial companies (NBFCs), or the capital that banks need to set aside for every loan, by 25 percentage points to 125% on retail loans.

Credit Cards on UPI i.e RuPay credit cards can now be linked on UPI for making easy, instant and safe Digital Payment transactions. The usage of newly issued credit cards is further encouraged by the push for digital payments, which has taken acceptance to every nook and corner of the country. Credit Cards are now being used to make payments for utility bills, educational expenses, healthcare, insurance, government payments in addition to the traditional purchases of grocery, electronics, apparel and fuel.

Fast adoption of Equated Monthly Instalment (EMI) is also contributing to the growth in usage of credit cards. Cardholders, armed with several attractive EMI options offered by the credit card issuers, frequently without any additional cost in partnership with manufacturers or large merchants, are finding many more reasons for using their credit cards.

Industry Structure

The Indian Credit Cards industry had 34 issuers with more than 100.60 million credit cards outstanding as of 29 February 2024. (source - RBI data) with Utkarsh Small Finance Bank as the latest entrant in a market that's concentrated with top 4 players cornering nearly 2/3rd share. Key developments in FY 24 have been active

intervention by RBI to boost customer confidence and increasing the opportunities to use a credit card simultaneously trying to reign in the unsecured lending business that is growing exponentially with the increase in risk weight.

B. The performance of the Company vis-à-vis the industry in FY 23-24

- BOBCARD Ltd. growth rate (Mar'24 over Mar'23) is 29.4% as compared to 19.3% for the entire industry (all CC issuers)
- BOBCARD LTD has issued 11,24,620 cards in FY 2324
- As on 31st Mar'24 - BOBCARD LTD has 25,20,187 cards in force and spends of Rs. 2,60,440 million in FY2324
- As per Mar'24 RBI Data - BOBCARD LTD has market share of 2.48% in terms of number of active credit cards and 1.50% in terms of spends volume

OUR GROWTH & KEY HIGHLIGHTS OF FY 23-24

The Company has exhibited exceptional growth from FY 21-22 to FY 23-24 across the following key business metrics:

- *Number of Cards: The number of cards has grown approx. 2 times (from 1.103 million to more than 2.52 million)*
- *New acquisition in a Financial Year: New acquisition has grown approx. 2 times (from 0.566 million to approx. 1.091 million)*
- *Spends in a Financial Year: Spends have grown more than 3 times (from Rs. 7,17,80million to Rs. 2,74,300 million)*

OPPORTUNITIES & THREATS

The Company identifies, and is cognizant of the following key Opportunities and Threats:

Opportunities

- India is under-penetrated in terms of credit card market compared to large economies
- Government's continued focus on increasing digital transactions
- Significant appetite for credit cards across non-metros, youth and
- Fast growing e-commerce growth along with smartphone penetration and low data charges
- Credit cards on UPI

Threats

- Regulatory overreach and frequent interventions
- Fintech innovation and bespoke offerings that are also under regulatory lens
- Persistent threat of economic cycles impacting losses
- Security issues with increased phishing, vishing and account takeovers

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company operations are in India and hence there is no segment reporting by geographical segment. The Company has reviewed and reconsidered the requirements of presenting segment information and accordingly identified business segment as the primary segment for disclosures in accordance with Ind AS 108 on segment reporting. The Company has identified credit card (issuing), merchant (acquiring), debit card and other as the business segments.

Out of total revenue of Rs. 13266.6 million, the Company earned majorly Rs. 13143 million from credit card (issuing).

Please refer Note 42 of the audited financial statements for detailed segment-wise performance.

OUTLOOK & RISKS AND CONCERNS

While the pandemic seems to be a thing of past, structural problems continue for the economy owing to a multitude of systemic as well as international problems. Elevated inflation levels have prompted rate in recent past by the Reserve Bank of India ("RBI"). RBI has also increased the risk weights on unsecured lending assets to 125% in November 2023, thus increasing the overall cost of capital.

Since the advent of the COVID-19 pandemic, the Company had invested heavily in strengthening its Risk Management framework by aligning its risk management strategies and policies in line with the risks emanating out of unsecured lending. The Company modified its NPA provisioning methodology moving from manual to systemic computations. The Company also continued its focus on collections and bad debts recovery. The Company focussed on building its customer base through internal acquisitions, staff referrals and targeting less vulnerable segments.

The Company revised its risk policies on credit line management with detailed individual/sector/ card limits, covering multiple risk dimensions. The Company continued to offer digital payment methods in line with the evolution in the payment systems across the industry in addition to the conventional methods of repayment. Introduction of seamless features in Mobile App, bob World and UPI have further facilitated ease of payments for customers, which have helped reduced operational delinquencies to a large extent. API integrations between the Bank's sourcing platform TABIT with the Company's Card Origination System led to real-

time assessment of borrowers around their banking loyalty parameters, which not only improved the accuracy and TAT of decisioning, but also laid the foundation of a banking scorecard for risk management in the times to come. The company further invested in a home-grown Lead Management System (LMS) Aaditya to manage and curate the leads better, thus avoiding pilferage.

The Company achieved robust growth in FY 2023-24 through strong sourcing strategy supported by strong parentage of Bank of Baroda. The Company also has well defined IT processes leading to increase in operational efficiency and robust risk management practices and credit due diligence norms exhibiting cautious aggression led by a veteran Board and significantly senior management team.

The Company also entered into strategic cobrand tie-ups with various Indian Armed Forces like Indian Army, Indian Navy, Assam Rifles, Indian Coast Guard etc to bring in a substantial bias of salaried population to the portfolio, which is also risk-proof from any future recessionary headwind that normally impacts the cashflows of civilian population.

For FY 24-25 the Company plans to leverage its strengths to capitalize on the opportunity is payments space to become one of the top players in the credit card segment by offering comprehensive range of products and best in class alliances to suit varied customer segments. The company also is keenly looking to expand the partnerships space, with more growth and profit oriented alliances in the pipeline.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. These internal controls ensure that all assets of the Company are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. The adherence to internal controls and their adequacy is independently reviewed by an external audit firm who reports to the Audit & Risk Management Committee of the Board.

Please refer “Internal Control Systems and their adequacy” section of the Board Report for more details.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company’s total revenue from operations increased by 50.62% from Rs. 8658.4 million to Rs. 13041.6 million mainly due to increase in card base and card spends. Total operating expenses increased by 44.55% from Rs. 5,307.8 million to Rs. 7672.6 million on account of increase in card issuance cost, business support service cost, business promotion expenses, Wages & Salaries to Substaff - Contractor, bonus point expenses, recovery agent charges, software/IT expenses and other administrative expenses. On overall level, the Company’s total expenses amounted to Rs. 12059.8

million, as against total income of Rs. 13266.6 million, thereby resulting in a profit of Rs. 903.8 million after tax adjustments (Rs. 303 million) in FY 2023-24, as compared to Rs. 15.3 million in previous FY 2022-23.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company believes that our employees are fundamental to our ongoing success. We remain dedicated to fostering a collaborative and inclusive work environment.

The Company's growth trajectory continues in FY 24, with our headcount standing at 487 employees as of March 31, 2024 with average employee age being 37 years. Further, women make up 28% of our total headcount. Throughout the year, we focused on attracting, retaining, and nurturing talent through various engagement activities and innovative learning initiatives.

In order to accelerate the learning growth of our Human Capital, we also introduced our digital learning application of Step - up. Through collaborative efforts and industry partnerships, we empower our team members to continually develop their skills and knowledge, positioning us as industry leaders in the evolving financial domain. Sessions facilitated by RBI CAB college at Pune, NPCI sessions on our premises, and on-demand webinars with Visa/ Mastercard provided invaluable insights to our team members. Additionally, we have also provided 70+ plus classroom trainings sessions to our frontline Salesforce.

Introducing a holistic approach to organizational enhancement, we've embarked on several transformative initiatives during FY23-24. This includes streamlining communication channels through the launch of an all-inclusive intranet portal and instituting comprehensive culture-building activities, fostering an environment primed for success and growth.

The Company has taken various employee engagement initiatives such as periodic employee townhalls across India, employee connect sessions, celebrating various events etc. In FY 23-24 we conducted our first in house Employee Engagement Survey resulting in an impressive 75% Response Rate and a resounding 77% Engagement Score across the organization

Acknowledging the paramount importance of employee well-being, we've introduced holistic wellness programs such as yoga sessions, health camps, and specialized trainings programs.

Furthermore, we have undertaken several formal initiatives aimed at recognizing and rewarding our top talent such 'Star of the Month Award', "Individual" and "Team Excellence Awards" on our Foundation day where Company also recognized long term service of team members. In FY23-24 we also have designed and

implemented our first 'Wall of Fame' at our Goregaon Office to recognize and celebrate various milestones and special occasions in the professional journey of our team members.

Company continued to use Balance score card method to set and evaluate company goals.

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS OF
BOBCARD LIMITED
(Formerly Known as BOB
Financial Solutions Limited)**

**Date: September 27, 2024
Place: Mumbai.**

**SD/-
Shri Debadatta Chand
Chairman
(DIN 07899346)**

SGCO & Co. LLP

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INDEPENDENT AUDITOR'S REPORT

To the Members of BOBCARD Limited (Formerly Known as BOB Financial Solution Ltd.)

Report on the audit of financial statements.

We have audited the accompanying financial statements of BOBCARD Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of material 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 Companies Act, 2013, as amended ("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 March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period for the year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key audit Matters	How our audit addressed the key audit matter
<p>Impairment of Financial Instruments (expected credit Losses) has been described in Note 45 of the financial statements.</p>	
<p>Assessment of impairment loss allowance on Expected Credit loss (ECL) on Loans (Refer Note 45 of the financial statements)</p> <p>1) Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS 109 and . Measurement and Recognition of loan impairment involves application of significant judgement by the management. The most significant judgements are:</p> <ul style="list-style-type: none"> • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk. • We have considered ECL as Key Audit Matter because the estimates on which these amounts are based involve a significant degree of management judgment and accounting estimates. 	<ul style="list-style-type: none"> • Our audit procedures included the following: • We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2024 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • We assessed the adequacy and appropriateness of disclosures in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures to Directors' Report, Management Discussion and Analysis and Report on Corporate Governance but does not include the Financial Statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively to 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 Responsibilities for the Audit of the financial statements

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 SA 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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1. As required by the 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 Order.

2. Based on verification of books of accounts of the Company and according to information and explanations given to us, we give below a report in the "Annexure B" on the Directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act:

3. 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 purpose of our audit;

(b) In our opinion, proper books of account as required by law have been Kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure C" to this report;

(g) As per Notification number G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the Company, since it is a Government Company

(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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that to the best of it's knowledge and belief, as disclosed in Note No. 45.e to the Financial Statements, no funds (which are material either individually or in the aggregate) 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 other wise , that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by

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or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in Note No. 45.f to the Financial Statements, no funds (which are material either individually or in the aggregate) 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, 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.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility which operated throughout the year

For SGCO & CO. LLP

Chartered Accountants

Firm Reg. No.:- 112081W/W100184


Suresh Murarka

Partner

Membership No. :- 044739

UDIN :- 24044739BKARKA2334

Place :- Mumbai

Date :- 03rd May, 2024



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ANNEXURE A

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re BOBCard Limited (Formerly known as BOB Financial Solutions Limited) ("the Company")

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

(i) In respect of Company's property, plant and equipment, right-of-use assets and intangible assets:

(a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(2) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us, as per the programme of physical verification of fixed assets, the Company carries out physical verification of its entire fixed assets every year and no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable property. Hence, clause 3(i)(c) of the said order is not applicable to the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. No material discrepancies were noticed on such verification.

(b) As disclosed in note 18 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the audited books of accounts of the Company.

(iii) During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee / security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees /security and loans and advances:

(a) The Company is a NBFC and in the business of credit card services, in the nature of credit to the customers, which are treated as loans in the financial statements. Hence, reporting under clause 3(iii)(a) of the Order is not applicable.

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- (b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) According to the information and explanations given to us and based on examination of the books and records, in respect of the loans and advances in the nature of loans granted by the company, the schedule of repayment of principle and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause, in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business. Further, except for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, in respect of which the company has disclosed asset classification / staging in Note 45 to the Ind AS Financial Statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.
- (d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is Rs. 1795.80 millions as disclosed in note no 45 to the Ind AS financial statements. Reasonable steps are being taken by the company for recovery of the principal and interest as stated in the applicable regulations and loan agreements.
- (e) The Company is a NBFC and in the business of credit card services, in the nature of credit to the customers, which are treated as loans in the financial statements. The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(e) of the Order are not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investment made have been complied with by the Company to the extent applicable to the Company.
- (v) The Company has not accepted any deposits from the public. Hence, reporting under clause 3(v) of the order is not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Hence, reporting under clause 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

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(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(c) Details of statutory dues which have not been deposited as on March 31, 2024 on account of disputes are given below:

Nature of the Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs. in Million)
The Income Tax Act, 1961	Income tax	CIT (A)	A.Y.2015-16	1.87
The Income Tax Act, 1961	Income tax	CIT (A)	A.Y.2017-18	2.18

Note : Rectification has been filed by the company.

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loan during the year.
- (d) The Company has not utilised fund raised on short term basis for long term purposes.
- (e) On an overall examination of the financial statements of the Company, 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 any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures. Hence, reporting under clause 3(x)(b) of the order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) There were no whistle blower complaint received during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) (a) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) In our opinion, the Company is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory auditors of the Company during the year.
- (xix) 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due,

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- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no unspent amounts towards CSR on ongoing projects under sub-section (5) of Section 135 requiring transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For SGCO & CO. LLP

Chartered Accountants

Firm Reg. No.: 112081W/W100184

Suresh Murarka

Partner

Mem. Number: 044739

UDIN: **24044739BKARKA2334**

Place : Mumbai

Date: 03rd May, 2024.



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ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2 under 'Report on other Legal and Regulatory Requirement of our Report to the Member of BOBCARD Limited of even date)

Report on Directions issued by the Comptroller and Auditor General of India under section 143(5) of Companies Act, 2013 on accounts of BOBCARD Limited for the year ended March 31, 2024.

Directions under section 143 (5) of the Companies Act, 2013

Sr no.	Particulars	Reply
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.	As per the information and explanation given to us and based on the examination of records on the test check basis, the Company has system in place to process all the accounting transaction through IT system.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off debts/loans/interest etc. made by a lender to the company due to 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).	Based on our audit procedures and on the basis of information and explanations given to us, no restructuring of any existing loan facility and no case waiver/write off from the Company's lender in respect of loan facility during the year under review reported.



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3	Whether funds (grants/subsidy, etc.) received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	As per information & explanation given to us and the records produced before us, no funds (grant/subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies during the year under review.
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For SGCO & CO. LLP

Chartered Accountants

Firm Reg. No.:- 112081W/W100184


Suresh Murarka

Partner

Membership No. :- 044739

UDIN :- 24044739BKARKA2334

Place :- Mumbai

Date :- 03rd May, 2024



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ANNEXURE C

REFERRED TO IN PARAGRAPH 3 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

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 **BOBCARD Limited** (Formerly known as "**BOB Financial Solutions Limited**") ("the Company") as of March 31, 2024, 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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 judgement, 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 internal financial controls over financial reporting with reference to these financial statements.

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Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's Internal financial control over financial reporting with reference to these financial statements 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 transaction are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting Principles, and that receipts and expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisitions, 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 with Reference to these financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2024, 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.

For SGCO & CO. LLP
Chartered Accountants
FRN :- 112081W/W100184


Suresh Murarka

Partner

Membership No. :- 044739

UDIN :- 24044739BKARKA2334

Place :- Mumbai

Date :- 03rd May, 2024



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BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

CIN: U65990MH1994GOI081616

Balance Sheet as at 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
I ASSETS			
1 Financial assets			
Cash and cash equivalents	4	1,463.45	1,330.70
Bank balance other than above	5	0.14	0.14
Trade receivables	6	32.72	121.17
Loans	7	46,054.89	29,302.51
Investments	8	-	-
Other financial assets	9	1,881.92	1,607.18
2 Non-financial assets			
Inventories		82.51	50.95
Current tax assets (net)		389.13	325.69
Deferred tax assets (net)	10	365.81	644.85
Property, plant and equipment	11	111.00	41.75
Right-of-use assets	12	67.50	87.14
Intangible assets under development	13	8.38	8.34
Other intangible assets	14	194.88	132.67
Other non-financial assets	15	1,056.99	696.49
Total assets		51,709.32	34,349.58
II LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
Payables			
Trade Payables	16		
(i) total outstanding dues of micro enterprises and small enterprises		37.62	4.49
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		246.10	418.75
Debt securities	17	4,629.57	247.75
Borrowings (other than debt securities)	18	32,067.98	20,341.62
Subordinated Liabilities	19	1,246.01	1,249.29
Other financial liabilities	20	341.71	303.71
2 Non-financial liabilities			
Provisions	21	2,165.03	1,585.52
Other non-financial liabilities	22	251.39	374.91
Total liabilities		40,985.41	24,526.04
Equity			
Equity share capital	23	9,750.00	9,750.00
Other equity	24	973.91	73.54
Total equity		10,723.91	9,823.54
Total liabilities and equity		51,709.32	34,349.58
The accompanying notes are an integral part of the financial statements	1-60		

As per our report of even date

For S G C O & Co. LLP

Chartered Accountants

[Firm Registration No. 112081W/W100184]

Suresh Murarka
Partner

(Membership No. 044739)



Place: Mumbai

Date: 3rd May, 2024



For and on behalf of the Board of Directors

BOBCARD Limited

Doodatta Chand
Chairman
(DIN 07899346)Rupali Rane
Chief Financial Officer
(PAN: AHYPD2561L)

Place: Mumbai

Date: 3rd May, 2024

Ravindra Raj M.
Whole Time Director
(DIN: 10535708)Sakshi Mehta
Company Secretary
(PAN: CWUPM3353A)

BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

CIN: U65990MH1994GOI081616

Statement of Profit and Loss for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations			
(i) Interest income	25	6,525.95	3,640.86
(ii) Income from fees and services	26	6,454.68	4,784.59
(iii) Income from Consultancy		-	11.26
(iv) Business development incentives		60.98	221.66
(I) Total revenue from operations		13,041.61	8,658.37
(II) Other income	27	224.96	163.47
(III) Total Income (I + II)		13,266.57	8,821.84
Expenses			
(i) Finance cost	28	2,274.91	1,183.61
(ii) Impairment on financial instruments	29	1,329.73	1,645.96
(iii) Employee benefit expenses	30	675.16	584.87
(iv) Depreciation, amortization and impairment	31	107.39	80.98
(v) Operating and Other expenses	32	7,672.63	5,307.81
(IV) Total expenses (IV)		12,059.82	8,803.23
(V) Profit/(loss) for the period (III-IV)		1,206.75	18.61
Tax Expense:	33		
(a) Current tax		22.79	153.66
(b) Deferred tax (credit)		280.19	(150.31)
(VI) Total Tax expense		302.98	3.35
Profit/(loss) for the year (V - VI)		903.77	15.26
(VII) Other comprehensive income			
A Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(4.54)	(1.60)
Income tax impact		1.14	0.40
Total (A)		(3.40)	(1.20)
B Items that will be classified to profit or loss			
Reclassification adjustments to statement of profit and loss		-	-
Income tax impact		-	-
Total (B)		-	-
Other comprehensive Income (A + B)		(3.40)	(1.20)
(VIII) Total comprehensive income for the year		900.37	14.06
(IX) Earnings per equity share			
Basic (Rs.)	34	0.93	0.03
Diluted (Rs.)		0.93	0.03
The accompanying notes are an integral part of the financial statements	1-60		

As per our report of even date

For S G C O & Co. LLP

Chartered Accountants

[Firm Registration No. 112081W/W100184]

Suresh Murarka

Partner

(Membership No. 044739)

Place: Mumbai

Date: 3rd May, 2024



For and on behalf of the Board of Directors

BOBCARD Limited

Delhidatta Chand

Chairman

(DIN: 07899346)

Rudali Rane

Chief Financial Officer

(PAN: AHYPD2561L)

Place: Mumbai

Date: 3rd May, 2024

Ravindra Rai M

Whole Time Director

(DIN: 10535708)

Sakshi Mehta

Company Secretary

(PAN: CWUPM3353A)

BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

CIN: U65990MH1994GOI081616

Cash Flow statement for the year ended March 31, 2024

(Figure in Rupees in millions, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Operating activities		
Profit before tax	1,206.75	18.61
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & amortisation	107.39	80.98
Impairment on financial instruments	1,329.73	1,645.96
Loss / (Profit) on Property, Plant and Equipment	-	0.66
Write off of fixed assets	-	0.23
Interest on lease liabilities	6.15	6.51
Income from mutual fund	(8.63)	(13.01)
Finance cost	2,268.76	1,177.10
Operating Profit Before Working Capital Changes	4,910.15	2,917.04
Working capital changes		
(Decrease)/ Increase in trade payables	(139.52)	268.71
(Decrease)/ Increase in other financial liabilities	38.01	72.89
(Decrease)/ Increase in other non financial liabilities	(123.53)	444.31
(Decrease)/ Increase in provisions	574.97	917.25
(Increase)/ Decrease in Financial assets loans	(18,082.12)	(18,493.97)
(Increase)/ Decrease in Other financial assets	(274.74)	(1,043.14)
(Increase)/ Decrease in Inventory	(31.56)	(21.31)
(Increase)/ Decrease in other non financial assets	(291.79)	(558.17)
(Increase)/ Decrease in trade receivables	88.45	(296.76)
Income tax paid	(167.50)	(82.70)
Net cash flows from/(used in) operating activities	(18,409.32)	(18,792.89)
Investing activities		
Purchase of property, plant & equipment ('PPE') including intangible assets	(206.69)	(46.54)
Sale proceeds from PPE	-	0.65
Fixed Deposit	(0.01)	(0.02)
Purchase of Investments	(15,734.62)	(27,994.60)
Sale Proceed from Investments	15,743.25	28,007.61
Net cash flows from/(used in) investing activities	(198.07)	(32.90)
Financing activities		
Repayment of / Proceed from Borrowings (other than debt securities)	11,726.36	10,225.06
Issue of Equity share	-	7,000.00
Proceed from debt securities	17,450.00	17,300.00
Repayment of debt securities	(13,071.46)	(16,797.98)
Interest on lease liabilities	(6.15)	(6.51)
Interest paid	(2,268.76)	(1,177.10)
Net cash generated/(used in) financing activities	13,829.99	16,543.47
Net increase in cash and cash equivalents	132.75	634.73
Cash and cash equivalents as at the beginning of the year 01st April 2023	1,330.70	695.97
Cash and cash equivalents as at the end of the year 31st March 2024	1,463.45	1,330.70

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian accounting standard (Ind AS) - 7 - 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013, read together with the Companies (Accounting Standards) Amendment Rules, 2016.

As per our report of even date

For S G C O & Co. LLP

Chartered Accountants

[Firm Registration No. 112081W/W100184]

Suresh Murarka

Partner

(Membership No. 0447399)

Place: Mumbai

Date: 3rd May, 2024

For and on behalf of the Board of Directors

BOBCARD Limited

Devi Lalla Chand

Chairman

(DIN:07899346)

Rupali Rane

Chief Financial Officer

(PAN:AHYPD2561L)

Place: Mumbai

Date: 3rd May, 2024

Rayindra Rai M.
Whole Time Director
(DIN: 10535708)

Sakshi Mehta

Company Secretary

(PAN:CWUPM3353A)

Statement of changes in equity
(Figure in Rupees in millions, unless otherwise stated)


A. Equity Share capital

Particular	Number of shares	Amount
Balance as at 1 April 2022	27,50,00,000	2,750.00
Changes in equity share capital during the year	70,00,00,000	7,000.00
Balance as at 31 March 2023	97,50,00,000	9,750.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2024	97,50,00,000	9,750.00

B. Other Equity

Particular	Reserves and Surplus		Total
	Statutory Reserve	Retained Earnings	
Balance as at 1 April 2022	352.17	(292.69)	59.48
Add: Loss for the year	-	-	-
Add: Other comprehensive income	-	(1.20)	(1.20)
Transfer to/from retained earnings	-	15.26	15.26
Transfer to Statutory Reserve	4.65	(4.65)	-
Balance as at 31 March 2023	366.82	(283.28)	73.54
Add: Loss for the year	-	-	-
Add: Other comprehensive income	-	(3.40)	(3.40)
Transfer to/from retained earnings	-	903.77	903.77
Transfer to Statutory Reserve	180.75	(180.75)	-
Balance as at 31 March 2024	537.57	436.33	973.91

As per our report of even date
For S G C O & Co. LLP
Chartered Accountants
[Firm Registration No. 112081W/W100184]


Suresh Murarka
Partner
(Membership No. 044739)



Place: Mumbai
Date: 3rd May, 2024





For and on behalf of the Board of Directors
BOBCARD Limited


Debadatta Chand
Chairman
(DIN:07899346)


Rupal Rane
Chief Financial Officer
(PAN:AHYPD2561L)

Place: Mumbai
Date: 3rd May, 2024


Ravindra Rai M.
Whole Time Director
(DIN: 10535708)


Sakshi Mehta
Company Secretary
(PAN:CWUPM3353A)

BOBCARD LIMITED
(formerly known as BOB financial solutions ltd)

Accounting Policies

Note 1: Corporate Information

BOBCARD Limited (formerly known as Bob financial solutions ltd) is a wholly owned subsidiary of Bank of Baroda and a Non-Deposit accepting Systemically Important Non-Banking Finance Company ("NBFC-ND-SI"), holding a Certificate of Registration from the Reserve Bank of India ("RBI"). The Company is engaged in the business of issuing credit cards to consumers in India.

During the year ended March 2024, Company has issued 24 tranches of listed Commercial Papers which are listed on Bombay Stock Exchange (BSE). This was first ever listed issuance by the Company.

Note 2: Basis of preparation and presentation

a. Basis of preparation

The accompanying financial statements of the Company for the year ended March 31, 2024 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) (amendments) Rules, 2023 and as amended from time to time. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

The preparation of financial statements in conformity with the Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 3 - Material accounting judgements, estimates and assumptions.

b. Basis of measurement

The financial statements have been prepared in accordance with Indian Accounting standards (Ind AS) on the basis of Going Concern concept and under the historical cost convention on the accrual basis except for certain financial instruments that are measured at fair value at the end of each reporting period, and in accordance with the accounting policies set out below which are in conformity with Ind As. These policies have been consistently applied throughout the year.

c. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been denominated in millions and rounded off to the nearest two decimals, except when otherwise indicated.



d. Presentation of financial statements

The financial statements of the Company are presented in order of liquidity and as per Division III of the Schedule III to of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 36 - Maturity analysis of assets and liabilities. Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

e. Statement of Compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2023 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

Note 3: Material accounting policies

3.1. Revenue from operations

The Company's operating revenues are comprised principally of service revenues such as interest income on financial assets i.e. Overdue credit card outstanding/EMI balances, fee earned, target incentive offered by network partner, Other fee and charges include cheque bounce charge, late fees, over limit fees etc.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer:

Step 2: Identify performance obligations in the contract:

Step 3: Determine the transaction price:

Step 4: Allocate the transaction price to the performance obligations in the contract:

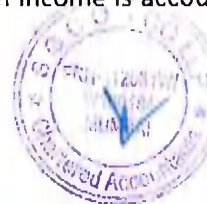
Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Revenue includes the following:

a) Interest Income

Interest income includes interest income on overdues from credit card holders and on EMI based advances.

Interest income and expense for all financial instruments, excluding those classified as held for trading or designated at fair value are recognised in 'Interest income' and 'Finance expense' in the statement of profit and loss using the effective interest rate method as per IND AS 109. In view of uncertainty of realization of income in case of credit impaired assets, such income is accounted for only on receipt



basis. Recovery from impaired debts written off is recognised as income based on actual realisations from customers

b) Income from fees and services

The Company sells credit card membership to card holders, income earned from the provision of membership services is recognised as revenue over the period for which services are provided, net of reversals/ cancellations.

Revenue from interchange income is recognised when related transaction occurs, or service is rendered. Other service revenue consists of value-add services provided to the card holders. These other service revenues are recognised in the same period in which related transactions occur or services are rendered as revenue is accrued at the point of sale for these services.

e) Business Development Incentive

The Company enters into long-term contracts with network partners for various programs designed to build payments volume, increase product acceptance. Revenue recognition is based on estimated performance and the terms of the business arrangements.

g) Income from Investments

Excess of sale price over purchase price of mutual fund units is recognised as income at the time of sale.

3.2 Expenditure

Expenses are recognised on accrual basis.

a) The incremental cost of acquiring a customer is recognised in the profit and loss statement over the behavioural life of the customer

b) Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Any expenditure which is directly attributable to borrowing is capitalized and amortised over the life of borrowing loan.

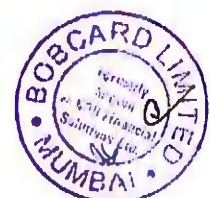
3.2.1 Retirement and other employee benefits

Short term employee benefit

All employee benefits including short term compensated absences and statutory bonus/ performance bonus/incentives payable wholly within twelve months of the end of the period in which the employees render the related services are recognised in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

Other long-term employee benefit obligations

a) Defined contribution schemes



Retirement/ Employee benefits in the form of Provident Fund is considered as defined contribution plan. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. The Company's contributions to the above Plan are charged to the Statement of Profit and Loss.

b) Defined Benefit schemes

Gratuity

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields of Government bonds as on the valuation date.

The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. the Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements

Net interest expense or income remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods."

Leave encashment

The employees of the Company are entitled to compensated absence and deferred compensation as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.



Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year-end is charged to the Statement of Profit and Loss on an undiscounted basis.

National pension scheme (NPS) The Company makes contributions to National Pension System (NPS), for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to NPS. The contributions payable to NPS by the Company are at rates specified in the rules of the schemes. The share of Companies contribution is charged to profit and loss account.

3.2.2 Other expenses

All Other expenses are recognized in the period they occur.

3.2.3 Taxes

Income tax expense comprises of current and deferred income tax. Current / Deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income in which case the related income tax is also recognised accordingly. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority. The Company only off-sets its deferred tax assets against liabilities when there is both a legal right to offset and it is the Company's intention to settle on a net basis.

i) Current Taxes

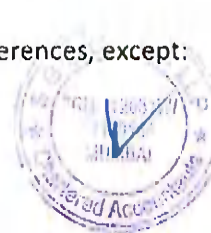
Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred Taxes

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:



1. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
2. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred taxes are recognised as income tax benefits or expenses in the Statement of profit and loss except for tax related to the fair value re-measurement of financial assets classified through other comprehensive income, foreign exchange differences and the net movement on cash flow hedges, which are charged or credited to Other Comprehensive Income (OCI). These exceptions are subsequently reclassified from OCI to the statement of profit and loss together with the respective deferred loss or gain. The Company also recognises the tax consequences of payments and issuing costs, related to financial instruments that are classified as equity, directly in equity.

3.3. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instruments.

3.3.1 Initial recognition



Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

3.3.2 Initial measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

3.3.3 Classification and Subsequent measurement of financial instruments

1. Financial assets

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

i) Financial assets measured at amortised cost:

These financial assets comprise of bank balances, overdue credit card outstanding/EMI balances, trade receivables, and other financial assets.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets measured at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income where they have:

- a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest (SPPI) on the principal amount outstanding; and
- b) Are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.



Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income (except for investment in equity shares) is reclassified from equity to the income statement.

iii) Financial assets measured at fair value through profit and loss:

Financial assets that do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in the statement of profit and loss.

Items at fair value through profit or loss comprise:

- a) Investments (including equity shares) and stock in trade held for trading;
- b) Items specifically designated as fair value through profit or loss on initial recognition; and
- c) Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

2. Financial Liabilities and Equity Instruments

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.1 Financial Liabilities

i) Debt securities and other borrowed funds

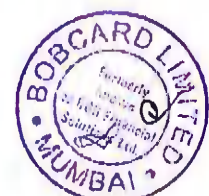
After initial measurement, debt issued, and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the EIR. (Effective Interest Rate)

ii) Undrawn credit limits on cards:

Undrawn credit limits on cards are commitments which the Company is required to pay on behalf of the customer based on pre-specified terms with the customer. Undrawn credit limits on cards commitments are in the scope of the ECL requirements.

2.2. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.



3.3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

3.3.5 Derecognition of financial assets and financial liabilities

1. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company transfers the financial asset if, and only if, either:

- i) The Company has transferred its contractual rights to receive cash flows from the financial asset, or
- ii) It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer only qualifies for derecognition if either:

- i) The Company has transferred substantially all the risks and rewards of the asset, or
- ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

2. Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.



3.3.6 Impairment of financial assets

1. Overview of the ECL principles

In accordance with Ind AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure,

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income
- Undrawn credit limits

Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company's policy for grouping financial assets measured on a collective basis is explained in Note 45.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above, the Company categorises its loans & advances into Stage 1, Stage 2 and Stage 3 as described below by comparing the credit risk of the financial instrument as at the reporting date, with its credit risk as at the date of initial recognition.

Stage 1: 12-months ECL

All exposures that are not credit impaired and where there has not been a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

For these assets, 12-month ECL is recognized and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance).



Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, are classified under this stage.

Exposures with DPD greater than 30 days but less than or equal to 89 days are classified as stage 2. For these assets, lifetime ECL are recognized, but interest revenue is still calculated on the gross carrying amount of the asset.

Stage 3: Lifetime ECL – credit impaired

Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred.

For financial assets that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.

2. The calculation of ECL

The Company calculates ECL based on a probability weighted approach to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The concept of PD is further explained in Note 45: Risk Management.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, expected drawdowns, and accrued interest from missed payments. The concept of EAD is further explained in Note 45: Risk Management.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The concept of LGD is further explained in Note 45: Risk Management.

Undrawn Credit limits

When estimating ECL for undrawn Credit limits, the Company estimates the expected portion of the credit card limits that will be drawn down over its expected life. The ECL is then based on the expected shortfalls in cash flows if the limit is drawn down.



Forward Looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Write-offs

Company is following the write off policy to undertake annual NPAs. The accounts, which have been classified as NPA for 180 days as of the end of every month are written off as Bad Debts.

Presentation of allowance for ECL in the balance sheet

Loss allowances for ECL are presented in the balance sheet as follows:

- a) Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- b) Where a financial instrument includes both a drawn and an undrawn component, the company presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision;

3.4. Determination of Fair Value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 44) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.5 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.6 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



3.7 Property, plant and equipment

Tangible Assets

Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any. The Company has considered the carrying amount as per previous GAAP as deemed cost in accordance with Ind AS 101 First Time adoption.

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation is calculated on a straight-line basis & written down value basis using the rates arrived at based on the useful lives estimated by the management.

The estimated useful lives are, as follows:

Particulars	Useful lives estimated by the Management (Same as specified in Schedule II of the Companies Act, 2013)	Method of Depreciation
EDC	5 years	SLM
Computer Hardware	3 years	SLM
Computer Hardware SE	6 years	SLM
Computer Software	5 years	SLM
Furniture & Fixtures	10 years	WDV
Vehicles	8 years	WDV
Office Equipment	5 years	WDV
Plant & Machinery	15 years	SLM

Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Intangible Assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. The



Company has considered the carrying amount as per previous GAAP as deemed cost in accordance with Ind AS 101 First Time adoption.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The Costs of Intangible assets are amortized over the period of 5 years, on Straight Line Method

Intangible assets under development:

Projects under which intangible assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses.

Derecognition

An item of property, plant and equipment, intangible asset is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, intangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.8 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, an estimate of the recoverable amount of the asset / cash generating unit (CGU) is made. Recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU).

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

Impairment losses of continuing operations are recognised in the statement of profit and loss.



3.9 Leases (As a lessee)

Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether:

- The contract involves the use of an identified asset, this may be specified explicitly or implicitly.
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use, and
- The Company has right to direct the use of the asset.

Recognition of right of use asset

The Company recognises a right of use asset at the lease commencement date of lease and comprises of the initial lease liability amount, plus any indirect costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received. The Company has adopted approach 2B as per Ind AS 116 where the right to use asset is recognised at same value at which liability is recognised.

Subsequent measurement of right of use asset

The right of use asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term, whichever is lesser. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability.

Recognition of lease liability

The lease liability is initially measured at the present value of the lease payments net of cash lease incentives that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Subsequent measurement of lease liability

Lease liability is measured at amortised cost using the effective interest method. The lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.



3.10 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Provision for Bonus points redemption

The Company has a reward point program which allows card members to earn points based on spends through the cards that can be redeemed for cash. The liability for reward points outstanding as at the year-end and expected to be redeemed in the future is estimated based on an actuarial valuation.

3.11 Goods and services tax paid on acquisition of assets or on incurring expenses:

Expenses and assets are recognised net of the goods and services tax / value added taxes paid, except:

- a) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- b) When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.12 Earning Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.



Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

3.13 Contingencies and events occurring after the Balance Sheet date

Events occurring after the date of the Balance Sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered up to the date of approval of accounts by the Board of Directors, where material.

3.14 Statutory Reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and loss before any dividend is declared.

3.15 Inventories: Inventory, if any, is valued at cost (arrived on FIFO basis) or net realizable value, whichever is lower.

The cost for inventory valuation includes the amount of tax or other such amount (other than those subsequently recoverable from the taxing authorities such as Input Tax Credit) incurred to bring the goods to the place of its location and condition as at the year end.

3.16 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

3.16 Critical judgements in applying accounting polices and key source of estimation

3.16.1 Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks



that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

3.16.2 Key source of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

3.16.3 Effective Interest Rate (EIR) Method

The Company's EIR methodology, as explained in Note 4.1, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle including prepayments and penalty interest and charges.

This estimation, by nature requires an element of judgement regarding the expected behaviour and life cycle of the instrument, as well expected changes to India's base rate and other fee income/expenses that are integral part of the instrument.

3.16.4 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the company estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.16.5 Provision and contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of its business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case.



Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgment is required to conclude on these estimates.

3.16.6 Leases- Estimating the Incremental Borrowing Rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates.

3.16.7 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3.16.8. Card life

Estimation of card life relies on behavioural life trend established basis past customer behaviour/ observed life cycle

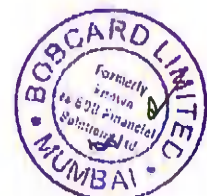
3.16.9 Impairment of financial assets:

A number of significant judgements are also required in applying the accounting requirements for measuring ECL such as;

- Establishing segment of similar financial assets for the purposes of measuring ECL (Portfolio segmentation)
- Defining default
- Choosing appropriate models and assumptions for measurement of ECL.

3.16.10 Cost of reward points:

The cost of reward point includes the cost of future reward redemption which is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.



3.17 Other Accounting Policy

3.17.1 Foreign currency transaction

Foreign currency transactions are accounted for at the rates prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denoted in foreign currencies as at the Balance Sheet date are translated at the closing exchange rates. Resultant exchange differences, if any, are recognised in the Statement of Profit and Loss and related assets and liabilities are accordingly restated in the Balance Sheet. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency at the Balance Sheet date are reported using exchange rates at the date of the transaction.



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 4: Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	0.02	0.02
Balances with bank*	1,463.43	1,330.68
Total	1,463.45	1,330.70

* The Company has taken bank overdraft, however, the same is not considered as a part of cash and cash equivalent for cash flow statement.

Note 5: Bank balance other than above

Particulars	As at 31 March 2024	As at 31 March 2023
Deposit with original maturity for more than 3 months but less than 12 months (lien marked)	0.14	0.14
Total	0.14	0.14

Note 6: Trade Receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Receivable considered good - Unsecured		
To be realised within twelve months after reporting date:	32.72	121.17
To be realised after twelve months after reporting date:	-	-
Total	32.72	121.17
Trade receivables include unbilled revenue	25.43	74.98

As at 31st March 2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	27.49	-	0.09	5.14	-	32.72
Total	27.49	-	0.09	5.14	-	32.72

As at 31st March 2023

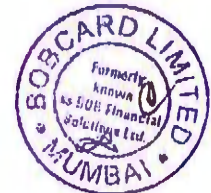
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	111.96	-	9.12	0.09	0.00	121.17
Total	111.96	-	9.12	0.09	0.00	121.17

Trade receivable from related party	As at 31 March 2024	As at 31 March 2023
Bank of Baroda	32.72	121.17
Subsidiary of Bank of Baroda	-	-

Trade receivables are non-interest bearing and are generally on credit terms of 0 to 90 days.

Trade receivable includes receivables from holding company (i.e. Bank of Baroda) and the Company do not perceive any credit risk on that

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 7: Loans

Loans	As at 31 March 2024	As at 31 March 2023
At Amortised Cost		
A)		
LOAN AND ADVANCE		
To be realised within twelve months after reporting date	46,920.95	29,993.46
To be realised after twelve months after reporting date	1,988.05	2,863.85
Total (A) -Gross	48,909.00	32,857.31
Less: Impairment loss allowance	(2,854.11)	(3,554.80)
Total (A) - Net	46,054.89	29,302.51
B)		
Secured by lien on Fixed Deposits	146.58	162.36
Unsecured	48,762.42	32,694.95
Total (B)-Gross	48,909.00	32,857.31
Less: Impairment loss allowance	(2,854.11)	(3,554.80)
Total (B)-Net	46,054.89	29,302.51
C) (i) Loans in India		
(i) Public Sector	-	-
(ii) Others	48,909.00	32,857.31
Total C) (i) -Gross	48,909.00	32,857.31
Less: Impairment loss allowance	(2,854.11)	(3,554.80)
Total C) (i) - Net	46,054.89	29,302.51
D)		
standard Advances	47,113.19	31,186.00
Less: Impairment loss allowance	(1,623.02)	(2,100.19)
Total	45,490.17	29,085.80
Sub- standard Advances	1,795.80	1,671.30
Less: Impairment loss allowance	(1,231.08)	(1,454.61)
Total	564.72	216.70
Total (D) Gross	48,909.00	32,857.31
Less: Impairment loss allowance	(2,854.11)	(3,554.80)
Total (D) Net	46,054.89	29,302.51

Following are the loans and advances given to directors, KMPs in the normal course of credit card operations.

Type of Borrower	31.03.2024		31.03.2023	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-	-	-
Directors	0.14	0.03%	0.19	0.06%
KMPs	0.34	0.07%	0.03	0.01%
Related Parties	0.92	0.19%	0.04	0.01%

Intra Group Exposure

I) Total amount of intra-group exposures

Particulars	C.Y.	P.Y.
Total Exposure	2,186.32	1,486.55



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

ii) Total amount of top 20 intra-group exposures

Particulars	C.Y.	P.Y.
Bank of Baroda	2,113.36	1,424.64
India First Life Insurance Company Limited	72.36	61.81
Baroda Global Shared Services Ltd	0.01	-
Baroda BNP Paribas Asset Management India Pvt. Ltd.	0.53	0.05
Baroda Uttar Pradesh Gramin Bank	0.02	0.02
Baroda Rajasthan Kshetriya Gramin Bank	0.02	0.02
Baroda Gujarat Gramin Bank	0.02	0.02
Total	2,186.32	1,486.55

iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers

Particulars	C.Y.	P.Y.
Total intra group exposure	2,186.32	1,486.55
Total exposure of the NBFC on borrowers/customers	48,909.00	32,857.31
Total intra group exposure / Total exposure of the NBFC on borrowers & customers	4.47%	4.52%

Note 8: Investments

Particulars	As at 31 March 2024	As at 31 March 2023
At Amortised cost		
Investment	-	-
Total Gross (A)	-	-
(i) Investment outside India		
(i) Investment in India	-	-
Total B- Total (A) to tally with (B)	-	-
Less: Allowance for Impairment loss (C)		
Total Net (D) (B-C)	-	-

During the year ending 31st March, 2024 the Company has purchased and sold units of Mutual funds, the details of which are as follows:

Fund Name	Units	Purchased amount	Sales amount
Baroda liquid fund	1,21,76,251.51	14,671.77	14,680.00
Aditya Birla Sun Life Overnight fund	3,21,998.15	1,062.85	1,063.25
Total	1,24,98,249.66	15,734.62	15,743.25

During the year ending 31st March, 2023 the Company has purchased and sold units of Mutual funds, the details of which are as follows:

Fund Name	Units	Purchased amount	Sales amount
Baroda liquid fund	2,37,27,555.05	27,994.60	28,007.61
Total	2,37,27,555.05	27,994.60	28,007.61



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 9: Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
To be realised within twelve months after reporting date:		
Unsecured considered good		
Advance to employees	3.08	1.67
Advance Others	-	0.20
Advance towards Gratuity fund	-	0.22
Recoverable towards Settlement Agency	175.45	246.14
Recoverable from Oil Marketing Company	0.00	0.17
Insurance receivable	0.02	0.02
Interest accrued on Fixed Deposit	0.00	0.00
Other receivable	481.78	414.03
Chargeback recoverable	5.50	8.50
Less: Impairment allowance	(0.03)	(0.01)
To be realised within twelve months after reporting date:		
Secured considered good		
Reimbursement Asset	1,199.99	921.25
To be realised after twelve months after reporting date:		
Unsecured considered good		
Security deposits	16.13	14.99
Total	1,881.92	1,607.18

Note 10: Deferred Tax Assets

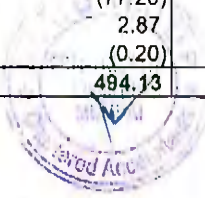
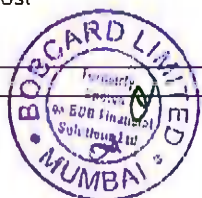
Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets	365.81	644.85
Total	365.81	644.85

The following table shows deferred tax recorded in the balance sheet and charges recorded in the income tax expenses for the year ended 31st March 2024:

Deferred tax assets (liabilities)	opening balance as on 1st April 2023	Recognised in profit and loss (expense)/ Income	Recognised in other comprehensive Income	Closing balance as on 31st March 2024
Property plant and equipment	59.23	(18.35)	-	40.88
Provision for expenses	68.05	14.78	1.14	83.97
ECL provision	629.33	(247.43)	-	381.90
Deferred revenue	32.33	(9.43)	-	22.89
Amortisation of Card acquisition cost	(162.06)	(38.97)	-	(201.02)
Processing fees	18.15	20.04	-	38.20
Debt issue expenses	(0.18)	(0.83)	-	(1.01)
Total	644.85	(280.18)	1.14	365.81

The following table shows deferred tax recorded in the balance sheet and charges recorded in the income tax expenses for the year ended 31st March 2023:

Deferred tax assets (liabilities)	opening balance as on 1st April 2022	Recognised in profit and loss (expense)/ Income	Recognised in other comprehensive Income	Closing balance as on 31st March 2023
Property plant and equipment	75.90	(16.67)	-	59.23
Provision for expenses	43.29	24.36	0.40	68.05
ECL provision	434.60	194.73	-	629.33
Deferred revenue	14.88	17.45	-	32.33
Amortisation of Card acquisition cost	(77.20)	(84.86)	-	(162.06)
Processing fees	2.87	15.28	-	18.15
Debt issue expenses	(0.20)	0.02	-	(0.18)
Total	494.13	150.30	0.40	644.85



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 11: Property, plant and equipment

Particulars	Computers & Printers	EDC Machines	Office Equipment's	Furniture & Fixtures	Plant & Machinery	Vehicles	Total
Gross block							
Deemed cost as at April 01, 2022	39.62	358.25	11.59	5.37	3.59	0.76	419.19
Additions	20.77		4.34	2.93	-	-	28.04
Disposals	-	(308.31)	(0.23)	-	-	-	(308.54)
At March 31, 2023	60.39	49.94	15.71	8.30	3.59	0.76	138.69
Additions	78.59	-	4.10	1.47	-	4.07	88.22
At March 31, 2024	138.98	49.94	19.81	9.77	3.59	4.83	226.91
Depreciation and impairment:							
At April 01, 2022	22.40	356.31	6.53	2.30	0.59	0.58	388.70
Depreciation charge for the year	10.75	0.28	2.66	1.28	0.23	0.06	15.26
Disposals	-	(306.82)	(0.20)	-	-	-	(307.02)
At March 31, 2023	33.15	49.77	8.99	3.57	0.81	0.63	96.94
Depreciation charge for the year	13.03	-	3.55	1.45	0.23	0.71	18.97
At March 31, 2024	46.18	49.77	12.54	5.03	1.04	1.34	115.91
Net book value:							
At March 31, 2023	27.24	0.16	6.72	4.73	2.77	0.13	41.75
At March 31, 2024	92.80	0.16	7.26	4.74	2.55	3.48	111.00

The Company has not revalued any property plant and equipment during the year ended 31st March, 2024.

The Company does not have any immovable property.

There are no proceeding initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 during the year ended 31st March, 2024.



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 12: Right-of-use assets

Particulars	Right-of-use Building
Gross block	
Deemed cost as at 1 April 2022	
At April 01, 2022	88.67
Additions	51.13
At March 31, 2023	139.80
Additions	12.55
At March 31, 2024	152.35
Depreciation and impairment:	
At April 01, 2022	25.13
Depreciation charge for the year	27.53
At March 31, 2023	52.66
Depreciation charge for the year	32.20
At March 31, 2024	84.85
Net book value:	
At March 31, 2023	87.14
At March 31, 2024	67.50

Note 13: Intangible assets under development

Particulars	As at 31 March 2024	As at 31 March 2023
Capital work in progress	8.38	8.34
Total	8.38	8.34

(a) For Intangible assets under development

Intangible assets under development as on 31st March 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7.33	1.05	-	-	8.38
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development as on 31st March 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.34	-	-	-	8.34
Projects temporarily suspended	-	-	-	-	-

(b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

Intangible assets under development as on 31st March 2024	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

Intangible assets under development as on 31st March 2023	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

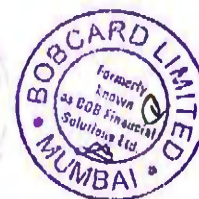
(Figure in Rupees in millions, unless otherwise stated)

Note 14: Other intangible assets

Particulars	Computer Software
Gross block	
Deemed cost as at April 01, 2022	191.74
Additions	10.78
At March 31, 2023	202.52
Additions	118.43
At March 31, 2024	320.95
Accumulative amortisation and impairment:	
At April 01, 2022	31.66
Amortisation for the year	38.19
At March 31, 2023	69.85
Amortisation for the year	56.22
At March 31, 2024	126.07
Net book value:	
At March 31, 2023	132.67
At March 31, 2024	194.88

Note 15: Other non-financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
To be realised within twelve months after reporting date:		
Unsecured considered good		
Goods & service tax credit (input) receivable	195.39	-
Unamortised card acquisition cost (contract asset)	239.51	182.44
Advance to Vendor	37.77	28.20
Deferred lease expenses	1.88	2.57
Prepaid expenses	23.17	16.31
To be realised after twelve months after reporting date:		
Unsecured considered good		
Unamortised card acquisition cost (contract asset)	559.23	461.45
Prepaid expenses	0.03	5.53
Total	1,056.99	696.49



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 16: Payables

Particulars	As at 31 March 2024	As at 31 March 2023
Payable within twelve months after reporting date:		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	37.62	4.49
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	246.10	418.75
Total	283.71	423.24

As at 31st March 2024

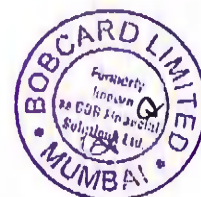
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed dues MSME	37.62	-	-	-	37.62
(ii) Undisputed dues- Others	234.40	11.70	-	-	246.10
Total	272.02	11.70	-	-	283.71

As at 31st March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed dues MSME	4.49	-	-	-	4.49
(ii) Undisputed dues- Others	405.19	13.56	-	-	418.75
Total	409.68	13.56	-	-	423.24

Particulars	As at 31 March 2024	As at 31 March 2023
i) Principal amount remaining unpaid	37.62	4.49
ii) Interest due thereon remaining unpaid	Nil	Nil
iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	Nil	Nil
iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	Nil	Nil
v) Interest accrued and remaining unpaid	Nil	Nil
vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	Nil	Nil

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises, on the basis of information available with the Company. This has been relied upon by the auditors.



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 17: Debt securities

Particulars	As at 31 March 2024	As at 31 March 2023
At Amortised Cost		
Unsecured:		
- To be settled within twelve months after reporting date:		
Commercial paper	4,629.57	247.75
Total (A)	4,629.57	247.75
Debt securities in India	4,629.57	247.75
Debt securities outside India	-	-
Total (B) to tally with (A)	4,629.57	247.75

Particulars of Commercial paper

Particulars	Rate of interest	Date of maturity	As at 31 March 2024	As at 31 March 2023
Commercial Papers				
Commercial Paper - INE027214381	7.60	15-05-2023	-	250.00
Commercial Paper - INE027214555	8.56	24-05-2024	200.00	-
Commercial Paper - INE027214563	8.56	28-05-2024	1,500.00	-
Commercial Paper - INE027214571	8.41	06-06-2024	1,000.00	-
Commercial Paper - INE027214589	8.33	11-06-2024	1,000.00	-
Commercial Paper - INE027214597	8.29	14-06-2024	750.00	-
Commercial Paper - INE027214605	8.31	27-06-2024	250.00	-
Total			4,700.00	250.00
Less: Unamortized discount			70.43	2.25
Total			4,629.57	247.75

Note 18: Borrowings other than debt securities & Leased liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
At Amortised Cost		
Unsecured		
- To be settled within twelve months after reporting date:		
(a) Finance lease obligations	33.87	27.34
(b) Term Loan		
Working capital loan from banks	-	5,000.00
- To be settled after twelve months after reporting date:		
(a) Finance lease obligations	40.64	65.49
Secured		
- To be settled within twelve months after reporting date:		
(a) Term Loan		
Working capital loan from banks	15,250.00	4,250.00
(b) Loans from related parties:		
Working capital loan (Repayable on demand)	5,174.63	498.79
Working capital loan	11,568.84	10,500.00
Total (A)	32,067.98	20,341.62
Borrowings in India	32,067.98	20,341.62
Total (B) to tally with (A)	32,067.98	20,341.62

The Company has been regular with repayment of interest and principal on all its borrowings and there is no overdue on the reporting date.

* First paripasu charge by way of hypothecation on borrower's credit card standard receivable (present and future) and other current assets with an Asset cover of 1.1 times.

* FD of Rs. 0.14 mn is lien marked against the overdraft.

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the during the year FY 23-24.

The company is not declared as wilful defaulter by any bank or financial institution or other lender during the year the ended 31st march 2024.



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Terms of repayment:

Term loans from Banks :

Lender Name	Secured / Unsecured	Rate of Interest	Tenure (months)	As at 31 March 2024	As at 31 March 2023
HDFC Bank Ltd	Secured	8.19%	1 Year	1,000.00	-
HDFC Bank Ltd	Secured	8.10%	329 days	1,000.00	-
HDFC Bank Ltd	Secured	8.26%	1 Year	500.00	-
HDFC Bank Ltd	Secured	8.18%	1 Year	500.00	-
HDFC Bank Ltd	Secured	7.93%	1 Year	500.00	-
HDFC Bank Ltd	Secured	8.18%	1 Year	500.00	-
HDFC Bank Ltd	Secured	8.18%	1 Year	500.00	-
HDFC Bank Ltd	Secured	8.35%	328 days	400.00	-
HDFC Bank Ltd	Secured	8.25%	1 Year	500.00	-
HDFC Bank Ltd	Secured	8.25%	1 Year	500.00	-
HDFC Bank Ltd	Secured	8.35%	1 Year	500.00	-
HDFC Bank Ltd	Secured	8.35%	1 Year	600.00	-
HDFC Bank Ltd	Unsecured	7.90%	7 days	-	1,000.00
HDFC Bank Ltd	Unsecured	7.51%	3 months 12 days	-	500.00
HDFC Bank Ltd	Unsecured	7.51%	3 months 22 days	-	500.00
HDFC Bank Ltd	Unsecured	7.51%	4 months	-	500.00
HDFC Bank Ltd	Unsecured	7.75%	3 months 14 days	-	1,000.00
HDFC Bank Ltd	Unsecured	7.75%	3 months 14 days	-	600.00
HDFC Bank Ltd	Unsecured	7.75%	3 months 12 days	-	500.00
HDFC Bank Ltd	Unsecured	7.90%	1 year	-	400.00
Hong Kong & shanghai Banking Corporation	Secured	8.05%	29 days	1,000.00	-
Hong Kong & shanghai Banking Corporation	Secured	8.47%	30 days	2,000.00	-
Hong Kong & shanghai Banking Corporation	Secured	7.95%	6 months	-	1,250.00
Bank of Baroda	Secured	7.91%	364 days	500.00	-
Bank of Baroda	Secured	7.84%	1 Year	1,000.00	-
Bank of Baroda	Secured	8.25%	3 months	1,000.00	-
Bank of Baroda	Secured	7.82%	333 days	750.00	-
Bank of Baroda	Secured	7.86%	364 days	1,000.00	-
Bank of Baroda	Secured	7.85%	364 days	500.00	-
Bank of Baroda	Secured	7.85%	346 days	750.00	-
Bank of Baroda	Secured	7.81%	364 days	500.00	-
Bank of Baroda	Secured	7.82%	364 days	500.00	-
Bank of Baroda	Secured	7.82%	365 days	1,000.00	-
Bank of Baroda	Secured	7.88%	360 days	1,000.00	-
Bank of Baroda	Secured	7.83%	1 year	1,000.00	-
Bank of Baroda	Secured	7.82%	364 days	1,000.00	-
Bank of Baroda	Secured	8.32%	1 Year	1,000.00	-
Bank of Baroda	Secured	8.35%	1 Year	5,243.47	498.79
Bank of Baroda	Secured	6.85%	3 months	-	1,000.00
Bank of Baroda	Secured	6.97%	3 months	-	500.00
Bank of Baroda	Secured	7.06%	3 months	-	1,000.00
Bank of Baroda	Secured	7.38%	3 months	-	1,000.00
Bank of Baroda	Secured	7.35%	3 months	-	1,000.00
Bank of Baroda	Secured	7.28%	3 months	-	1,000.00
Bank of Baroda	Secured	7.21%	3 months	-	1,000.00
Bank of Baroda	Secured	7.53%	3 months	-	1,000.00
Bank of Baroda	Secured	7.73%	6 months	-	1,000.00
Bank of Baroda	Secured	7.69%	6 months	-	1,000.00
Bank of Baroda	Secured	7.76%	6 months	-	1,000.00
IDBI Bank Ltd	Secured	8.30%	3 months	1,250.00	-
IDBI Bank Ltd	Secured	8.40%	3 months	500.00	-
IDBI Bank Ltd	Secured	7.65%	14 days	-	1,000.00
IDBI Bank Ltd	Secured	8.05%	14 days	-	500.00
ICICI Bank Ltd	Secured	8.50%	3 months	1,000.00	-
ICICI Bank Ltd	Secured	8.50%	3 months	1,000.00	-
ICICI Bank Ltd	Secured	7.75%	6 months	-	1,500.00
Canara Bank	Secured	8.35%	3 months	500.00	-
South Indian Bank	Secured	8.25%	3 months	1,000.00	-
Total Borrowings other than debt securities, above				31,993.47	20,248.79



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Details of Quarterly returns/statements filed with banks during the financial year 2023-24

Statement for the quarter ended	Particulars	Balance as per books	Balance as per quarterly statement submitted to bank	Difference
June'23	Card Receivable	34,728.40	34,728.40	-
	Current Asset	1,398.00	1,398.00	-
Sep'23	Card Receivable	39,228.30	39,228.30	-
	Current Asset	1,341.90	1,341.90	-
Dec'23	Card Receivable	43,785.60	43,785.60	-
	Current Asset	1,310.90	1,310.90	-
Mar'24	Card Receivable	46,796.98	46,796.98	-
	Current Asset	2,145.52	2,145.52	-

Net Debt Reconciliation for the year ended 31st March 2024

Particulars	Opening balance	Cash flow	Non Cash changes		Closing balance
			Interest / amortisation	others	
Commercial paper	247.75	4,450.00	(68.18)	-	4,629.57
Debenture	1,249.29	(3.75)	0.47	-	1,246.01
working capital loan	20,248.79	11,744.68	-	-	31,993.47
leased liabilities	92.83	-	6.15	(24.46)	74.52
Total	21,838.65	16,190.93	(61.56)	(24.46)	37,943.57

Net Debt Reconciliation for the year ended 31st March 2023

Particulars	Opening bal	Cash flow	Non Cash changes		Closing balance
			Interest / amortisation	others	
Commercial paper	495.82	(250.00)	1.93	-	247.75
Debenture	499.20	750.00	0.09	-	1,249.29
working capital loan	10,050.05	10,198.74	-	-	20,248.79
leased liabilities	66.52	-	6.51	19.80	92.83
Total	11,111.58	10,698.74	8.53	19.80	21,838.65

Note 19: Subordinated Liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
At Amortised Cost		
Unsecured:		
- To be settled after twelve months after reporting date		
Debentures	1,246.01	1,249.29
Total (A)	1,246.01	1,249.29
Debt securities in India	1,246.01	1,249.29
Debt securities outside India	-	-
Total (B) to tally with (A)	1,246.01	1,249.29

Particulars of Subordinated Liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured Redeemable Non Convertible Debentures		
7.85 % Unsecured Tier II NCD of Rs.10,00,000 each	500.00	500.00
8.25 % Unsecured Tier II NCD of Rs.1,00,000 each	750.00	750.00
Total	1,250.00	1,250.00
Less: Unamortized Expense	3.99	0.71
Total	1,246.01	1,249.29



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 20: Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Liabilities to be settled within twelve months after reporting date		
Advance from customers	275.87	272.27
Merchant payment on hold	0.85	2.70
Other Payable	1.22	1.22
Charge back hold	9.02	5.97
Payable to employees	0.12	0.15
Credit Balance In Cancelled Cards	40.34	1.72
Onus Chargeback	4.25	9.08
Insurance Claim Payable	1.66	3.00
Unrecovered Merchant Payment	0.68	-
Liabilities to be settled after twelve months after reporting date		
Refundable Deposit	7.42	6.70
Merchant payment on hold	0.28	0.90
Total	341.71	303.71

Note 21: Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Liabilities to be settled within twelve months after reporting date		
Gratuity	-	-
Staff incentive	62.00	51.71
Provision for compensated absences	4.97	4.31
Liabilities to be settled after twelve months after reporting date		
Gratuity	-	-
Provision for compensated absences	10.26	8.64
Others		
Liabilities to be settled within twelve months after reporting date		
Provision For Expenses	1,760.43	1,287.67
Provision for Reward Point Expenses	297.84	233.20
Liabilities to be settled after twelve months after reporting date		
Provision for Reward Point Expenses	29.53	-
Total	2,165.03	1,585.52

Note 22: Other Non-financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Liabilities to be settled within twelve months after reporting date		
Statutory dues payable	125.44	211.48
Unearned Income	35.00	35.00
Contract liability (deferment of annual fees)	90.95	128.44
Total	251.39	374.91



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024
(Figure in Rupees in millions, unless otherwise stated)

Note 23: Equity Share Capital

The reconciliation of equity shares outstanding at the beginning and at the end of the period

Particulars	As at	As at
	31 March 2024	31 March 2023
Authorised Share capital		
2,00,00,00,000 (P.Y. 1,00,00,00,000) Equity Shares of Rs 10/- Each	20,000.00	10,000.00
	20,000.00	10,000.00
Issued and fully paid up		
97,50,00,000 (P.Y. 97,50,00,000) Equity Shares of Rs 10/- each fully paid up	9,750.00	9,750.00
Total	9,750.00	9,750.00

The Authorised Share Capital of the Company has been increased from Rs. 10,00,00,00,000/- divided into 1,00,00,00,000 equity shares of Rs.10/- each to Rs. 20,00,00,00,000/- divided into 2,00,00,00,000 equity shares of Rs.10/- each by the creation of additional 1,00,00,00,000 equity shares of Rs.10/- each ranking pari passu in all respect with the existing equity shares of the Company in all respect vide Ordinary Resolution passed at the Annual General Meeting of the Company held on 28th September, 2023.

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024		As at March 31, 2023	
	Number of shares	Rs. in million	Number of shares	Rs. in million
At the beginning of the reporting year	97,50,00,000	9,750.00	27,50,00,000	2,750.00
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-
Issued during the year	-	-	70,00,00,000	7,000.00
At the close of the reporting year	97,50,00,000	9,750.00	97,50,00,000	9,750.00

Details of shareholders holding of Promotors

Promotors name	31 March 2024			31 March 2023		
	Number in million	% holding in the equity share	% holding changed during the year	Number in million	% holding in the equity share	% holding changed during the
Bank of Baroda	975	100.00%	Nil	975	100.00%	Nil

Equity Shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Company

Equity Shares

Particulars	31 March 2024		31 March 2023	
	Number in million	% holding in the class	Number in million	% holding in the class
Bank of Baroda	975	100.00%	975	100.00%

The Bank holds 97,49,99,300 shares in its own name and the balance shares through its -7- nominee shareholders holding 100 shares each.

Note 24: Other Equity

Particulars	As at	As at
	31 March 2024	31 March 2023
Statutory Reserve pursuant to Section 45-IC of the RBI Act, 1934	537.57	356.82
Retained Earning	436.33	(283.28)
Total	973.91	73.54

Particulars	As at 31 March 2024			As at 31 March 2023		
	Statutory Reserves	Retained Earnings	Total	Statutory Reserves	Retained Earnings	Total
Balance at the beginning of the year	356.82	(283.28)	73.54	352.17	(292.69)	59.48
Total Comprehensive Income for the year	-	(3.40)	(3.40)	-	(1.20)	(1.20)
Transfer to retained earnings	-	903.77	903.77	-	15.26	15.26
Transfer to Statutory Reserve	180.75	(180.75)	-	4.65	(4.65)	-
Balance at the end of the year	537.57	436.33	973.91	356.82	(283.28)	73.54

Nature and purpose of Reserves

Retained earnings

Retained earnings represents the amount of accumulated profit/(loss) and appropriation if any.

Statutory reserve

The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend. During the financial year, the Company have appropriate Rs. 180.75 mn towards the statutory reserve (previous year: 4.65 mn).



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

Note 25: Interest income

Particulars	March 31, 2024	March 31, 2023
On financial assets measured at amortised cost		
Interest on Loans		
Interest on credit card loans	6,525.05	3,640.08
Other interest	0.90	0.78
Total	6,525.95	3,640.86

Note 26: Income from fees and services

Particulars	March 31, 2024	March 31, 2023
Income from Fees	6,331.15	3,950.19
Income from Merchant Operations	123.53	834.40
Total	6,454.68	4,784.59

Note 27: Other income

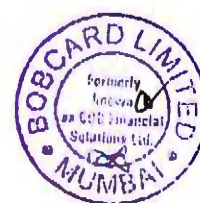
Particulars	March 31, 2024	March 31, 2023
Income from mutual fund	8.63	13.01
Interest on Fixed Deposit	0.01	0.01
Interest on Income Tax refund	4.36	-
Miscellaneous income	7.70	0.17
Bad Debts Recovered	204.25	150.28
Total	224.96	163.47

Note 28: Finance Cost

Particulars	March 31, 2024	March 31, 2023
On Financial liabilities measured at Amortised Cost		
Interest on borrowings:		
Interest on borrowings from banks:		
Interest on borrowings from banks:	1,929.63	936.82
Interest on lease liability	6.15	6.51
Interest on Commercial Paper and Bonds	239.00	201.18
Interest on Subordinated Liabilities	100.13	39.10
Total	2,274.91	1,183.61

Note 29: Impairment on financial instruments

Particulars	March 31, 2024	March 31, 2023
On Financial instruments measured at Amortised Cost		
(i) Loans	(991.04)	804.66
(ii) Others receivable	27.54	-
(ii) Card Balances written off	2,281.16	797.25
(iii) Other Balances written off	12.07	44.05
Total	1,329.73	1,645.96



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

Note 30: Employee benefit expenses

Particulars	March 31, 2024	March 31, 2023
Salaries and wages	607.18	531.87
Contribution to provident and other funds	43.44	38.60
Staff welfare expenses	24.54	14.40
Total	675.16	584.87

Note 31: Depreciation, amortization and impairment

Particulars	March 31, 2024	March 31, 2023
Depreciation on property, plant and equipment	18.98	16.97
Amortisation of intangible assets	56.22	36.48
Depreciation on right to use assets	32.19	27.53
Total	107.39	80.98

Note 32: Operating and Other expenses

Particulars	March 31, 2024	March 31, 2023
Interchange fees	1.53	215.67
Business Promotion expenses	922.82	775.14
Bonus Point expenses	615.25	542.54
Scheme charges	432.90	392.87
Recovery Agent Charges	596.56	483.93
Wages & Salaries to Substaff -Contractor	420.76	451.41
Software/ I.T. Expenses	416.36	435.35
Customer acquisition charges	51.74	19.84
Communication Expenses	85.16	77.86
Legal and Professional	52.48	31.19
Card Verification Charges	135.35	111.84
Card issuance cost	212.97	190.25
Postage & Courier	34.72	40.99
Bank Charges	64.64	47.30
Rent	12.05	6.48
Other Administrative Expenses	123.16	169.89
Business Support Service Cost	3,341.40	1,200.71
Data Processing Charges	22.07	21.66
Repairs & Maintenance	23.07	18.30
Insurance Expenses	22.46	11.77
Travelling Expenses	28.24	21.05
Printing & Stationery	19.45	13.67
Electricity Expenses	7.43	6.51
Consumption of Credit Card Plastic	24.00	14.04
Foreign Exchange Fluctuation Loss	3.03	3.56
Losses due to frauds	0.02	0.71
Loss on Sale of Property, Plant and Equipment	-	0.66
Property, Plant and Equipment Written Off	-	0.23
Advertisement Expenses	0.42	0.41
Auditor remuneration:		
- as auditor	0.99	0.62
- tax audit fees	0.22	0.18
- for certification	0.54	0.38
Director's sitting fees	0.84	0.80
Total	7,672.63	5,307.81



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024

Note 33: Income tax

The components of income tax expense for the year ended March 31, 2024 and year ended March 31, 2023 are:

Profit or loss section	March 31, 2024	March 31, 2023
Current Income tax:		
Income tax - Current year	22.79	153.66
Deferred tax- Current year	280.19	(150.31)
Income tax expense reported in the statement of profit or loss	302.98	3.35

Other Comprehensive Income section	March 31, 2024	March 31, 2023
Deferred tax expense recognised in Other comprehensive income	1.14	0.40
Income tax expense reported in the Other Comprehensive section	1.14	0.40

Reconciliation of tax expense and the accounting profit	March 31, 2024	March 31, 2023
Profit/(loss) before tax from a continuing operations	1,206.75	18.61
Income tax rate as on March 31, 2024	25.17%	25.17%
Income tax expenses	303.74	4.68
Tax effect of:		
Others adjustments	(0.75)	(1.34)
Income tax expense recognised in the statement of profit and loss	302.98	3.35

Note 34: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	March 31, 2024	March 31, 2023
Following reflects the profit and share data used in EPS computations:		
Basic/ Diluted		
Weighted average number of equity shares for computation of Basic EPS	97,50,00,000	50,21,23,288
Net profit for calculation of basic EPS	903.77	15.26
Basic earning per share (in Rs.)	0.93	0.03

Diluted

Weighted average number of equity shares for computation of Diluted EPS	97,50,00,000	50,21,23,288
Net profit for calculation of Diluted EPS	903.77	15.26
Diluted earning per share (in Rs.)	0.93	0.03

Nominal / Face Value of equity shares (in Rs.) 10.00 10.00



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

Table Showing Change in the Fair Value of Plan Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Fair Value of Plan Assets at the Beginning of the Period	61.81	49.79
Interest income	4.46	3.20
Contributions by the Employer	12.10	8.20
Benefit Paid From the Fund	(6.34)	-
Return on Plan Assets, Excluding Interest Income	(0.09)	0.62
Fair Value of Plan Assets at the End of the Period	71.95	61.81

Amount recognized in the Balance Sheet

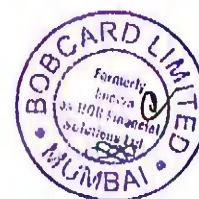
Particulars	As at March 31, 2024	As at March 31, 2023
Present value of unfunded defined benefit obligation	71.95	61.59
Amount not recognized due to asset limit	(71.95)	(61.81)
Net defined benefit liability / (asset) recognized in balance sheet	0.00	(0.22)
Current	-	(0.22)
Non-current	-	-

Expenses recognized in the Statement of Profit and Loss

Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	8.09	6.69
Interest on net defined benefit liability / (asset)	(0.31)	(0.22)
Total expense charged to profit and loss account	7.78	6.47

Expenses recognized in the Other comprehensive income (OCI)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening amount recognized in OCI outside profit and loss statement		
<u>Remeasurements during the period due to</u>		
Changes in financial assumptions	0.51	(2.93)
Changes in demographic assumptions	-	-
Return on plan assets excluding amounts included in interest income	0.09	(0.62)
Experience adjustments	3.94	5.15
Closing amount recognized in OCI outside profit and loss statement	4.54	1.60



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

The actuarial assumptions used to determine benefit obligations as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate	7.18% p.a.	7.35% p.a.
Expected return on plan assets	7.18% p.a.	7.35% p.a.
Retirement Age (years):	60 years	60 years
Mortality tables	2012-14	2012-14
withdrawal rates per annum		
25 & below	18%	18%
25 to 35	18%	18%
35 to 45	18%	18%
45 to 55	18%	18%
55 and above	18%	18%
Salary escalation rate	6.00% p.a	6.00% p.a

Balance sheet reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Opening net liability	(0.21)	(0.08)
Expenses recognized in Statement of Profit and Loss	7.78	6.47
Expenses recognized in OCI	4.54	1.60
Employer's Contribution	(12.10)	(8.20)
Net liability recognized in the Balance Sheet	0.00	(0.21)

Cash Flow Projection

Expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date

Particulars	As at March 31, 2024	As at March 31, 2023
Expected benefits for year 1	12.90	10.37
Expected benefits for year 2	12.18	10.15
Expected benefits for year 3	11.36	9.58
Expected benefits for year 4	9.52	8.88
Expected benefits for year 5	8.78	7.35
Expected benefits for year 6 to 10 years cash flow	29.47	25.62

Sensitivity analysis

Particulars	As at March 31, 2024	As at March 31, 2023
Projected benefit obligation on current assumptions		
Delta effect of +0.5% change in rate of discounting	70.48	60.28
Delta effect of -0.5% change in rate of discounting	73.53	62.95
Delta effect of +0.5% change in rate of salary increase	73.31	62.80
Delta effect of -0.5% change in rate of salary increase	70.63	60.40



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 35: Retirement benefit plan**i) Defined contribution plan**

The Company makes Contribution which are defined contributions plans, for qualifying employees. Under, the schemes, the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of scheme.

During the year, the Company has recognised the following amounts in the Statement of profit and loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employers' Contribution to Employee's Provident Fund *	31.73	28.50
Employee State Insurance Corporations (ESIC)	-	0.10
Contribution to National Pension Scheme	3.91	3.52
Labour Welfare Fund	0.02	0.01
Total	35.66	32.13

* Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with Regional Provident Fund Commissioner and is charged to Statement of Profit and Loss.

ii) Defined benefit plan

The Company has a defined benefit gratuity plan (unfunded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary.

Through it is defined benefit plan the Company is exposed to number of risks, the most significant of which are detailed below:

a) Change in bond yields -

A decrease in government bond yields will increase plan liabilities.

b) Inflation risk -

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

c) Life expectancy -

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Table showing change in the present value of projected benefit obligation

Particulars	As at March 31, 2024	As at March 31, 2023
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	61.59	49.71
Interest on defined benefit obligation	4.15	2.97
Current Service cost	8.09	6.69
(Benefit Paid From the Fund)	(6.34)	-
Actuarial (Gains) on Obligations - Due to Change in Financial Assumptions	0.51	(2.93)
Actuarial Losses on Obligations - Due to Experience	3.94	5.15
Liability at the end of the year	71.95	61.59



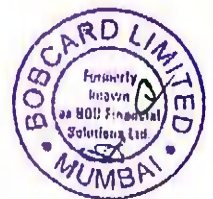
BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 36: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	31-Mar-24			31-Mar-23		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	1,463.45	-	1,463.45	1,330.70	-	1,330.70
Bank Balance other than above	0.14	-	0.14	0.14	-	0.14
Trade Receivables	32.72	-	32.72	110.05	11.12	121.17
Loans	43,174.84	2,880.05	46,054.89	27,945.45	1,357.06	29,302.51
Other financial assets	1,865.80	16.12	1,881.92	1,592.20	14.98	1,607.18
Non-financial Assets						
Inventory	-	82.51	82.51	-	50.95	50.95
Current tax assets (net)	-	389.13	389.13	-	325.69	325.69
Deferred tax assets (net)	-	365.81	365.81	-	644.85	644.85
Property, plant and equipment	-	111.00	111.00	-	41.75	41.75
Right-of-use assets	15.07	52.43	67.50	27.95	59.19	87.14
Intangible assets under development	7.33	1.05	8.38	8.34	-	8.34
Other Intangible assets	-	194.88	194.88	-	132.67	132.67
Other non financial assets	497.73	559.26	1,056.99	511.15	185.34	696.49
Total assets	47,057.09	4,652.24	51,709.33	31,525.98	2,823.60	34,349.58
Liabilities						
Financial Liabilities						
Payables						
Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	37.62	-	37.62	4.49	-	4.49
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	246.10	-	246.10	418.75	-	418.75
Debt Securities	4,629.57	-	4,629.57	247.75	-	247.75
Borrowings (other than debt securities)	11,602.71	20,465.27	32,067.98	20,276.14	65.49	20,341.62
Subordinated Liabilities	-	1,246.01	1,246.01	-	1,249.29	1,249.29
Other Financial liabilities	334.02	7.70	341.71	296.12	7.59	303.71
Non-financial Liabilities						
Provisions	2,125.25	39.78	2,165.03	1,576.87	8.65	1,585.52
Other non-financial liabilities	251.39	-	251.39	374.91	-	374.91
Total Liabilities	19,226.65	21,758.76	40,985.41	23,195.03	1,331.01	24,526.04
Net	27,830.43	(17,106.52)	10,723.93	8,330.95	1,492.59	9,823.55



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

Note 37: Revenue from Contract with Customer

The Company derives revenue from a variety of service contract with customers which are governed by IND AS 115 such as interchange income, annual fees, business development incentives and other fees etc. Below table shows revenue from contract with customer.

Revenue from services	March 31, 2024	March 31, 2023
Income from fees and services	6,454.68	4,784.59
Income from Consultancy	-	11.26
Business development incentives	60.98	221.66
Total	6,515.66	5,017.51

Disaggregation of Revenue:

The Company is engaged in the business of issuing credit cards to consumers in India. It also provides support to Bank of Baroda by carrying out its merchant acquiring operations and manpower/consultancy services. The segment wise bifurcation is provided in note no 42.

Receivable from contract with customers and contract balance

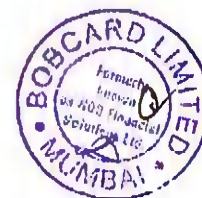
Particulars	March 31, 2024	March 31, 2023
Trade receivables	32.72	121.17
Total	32.72	121.17
To be realised within twelve months after reporting date:	32.72	121.17
Trade receivables include unbilled revenue	25.43	74.98

Contract Cost

Cost of acquiring a customer is the incremental cost of obtaining the contract with customer, which is recognised in the profit and loss statement over the behavioural life of the customer i.e. 5 years.

Particulars	March 31, 2024	March 31, 2023
Opening Balance	643.89	306.72
Capitalised during the year	375.44	479.09
Amortised during the year	220.59	141.92
Closing balance	798.75	643.89
To be realised within twelve months after reporting date:	239.51	182.44
To be realised after twelve months after reporting date:	559.23	461.45

The unamortised contract cost are disclosed in note:15 to financial statements.



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

Contract liabilities

The company sell credit card to customers, income earned from customer as card fees is recognised as revenue over the period of 12 months.

Particulars	March 31, 2024	March 31, 2023
Opening Balance	128.44	59.11
Capitalised during the year	165.53	196.33
Amortised during the year	203.02	127.00
Closing balance	90.95	128.44
To be realised within twelve months after reporting date:	90.95	128.44
To be realised after twelve months after reporting date:	Nil	Nil

The Contract Liabilities are disclosed in note:22 to financial statements.

Note 38: Contingent liabilities, commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable. The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

Contingent Liabilities not provided for in respect of:

Particulars	March 31, 2024	March 31, 2023
Income tax matters - appeals by Company *	28.93	Nil
Claim filed against the Company in consumer court	12.44	15.74
Total	41.37	15.74

* The amount referred above are against the various demands raised by Income Tax Department. The company is contesting these demands and the management believes that its position will likely be upheld in the appellate process.

Capital Commitments:

Particulars	March 31, 2024	March 31, 2023
Capital Commitment	5.85	56.58
Total	5.85	56.58



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

Note 39: Related party disclosures**Relationship**

Holding Company
 Subsidiary company
 Other Group Companies

Name of the party

Bank of Baroda
 Nil
 i) Subsidiaries of holding company
 The Nainital Bank Limited
 Bank of Baroda (Kenya) Limited
 Bank of Baroda (Uganda) Limited
 Bank of Baroda (Guyana) Inc
 Bank of Baroda (UK) Limited
 Bank of Baroda (Tanzania) Limited
 Bank of Baroda (New Zealand) Ltd.
 Bank of Baroda (Botswana) Limited
 BOB Capital Markets Limited
 Baroda Global Shared Services Ltd
 Baroda Sun Technologies Ltd
 BOB (UK) Ltd.
 Baroda BNP Paribas Asset Management India Pvt. Ltd.
 Baroda BNP Paribas Trustee India Pvt. Ltd.
 Baroda Capital Markets (Uganda) Limited.
 India First Life Insurance Company Limited
 ii) Stepdown Subsidiaries of holding company
 Baroda Capital Markets (Uganda) Limited
 iii) Associates company of holding company
 Baroda Uttar Pradesh Gramin Bank
 Baroda Rajasthan Kshetriya Gramin Bank
 Baroda Gujarat Gramin Bank
 Indo- Zambia Bank Ltd (Lusaka)
 iv) Joint venture of holding company
 India Infra debt Limited
 India International Bank Malaysia Berhad

Key Management Personnel**Name**

Shri Sanjiv Chadha
 Shri. Debadatta Chand
 Ms. Kadagatloor Venkateshmurthy Sheetal
 Shri. Sanjay Kao
 Shri. Sriraman Jagannathan
 Shri. Shallendra Singh
 Shri. Joydeep Dutta Roy
 Shri. Sanjay Mudaliar
 Shri. Ravindra Rai M.
 Ms. Pooja Karnani
 Ms. Rupali Rane
 Ms. Deepashri Cornelius
 Ms. Sakshi Mehta

Designation

Nominee Director (upto 01st July, 2023)
 Chairman (w.e.f. 31st July 31, 2023)
 (Non-executive Director)
 (Independent Director)
 (Independent Director)
 (Managing Director & CEO) (upto 01st March , 2024)
 (Non-executive Director) (upto 30th January, 2024)
 (Non-executive Director) (w.e.f. 27th March, 2024)
 (Whole Time Director) (w.e.f. 27th March, 2024)
 (Chief Financial Officer) (upto 28th March, 2024)
 (Chief Financial Officer) (w.e.f. 29th March, 2024)
 (Company Secretary) (upto 12th June, 2023)
 (Company Secretary) (w.e.f. 04th December, 2023)



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Related Party transactions during the year:

Particulars	Holding Company		Subsidiaries of holding company		Associates / Enterprises owned or significantly influenced by Key Management Personnel		Key Management Personnel	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Transactions								
1. MDR Subvention	-	44.30	-	-	-	-	-	-
2. Service Charges	123.53	403.06	-	-	-	-	-	-
3. Income from Consultancy service	(0.04)	11.26	-	-	-	-	-	-
4. POS Charges	-	6.46	-	-	-	-	-	-
5. Income from mutual fund investments	-	-	8.23	13.01	-	-	-	-
6. Rent	3.26	2.05	-	-	-	-	-	-
7. Interest on Short term borrowings	935.95	418.88	-	-	-	-	-	-
8. Bank Charges	64.62	47.20	-	-	-	-	-	-
9. Insurance Expenses	-	-	1.97	2.10	-	-	-	-
10. Card issuance cost	-	-	41.41	52.73	-	-	-	-
11. Director's - Employee Benefit Expenses	-	-	-	-	-	-	4.57	4.32
12. Director's - sitting fees	-	-	-	-	-	-	0.84	0.80
13. Key Managerial Persons - Employee Benefit Expenses	-	-	-	-	-	-	9.64	8.91
14. Visa Other Charges	(3.57)	109.92	-	-	-	-	-	-
15. Gratuity premium paid	-	-	12.10	8.21	-	-	-	-
16. Royalty for Logo	0.50	0.50	-	-	-	-	-	-
17. Customer acquisition charges	51.74	19.84	-	-	-	-	-	-
18. Interest on Fixed Deposit	0.009	0.007	-	-	-	-	-	-
19. Data validation charges	0.48	0.21	-	-	-	-	-	-
20. Card Verification Charges	-	-	0.19	1.51	-	-	-	-
21. Other Administrative Expenses	-	-	0.03	-	-	-	-	-
B. Balance Receivables at year end								
1. Trade Receivables	32.72	121.17	-	-	-	-	-	-
2. Loan and advance to customer	-	-	0.92	0.04	-	-	0.48	0.22
3. Cash and cash equivalents	2,080.49	1,303.33	-	-	0.08	0.06	-	-
4. Bank balance other than above	0.14	0.14	-	-	-	-	-	-
5. Gratuity (Life Insurance Fund)	-	-	71.98	61.81	-	-	-	-
6. Interest on FDR receivable	0.004	0.003	-	-	-	-	-	-
C. Balance Payables at year end								
1. Borrowings (other than debt securities)	16,743.47	10,998.79	-	-	-	-	-	-
2. Trade Payables	5.56	-	-	0.02	-	-	-	-
3. Provisions	68.98	319.93	-	8.26	-	-	-	-
4. Other financial liabilities	1.22	1.22	-	-	-	-	-	-
D. Equity Contribution								
	-	7,000.00	-	-	-	-	-	-

Note:

- Related parties have been identified on the basis of the declaration received by the management and other records available.
- Provisions for gratuity, compensated absences and other long term service benefits are made for the Company as a whole and the amounts pertaining to the key managerial personnel are not specifically identified and hence are not included above.
- The Company enters into transactions, arrangements and agreements involving related parties in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

Note 40: Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

Company has complied in full with all its externally imposed capital requirements over the reported period.

Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

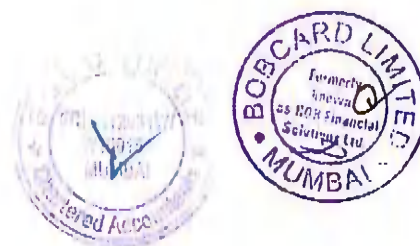
Particulars	As at March 31, 2024	As at March 31, 2023
Regulatory capital		
Common Equity Tier1 (CET1) capital	9,256.59	8,366.43
Other Tier 2 capital instruments	2,016.03	1,659.60
Total capital	11,272.62	10,026.03
Risk weighted assets		
i) CRAR (%) / CET1 capital ratio	18.30%	30.54%
ii) CRAR - Tier I capital (%)	15.03%	25.49%
iii) CRAR - Tier II Capital (%)	3.27%	5.06%

Regulatory capital consists of CET 1 capital, which comprises share capital, share premium, retained earnings including current year profit less accrued dividends. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments.

Analytical Ratio

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted	11,272.62	61,602.03	18.30%	30.54%	-40.09%	Due to increase in RWA.
Tier I CRAR	9,256.59	61,602.03	15.03%	25.49%	-41.05%	
Tier II CRAR	2,016.03	61,602.03	3.27%	5.06%	-35.27%	
LCR Ratio*	NA	NA	NA	NA	NA	

* As per RBI notification no RBI/2019-20/88/DOR.NBFC(PD) CC.No. 102/03.10.001/2019-20 dtd 04th November 2019, calculation and maintenance of LCR (Liquidity Coverage Ratio) is not applicable for non-deposit taking NBFCs with asset size of less than ₹ 5,000 crore. As the assets size of the company has crossed 5,000 crore in FY 2023-24, the LCR guidelines are applicable going forward.



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

- 41 The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

Note 42: Segment reporting

The Management has reviewed and reconsidered the requirements of presenting segment information and accordingly identified Business segment as the Primary segment for disclosure for the current year. The Company operations are in India and hence there is no segment reporting by geographical segment. Segment Information has been prepared in conformity with the Ind AS 108 on 'segment reporting'.

Business Segment	Merchant (acquiring)		Credit Card (issuing)		Other		Total	
	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2023-24	F.Y. 2022-23
Particulars								
Revenue	123.58	824.63	13,142.99	7,985.96	-	11.26	13,266.57	8,821.84
Result	26.23	100.97	1,180.51	(85.65)	-	3.30	1,206.75	18.61
Operating Profit	26.23	100.97	1,180.51	(85.65)	-	3.30	1,206.75	18.61
Profit/(Loss) before tax	26.23	100.97	1,180.51	(85.65)	-	3.30	1,206.75	18.61
Income Taxes							302.98	3.35
Net Profit before OCI adjustment							903.77	15.26
Other Information								
Segment Assets	59.78	182.51	49,430.99	31,855.81	-	9.89	49,490.77	32,048.21
Unallocated Assets							2,218.55	2,301.37
Total Assets							51,709.32	34,349.58
Segment Liabilities	36.38	230.22	3,005.50	2,290.49	-	166.69	3,041.88	2,687.39
Unallocated Liabilities							48,667.44	31,662.19
Total Liabilities							51,709.32	34,349.58
Capital Expenditure	-	0.81	206.65	38.00	-	-	206.65	38.82
Unallocated								-
Depreciation/Amortisation	0.23	7.40	107.16	73.58	-	-	107.39	80.98
Unallocated								-
Non cash expenses other than depreciation	-	0.23	-	-	-	-	-	0.23



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")**Notes to financial statements for the year ended 31st March 2024**

(Figure in Rupees in millions, unless otherwise stated)

Note 43: Leases

The Company's lease asset class primarily consist of leases for office premises. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Office premises	March 31, 2024	March 31, 2023
Opening net carrying balance	87.14	63.55
Additions	12.56	51.12
Deletions	-	-
Depreciation	(32.20)	(27.53)
Closing net carrying balance	67.50	87.14

Set out below are the carrying amounts of lease liabilities (included under Other financial liability) and the movements during the year:

Particulars	March 31, 2024	March 31, 2023
Opening Balance	92.83	66.52
Additions	12.55	51.13
Deletions	-	-
Accretion of interest	6.15	6.51
Payments	(37.01)	(31.33)
Closing Balance	74.51	92.83

Maturity analysis of undiscounted lease liability

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

Particulars	March 31, 2024	March 31, 2023
Not later than one year	33.87	27.34
later than one year not later than five year	40.64	65.49
Later than five year	-	-
Total undiscounted lease liabilities	74.51	92.83

Amounts recognized in the Statement of Profit and Loss	March 31, 2024	March 31, 2023
Depreciation expense		
Depreciation on right of use assets	32.20	27.53
Other expenses		
Short-term lease rent expense	12.05	6.48
Finance cost		
Interest expense on lease liability	6.15	6.51



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 44: Fair value measurement

The following table combines comparable information about :

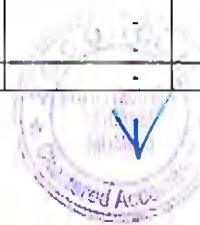
- classes of financial instruments based on their financial nature and characteristics.
- carrying amount of financial instruments.
- The financial assets / liabilities are recorded at amortised cost
- All the financial assets and financial liabilities carrying value which is at amortised cost reflects fair value for these assets and liabilities.

Accounting classification and fair values.
As at March 31, 2024

Particulars	Carrying value			Fair Value			
	FVTPL	Amortised cost	Total	Level I	Level II	Level III	Total
Financial assets							
Cash and cash equivalents	-	1,463.45	1,463.45	-	-	-	-
Bank balance other than above	-	0.14	0.14	-	-	-	-
Receivables	-	32.72	32.72	-	-	-	-
Loans	-	46,054.89	46,054.89	-	-	-	-
Investments	-	-	-	-	-	-	-
Other financial assets							
Reimbursement Assets	-	1,199.99	1,199.99	-	-	-	-
Recoverable towards Settlement Agency	-	175.45	175.45	-	-	-	-
Security deposits	-	16.13	16.13	-	-	-	-
Chargeback recoverable	-	5.47	5.47	-	-	-	-
Others	-	484.88	484.88	-	-	-	-
Total	-	49,433.13	49,433.13	-	-	-	-
Financial liabilities							
Trade Payables	-	283.72	283.72	-	-	-	-
Debt securities	-	4,629.57	4,629.57	-	-	-	-
Borrowings (other than debt securities)	-	32,067.98	32,067.98	-	-	-	-
Subordinated Liabilities	-	1,246.01	1,246.01	-	-	-	-
Other financial liabilities							
Advance from customers	-	275.87	275.87	-	-	-	-
Onus Chargeback	-	4.25	4.25	-	-	-	-
Refundable Deposit	-	7.42	7.42	-	-	-	-
Charge back hold	-	9.02	9.02	-	-	-	-
Others	-	45.16	45.16	-	-	-	-
Total	-	38,569.00	38,569.00	-	-	-	-

As at March 31, 2023

Particulars	Carrying value			Fair Value			
	FVTPL	Amortised cost	Total	Level I	Level II	Level III	Total
Financial assets							
Cash and cash equivalents	-	1,330.70	1,330.70	-	-	-	-
Bank balance other than above	-	0.14	0.14	-	-	-	-
Receivables	-	535.20	535.20	-	-	-	-
Loans	-	29,302.51	29,302.51	-	-	-	-
Investments	-	-	-	-	-	-	-
Other financial assets							
Reimbursement Assets	-	921.25	921.25	-	-	-	-
Recoverable towards Settlement Agency	-	246.13	246.13	-	-	-	-
Security deposits	-	14.99	14.99	-	-	-	-
Chargeback recoverable	-	8.49	8.49	-	-	-	-
Others	-	2.28	2.28	-	-	-	-
Total	-	32,361.69	32,361.69	-	-	-	-
Financial liabilities							
Trade Payables	-	423.24	423.24	-	-	-	-
Debt securities	-	1,497.04	1,497.04	-	-	-	-
Borrowings (other than debt securities)	-	20,341.62	20,341.62	-	-	-	-
Other financial liabilities							
Advance from customers	-	272.27	272.27	-	-	-	-
Onus Chargeback	-	9.08	9.08	-	-	-	-
Refundable Deposit	-	6.70	6.70	-	-	-	-
Charge back hold	-	5.97	5.97	-	-	-	-
Others	-	9.69	9.69	-	-	-	-
Total	-	22,565.61	22,565.61	-	-	-	-



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Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Note 45: Risk Management

Introduction and Risk Profile

Company started its operations in 1994 with Credit card Issuance. This process of risk management is critical to company's vision, and holds very high importance in the board governance. The company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

(a) Risk management structure

Credit risk is the risk of incurring financial loss to the company due to the default of company's customers in fulfilling their contractual obligations to the company. The credit risk management team reports to Chief Risk Officer. The Chief Risk Officer meets with the Audit and Risk Management Committee (ARMC) independently every quarter. Credit risk arises mainly from loans and advances to retail customers arising on account of facilitating credit card loans to customers.

Credit risk management approach

Managing credit risk within the Board defined Risk appetite is the most important part of total risk management exercise. The Company's credit risk sub function headed by Chief Risk Officer (CRO) is responsible for the key policies and processes for managing credit risk, which include formulating credit policies and risk rating frameworks, guiding the Company's appetite for credit risk exposures, undertaking independent reviews and objective assessment of credit risk, and monitoring performance and management of portfolios. The principal objectives being maintaining a strong culture of responsible lending across the Company, and robust risk policies and control frameworks, implementing and continually re-evaluating our risk appetite and ensuring there is adequate monitoring of credit risks, their costs and their mitigation. The basic credit risk management would cover two key areas, viz., (a) customer selection & (b) customer management. These are governed by Board Approved Credit Policy and Collections Policy which is reviewed on a regular basis. Organization has worked on strengthening the credit decision process with pre-qualification of the probable customers and scientific selection based on liability score model developed internally for appropriate customer selection and targeting. We have made multiple interventions throughout the year to strengthen the acquisition quality. This has led to selective cherry-picking of better quality salaried acquisition as well as weeding out the toxic portfolio which had caused bleeding in the earlier years basis our experience, in the current financial year. The changes include discontinuation of programs, revision in MCP, scorecard level changes etc. Credit limit assignment is a function of income capacity and risk assessment done for the individual applicant. Risk assessment is done based on internal scorecards that are based on applicant bureau history, application profile and demographic variables. Further, we assess the credit history indicators as determined by independent 3rd party agencies – external rating, bureau reporting, RBI negative list and asset classification letters from bankers.

Post acquisition portfolio delinquency management is carried out through Account Management System, which includes:

- Fraud detection
- Portfolio quality review
- Credit line increase
- Cross sell on cards
- Behaviour scorecard; and
- Collection score card etc.

The Company deploys right technology and resources to ensure the same. The Company has deployed practices/analytcs such as the following to monitor and mitigate credit Delinquency metrics have been developed and constantly evaluated & portfolio interventions leading to better quality of incoming new accounts Strong collection practices driving consistent improvements in collection metrics & leveraging the latest credit bureau information to improve recoveries from older pools Strong use of analytics in measuring and monitoring credit risk are used such as; Scorecards assessing default risk & payment propensity Predictive Business Analytics Models.

The key elements in calculation of ECL are as follows:

Stage 1: 12-months ECL

All exposures that are not credit impaired and where there has not been a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

For these assets, 12-month ECL is recognized and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance).

Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, are classified under this stage.

Exposures with DPD greater than 30 days but less than or equal to 89 days are classified as stage 2. For these assets, lifetime ECL are recognized, but interest revenue is still calculated on the gross carrying amount of the asset.

Stage 3: Lifetime ECL – credit impaired

Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred.

For financial assets that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD equal to or more than 90 days are classified as stage 3.



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

As on 31st March 2024

Category	Assets category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount	PD
Stage 1	Credit card	45,305.53	1,239.07	44,066.46	2.24 % to 5.52%
Stage 2	Credit card	1,807.66	383.95	1,423.71	10.69 % to 46.10%
Stage 3	Credit card	1,795.80	1,231.08	564.72	67.67% to 87.90%
Total		48,909.00	2,854.11	46,054.89	

As on 31st March 2023

Category	Assets category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount	PD
Stage 1	Credit card	29,727.09	1,578.48	28,148.61	0.56 % to 8.95%
Stage 2	Credit card	1,458.92	521.71	937.20	2.81 % to 37.42%
Stage 3	Credit card	1,671.30	1,454.61	216.70	81%
Total		32,857.31	3,554.80	29,302.51	

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

As at March 31, 2024

Risk categorisation	Stage 1	Stage 2	Stage 3	Total
Internal rating grade				
Performing				
High grade (0 DPD)	44,407.43	-	-	44,407.43
Standard grade (1-30 DPD)	1,981.08	-	-	1,981.08
Sub-standard grade (31-60 DPD)	-	432.31	-	432.31
Past due but not impaired (61-89 DPD)	-	292.37	-	292.37
Non-performing				
Individually impaired (90 DPD and above, restructured assets)	-	-	1,795.80	1,795.80
Total	46,388.51	724.68	1,795.80	48,909.00

As at March 31, 2023

Risk categorisation	Stage 1	Stage 2	Stage 3	Total
Performing				
High grade (0 DPD)	28,049.89	-	-	28,049.89
Standard grade (1-30 DPD)	1,677.20	-	-	1,677.20
Sub-standard grade (31-60 DPD)	-	1,135.68	-	1,135.68
Past due but not impaired (61-89 DPD)	-	323.24	-	323.24
Non-performing				
Individually impaired (90 DPD and above, restructured assets)	-	-	1,671.30	1,671.30
Total	29,727.09	1,458.92	1,671.30	32,857.31



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loan

As at March 31, 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at March 31, 2023	29,727.09	1,458.92	1,671.30	32,857.31
New assets originated or purchased*	15,808.23	-	-	15,808.23
Assets derecognised or repaid (excluding write offs)	(262.44)	-	(98.20)	(360.64)
Transfers to Stage 1	1,368.40	(402.34)	(427.40)	538.66
Transfers to Stage 2	(823.52)	1,443.68	(11.42)	608.74
Transfers to Stage 3	(682.42)	(522.40)	2,942.68	1,737.86
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	(2,281.16)	(2,281.16)
Amounts written off	-	-	(2,281.16)	(2,281.16)
Gross carrying amount as at March 31, 2024	45,305.53	1,807.66	1,795.80	48,909.00

As at March 31, 2023

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at April 1, 2022	12,644.85	559.55	1,078.84	14,283.24
New assets originated or purchased*	17,373.54	-	-	17,373.54
Assets derecognised or repaid (excluding write offs)	(243.87)	-	(58.26)	(302.13)
Transfers to Stage 1	1,228.29	(231.78)	(383.35)	613.16
Transfers to Stage 2	(735.13)	1,335.43	(4.02)	596.28
Transfers to Stage 3	(540.39)	(204.28)	1,832.39	1,087.72
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	(794.30)	(794.30)
Amounts written off	(0.21)	-	(794.30)	(794.51)
Gross carrying amount as at March 31, 2023	29,727.09	1,458.92	1,671.30	32,857.30

Reconciliation of ECL balance

As at March 31, 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at March 31, 2023	1,578.48	521.72	1,454.61	3,554.81
Assets derecognised or repaid	(302.11)	(5.22)	(435.66)	(742.99)
New assets originated	224.93	110.42	1,821.75	2,157.10
Impact on year end ECL of Exposures transferred between stages during the year	-	-	-	-
Transfers to Stage 1	-	(153.01)	(9.49)	(162.50)
Transfers to Stage 2	(59.70)	57.14	-	(2.56)
Transfers to Stage 3	(202.52)	(147.10)	681.03	331.41
Changes to models and inputs used for ECL calculations	-	-	(2,281.16)	(2,281.16)
Amounts written off	-	-	(2,281.16)	(2,281.16)
Impairment allowance for loans to customers as at March 31, 2024	1,239.07	383.95	1,231.08	2,854.11

As at March 31, 2023

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at April 1, 2022	808.81	109.39	910.54	1,828.74
Assets derecognised or repaid	(352.50)	(1.83)	(510.40)	(864.73)
New assets originated	1,234.23	500.01	1,171.76	2,906.00
Impact on year end ECL of Exposures transferred between stages during the year	-	-	-	-
Transfers to Stage 1	-	(103.57)	(4.02)	(107.59)
Transfers to Stage 2	(58.63)	57.14	-	(1.49)
Transfers to Stage 3	(53.23)	(39.42)	681.03	588.38
Changes to models and inputs used for ECL calculations	-	-	(794.30)	(794.30)
Amounts written off	(0.21)	-	(794.30)	(794.51)
Impairment allowance for loans to customers as at March 31, 2023	1,578.48	521.72	1,454.61	3,554.80



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Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

(b) Liquidity risk and funding management

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. It includes both, the risk of unexpected increases in the cost of funding an asset portfolio at appropriate maturities and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. Given the need to fund diverse products, the Company maintains flexibility in funding by maintaining availability under committed credit lines to meet obligations when due. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

We manage liquidity risk in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Company formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at:

31 March 2024

Particulars	On demand	Up to one Month	One month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	more than 5 years	Total
Financial assets										
Cash and cash equivalents	1,463.45	-	-	-	-	-	-	-	-	1,463.45
Bank balance other than above	0.14	-	-	-	-	-	-	-	-	0.14
Receivables	-	3.60	4.91	4.91	11.45	2.94	4.91	-	-	32.72
Loans	-	31,203.30	4,882.51	1,792.23	2,782.13	2,514.69	2,310.03	570.02	-	46,054.89
Investments	-	-	-	-	-	-	-	-	-	-
Other financial assets	-	140.72	72.27	72.27	168.63	1,339.64	88.40	-	-	1,881.92
Total undiscounted financial assets	1,463.59	31,347.61	4,959.68	1,869.40	2,962.20	3,857.28	2,403.33	570.02	-	49,433.13
Financial liabilities										
Trade Payables	-	198.61	56.74	28.37	-	-	-	-	-	283.72
Debt securities	-	4,384.42	-	245.15	-	-	-	-	-	4,629.57
Borrowings (other than debt securities)	-	8,298.69	4,750.00	6,750.00	4,500.00	3,500.00	4,194.78	-	-	31,993.47
Subordinated Liabilities	-	-	-	-	-	-	-	-	1,246.01	1,246.01
Other financial liabilities	-	320.13	2.37	3.22	3.32	2.71	9.96	-	-	341.71
Total undiscounted financial liabilities	-	13,201.85	4,809.12	7,026.74	4,503.32	3,502.71	4,204.74	-	1,246.01	38,494.50



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

31 March 2023

Particulars	On demand	Up to one Month	One month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	more than 5 years	Total
Financial assets										
Cash and cash equivalents	1,330.70	-	-	-	-	-	-	-	-	1,330.70
Bank balance other than above	0.14	-	-	-	-	-	-	-	-	0.14
Receivables	-	13.33	18.17	18.17	42.41	10.90	18.17	-	-	121.17
Loans	-	17,842.45	4,907.35	1,770.96	1,975.50	1,449.19	1,129.26	227.80	-	29,302.51
Investments	-	-	-	-	-	-	-	-	-	-
Other financial assets	-	168.61	62.10	62.10	145.08	1,092.19	77.09	-	-	1,607.18
Total undiscounted financial assets	1,330.84	18,024.39	4,987.63	1,851.24	2,162.99	2,552.29	1,224.52	227.80	-	32,361.70
Financial liabilities										
Trade Payables	-	296.27	84.65	42.32	-	-	-	-	-	423.24
Debt securities	-	-	247.75	-	-	-	-	-	-	247.75
Borrowings (other than debt securities)	-	5,599.76	6,850.00	4,000.00	3,000.00	400.00	399.04	-	-	20,248.80
Subordinated Liabilities	-	-	-	-	-	-	-	-	1,249.29	1,249.29
Other financial liabilities	-	282.06	3.25	5.97	3.81	1.02	7.60	-	-	303.71
Total undiscounted financial liabilities	-	6,178.09	7,185.65	4,048.29	3,003.81	401.02	406.63	-	1,249.29	22,472.79

(c) Market risk

The Company is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. The Company has an approved Assets and Liability Management policy which empowers the Assets and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest risk on periodic basis and decides on the assets profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

Financial Assets	As March 31, 2024	As March 31, 2023
Fixed- rate instruments	46,054.89	29,302.51
Floating-rate instruments	-	-
total	46,054.89	29,302.51

Financial Liabilities	As March 31, 2024	As March 31, 2023
Fixed- rate instruments	5,875.58	1,497.04
Floating-rate instruments	11,568.84	20,248.79
total	17,444.42	21,745.83



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

Fair value sensitivity analysis for floating- rate Instruments.

The sensitivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant through out the reporting period in case of instruments that have floating rates. If the interest rate had been 100 basis points higher or lower and all other variables were constant, the Company profit before tax would have changed by the following.

Particulars	As March 31, 2024		As March 31, 2023	
	100 bps higher	100 bps lower	100 bps higher	100 bps lower
impact on profit	(458.43)	458.43	(183.99)	183.99

(d) Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. The Company's focuses on management and control of operational risks through a comprehensive system of internal controls and monitoring performance of each function against defined thresholds.

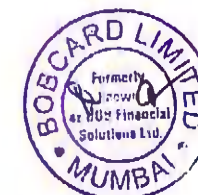
Operational risk management comprises identification and assessment of risk and controls, new products and process approval framework, measurement through operational risk incidents, monitoring through key risk indicators and mitigation through process and control enhancement.

(e) **The Management has represented**, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) 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 other wise , that the Intermediary shall, 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.

(f) **The Management has represented**, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) 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, 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.

Note 46: Expenditure in foreign currency

Particulars	March 31, 2024	March 31, 2023
Income in Foreign currency		
Income from credit card international operation, Currency conversion charges, Business Development incentive income	81.61	84.02
Total	81.61	84.02
Expenditure in foreign currency		
Scheme charges	279.28	350.91
Total	279.28	350.91



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")

Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

47 Auditors remuneration (excluding GST/Service Tax)

Particulars	March 31, 2024	March 31, 2023
Audit fee	0.75	0.47
Limited review	0.24	0.15
Tax audit fee	0.22	0.18
Certification fee	0.54	0.38
Total	1.75	1.18

48 Un-redeemed Reward Points :

The Company has a reward point program which allows card members to earn points based on spends through the cards that can be redeemed for cash. In addition, Company has designed a Reward & Recognition program for sourcing credit card through branches of the Holding Company. Accordingly the eligible employees of the Holding Company is rewarded with bonus points through a credit in their card accounts. The liability for rewards points outstanding as at the year end and expected to be redeemed in the future is accounted for on the basis of actuarial valuation.

Movement of provision for rewards points expenses.

Particulars	As At 31.03.2024	As At 31.03.2023
Provision at the beginning of the year	233.20	145.04
Add: Addition made during the year	615.25	542.54
Less:- Amount used during the year	521.08	454.38
Less:- Unused amounts reversed during the year	-	-
Amount at the end of the year	327.38	233.20

49 During the financial year, Company has change its write off policy from "accounts classified as NPA for 180 days or more and for which no payment is received for one year" to "accounts classified as NPA for 180 days as of the end of every month" are written off as Bad Debts. The net impact (net of provision) of change in policy on Profit and Loss for financial year is Rs. 144.00 mn.

50 There are no scheme of arrangements which has been approved by the board of directors in terms of sections 230 to 237 of the Companies Act, 2013.

51 In respect of accounts receivables, the Company is regularly generating and dispatching customer statements on periodic interval wherever transactions or outstanding are there. In case of disputes with regard to billing, there is a process of resolution and adjustments are carried out on regular basis. Moreover, in respect of accounts payable, the Company has a process of receiving regular balance confirmation from its vendors. The balances are reconciled with the balance confirmation received and discrepancies, if any are accounted on regular basis. For the year end balances of Account Receivables, Account Payables and Loans & Advances, the management is of the opinion that adjustments, if any required through the above-mentioned process, will not have any material impact on the financials of the Company.

52 Previous Year's figures have been regrouped, and/ or rearranged and/ or reclassified wherever necessary to make them comparable with current year's figures.

53 Schedule of Balance sheet of Systemically Important Non-deposit taking Non-Banking Financial Company as required in terms of Paragraph 19 of Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Sr. NO.	Particulars	As at 31st March 2024		As at 31st March 2023	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	Liabilities side				
	Loans and Advances availed by the NBFC's inclusive of interest accrued thereon but not paid.				
	a) Debenture: Secured	Nil	Nil	Nil	Nil
	Unsecured	1,246.01	Nil	1,249.29	Nil
	(other than falling within the meaning of public deposit)				
1	b) Deferred credits	Nil	Nil	Nil	Nil
	c) Terms Loans	Nil	Nil	Nil	Nil
	d) Inter-corporate loans & borrowing	Nil	Nil	Nil	Nil
	e) Commercial paper	Nil	Nil	Nil	Nil
	f) Public Deposit				
	g) Other loans				
	-Cash Credit facility & Working capital term loan	31,993.47	Nil	20,341.62	Nil
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :				
	a) In the form of Unsecured debentures	Nil	Nil	Nil	Nil
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil	Nil	Nil
	c) Other public deposits	Nil	Nil	Nil	Nil
	b) Unsecured	Nil	Nil	Nil	Nil



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024

(Figure in Rupees in millions, unless otherwise stated)

	Particulars	As at 31st March 2024	As at 31st March 2023
	Assets side		
3	Break-up of Loans & Advances including bills receivables (other than those included in (4) below:	Amount outstanding	Amount outstanding
	a) Secured	146.58	162.36
	b) Unsecured	48,762.42	32,694.95
4	Break-up of Leased Assets & Stock on Hire and other assets counting towards AFC activities		
	a) Lease assets including lease rentals under sundry debtors:		
	i) Finance Lease	Nil	Nil
	ii) Operating Lease	Nil	Nil
	b) Stock on hire including hire charges under sundry debtors:		
	i) Assets on hire	Nil	Nil
	ii) Repossessed Assets	Nil	Nil
	c) Other loans counting towards AFC activities		
	i) Loans where assets have been	Nil	Nil
	ii) Loans other than (a) above	Nil	Nil
5	Break-up of Investments	As at 31st March 2024	As at 31st March 2023
	Current Investment		
	Quoted		
	i) Shares : Equity	Nil	Nil
	: Preference	Nil	Nil
	ii) Debentures and bonds	Nil	Nil
	iii) Unit of mutual funds	Nil	Nil
	iv) Government securities	Nil	Nil
	v) others (please specify)	Nil	Nil
	Unquoted		
	i) Shares : Equity	Nil	Nil
	: Preference	Nil	Nil
	ii) Debentures and bonds	Nil	Nil
	iii) Unit of mutual funds	Nil	Nil
	iv) Government securities	Nil	Nil
	v) others (please specify)	Nil	Nil
	Long Term Investment		
	Quoted		
	i) Shares : Equity	Nil	Nil
	: Preference	Nil	Nil
	ii) Debentures and bonds	Nil	Nil
	iii) Unit of mutual funds	Nil	Nil
	iv) Government securities	Nil	Nil
	v) others (please specify)	Nil	Nil
	Unquoted		
	i) Shares : Equity	Nil	Nil
	: Preference	Nil	Nil
	ii) Debentures and bonds	Nil	Nil
	iii) Unit of mutual funds	Nil	Nil
	iv) Government securities	Nil	Nil
	v) others (please specify)	Nil	Nil



BOBCARD LIMITED (FORMERLY KNOWN AS "BOB FINANCIAL SOLUTIONS LIMITED")
Notes to financial statements for the year ended 31st March 2024
(Figure in Rupees in millions, unless otherwise stated)

Borrower group-wise classification of assets financed as in (2) and (3) above:				
Category	As at 31st March 2024		As at 31st March 2023	
	Secured	Unsecured	Secured	Unsecured
6	1) Related parties			
	i) Subsidiaries	Nil	Nil	Nil
	ii) Companies in the same group	Nil	0.92	0.04
	iii) Other related party	Nil	Nil	Nil
	2) Other than related parties	146.58	48,761.50	162.36
				32,694.91
Investor group-wise classification of all Investments (current and long term) in share and securities (both quoted and unquoted)				
Category	As at 31st March 2024		As at 31st March 2023	
	Market value/ Breakup or fair value or NAV	Book value (Net of provision)	Market value/ Breakup or fair value or NAV	Book value (Net of provision)
7	1) Related parties			
	i) Subsidiaries	Nil	Nil	Nil
	ii) Companies in the same group	Nil	Nil	Nil
	iii) Other related party	Nil	Nil	Nil
	2) Other than related parties	Nil	Nil	Nil
Other Information				
Particulars	31st March 2024		31st March 2023	
8	Gross Non-performing Assets			
	i) Related Parties		Nil	Nil
	ii) Other than related parties		1,795.80	1,671.30
	Net Non-performing Assets (net of provision made)			
	i) Related Parties		Nil	Nil
	ii) Other than related parties		Nil	Nil
	Assets acquired on satisfaction of Debt		Nil	Nil

54 Disclosure of Restructured Accounts : Not applicable

55 Disclosure in terms of RBI Circular (RBI/2019-20/170) No: DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

Assets classification as per RBI norms	Assets classification as per IND AS	Gross carrying amount as per Ind AS	Loss allowances (provisions) as required under IND AS 109	Net carrying amount	Provision required as per IRACP norms	Difference between Ind AS 109 provision and IRACP norms
Performing Assets						
Standard	Stage 1	45,305.53	1,164.43	44,141.10	192.66	971.77
	Stage 2	1,807.86	383.95	1,423.71	-	383.95
Subtotal		47,113.19	1,548.38	45,564.81	192.66	1,355.72
Non-Performing Assets (NPA)						
Loss	Stage 3	1,795.80	1,231.08	564.72	1,469.34	-238.26
Sub total of NPA		1,795.80	1,231.08	564.72	1,469.34	-238.26
Other item such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Assets classification and provisioning norms.						
Subtotal	Stage 1	2,566.63	74.64	-	-	74.64
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		2,566.63	74.64	-	-	74.64
Total	Stage 1	47,872.16	1,239.07	46,633.09	192.66	1,046.41
	Stage 2	1,807.66	383.95	1,423.71	-	383.95
	Stage 3	1,795.80	1,231.08	564.72	1,469.34	-238.26



- 56 The disclosures as required under RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Additional disclosure

1 Capital

Particulars	March 31, 2024	March 31, 2023
CRAR (%)	18.30%	30.54%
CRAR - Tier I Capital (%)	15.03%	25.49%
CRAR - Tier II Capital (%)	3.27%	5.06%
Amount of subordinated debt raised as Tier-II capital	-	750.00
Amount raised by Issue of Perpetual Debt Instruments	Nil	Nil

2 Investments

Particulars	March 31, 2024	March 31, 2023
1) Value of Investments		
i) Gross Value of Investments		
In India	Nil	Nil
Outside India	Nil	Nil
ii) Provisions for Depreciation		
In India	Nil	Nil
Outside India	Nil	Nil
iii) Net Value of Investments		
In India	Nil	Nil
Outside India	Nil	Nil
2) Movement of provisions held towards depreciation on		
Opening balance	Nil	Nil
Add : Provisions made during the year	Nil	Nil
Less : Write-off / write-back of excess provisions during the year	Nil	Nil
Closing balance	Nil	Nil

3 Derivatives

There is no derivatives transaction during the year.

Currency options / currency future : Not applicable

Forward Rate Agreement / Interest Rate Swap :- Not Applicable

Exchange Traded Interest Rate (IR) Derivatives:- Not Applicable

Disclosures on Risk Exposure in Derivatives:- Not Applicable

- 4 Disclosures relating to Securitisation:- No such transaction during the year.

Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction:- Not Applicable

Details of Assignment transactions undertaken by applicable NBFCs:- Not Applicable

- 5 Details of non-performing financial assets purchased / sold: No such transaction during the year.

- 6 Asset Liability Management :-

Maturity pattern of certain items of Assets and Liabilities as at 31st March 2024

	up to 30 /31 days	Over 1 month up to 2 Month	Over 2 month up to 3 Month*	Over 3 month & up to 6 month**	Over 6 month to 1 year**	Over 1 year to 3years**	Over 3 year to 5 years	Over 5 years	Total
Borrowing from banks	8,298.69	4,750.00	6,750.00	4,500.00	3,500.00	4,194.78	-	-	31,993.47
Market borrowings	4,384.42	-	245.15	-	-	-	-	1,246.00	5,875.57
Receivables#	31,203.30	4,882.51	1,792.23	2,782.13	2,514.69	2,310.03	570.02	-	46,054.89
Investments									-

** Credit Receivables are based on average collections in last 6 months.

Receivables include Long term & short term loans and advances related to Credit card & EMI to customer. (net of NPA)

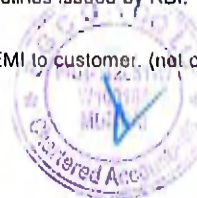
Maturity pattern of certain items of Assets and Liabilities as at 31st March 2023

	up to 30 /31 days	Over 1 month up to 2 Month	Over 2 month up to 3 Month*	Over 3 month & up to 6 month**	Over 6 month to 1 year**	Over 1 year to 3years**	Over 3 year to 5 years	Over 5 years	Total
Borrowing from banks	5,599.76	6,850.00	4,000.00	3,000.00	400.00	399.03	-	-	20,248.79
Market borrowings	-	247.75	-	-	-	-	-	1,249.29	1,497.04
Receivables#	17,842.45	4,907.35	1,770.96	1,975.50	1,449.19	1,129.26	227.80	-	29,302.51
investments	-	-	-	-	-	-	-	-	-

* Receivables in period 2-3 months also includes receivables for period 0-30 days & 1-2 months which are being collected as such, however the same will become due after 2 months as we have given moratorium to our customer as per recent guidelines issued by RBI.

** Credit Receivables are based on average collections in last 6 months.

Receivables include Long term & short term loans and advances related to Credit card, personal loan & EMI to customer. (net of NPA and advance received from credit card holder)



7 i) Exposures To Real Estate Sector

Direct Exposure		March 31, 2024	March 31, 2023
Residential Mortgages -			
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented: (Individual housing loans up to Rs. 15 lakhs may be shown separately)		Nil	Nil
Commercial Real Estates -			
Lending secured by mortgage on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi – family residential buildings, multi tenanted commercial premises, Industrial or warehouse space, hotels, land acquisition, development and construction, etc.) exposure would also include non- fund based (NFD) limits:		Nil	Nil
Investments in Mortgage Backed Securities (MBS) and other secured exposures -			
a.	Residential	Nil	Nil
b.	Commercial Real Estates	Nil	Nil
Indirect exposure			
Fund based and non – fund based exposures on National Housing Bank (NHB) and housing bank Companies (HFCs)		Nil	Nil

ii) Exposure to Capital Market

Particulars	March 31, 2024	March 31, 2023
direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	Nil	Nil
advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	Nil	Nil
secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
bridge loans to companies against expected equity flows / issues;	Nil	Nil
all exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
Total Exposure to Capital Market	Nil	Nil

8 Details of financing of parent company products

The company has not financed any of the product of its parent company during the financial year 2023-24.

9 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC

The company has not exceeded the prudential exposure limits during the financial year 2023-24.

10 Company has not sanctioned any loan against the intangible security during the financial year 2023-24

11 (i) The company has obtained registration from following regulator apart from RBI

Particulars	Registration number.
Certificate of Incorporation under Companies Act 1956.	U65980MH1994GOI081616
NBFC registration	13.01305

(ii) During the financial year 2023-24, BOBCARD Limited have paid Rs. 2,41,506/- as penalty to RBI & Nil penalty to SEBI.

(iii) Related Party Transaction:-

For related party transaction please refer note no. 39

(iv) Remuneration to Directors

For remuneration to Directors please refer note no. 39.

(v) Net profit or loss for the period, prior period items and changes in accounting policies.

Please refer note no 49.

(vi) The short term debt rating of the company is A1+ by CRISIL Ratings Ltd and India Rating & Research Pvt. Ltd. The long term debt rating is AAA/stable by India Rating & Research Pvt. Ltd, CRISIL Ratings Ltd and ICRA Ltd. There is no change in the rating during FY 2023-24.

(vii) Revenue Recognition:-

For Revenue Recognition please refer note no. 3(1).

12 j) Provisions and Contingencies

Break up of Provisions	March 31, 2024	March 31, 2023
Provisions for depreciation on Investment	Nil	Nil
Provision towards stage 3 assets	1,231.08	1,454.61
Provision for stage 1 and stage 2 assets	1,623.02	2,100.19
Provision made towards Income tax	856.27	833.48
Other Provision and Contingencies (with details)	-	-
Provision for reward points	327.38	233.20
Provision for Gratuity	-	-
Provision for fraud	5.10	5.07
Provision for Leave encashment	10.26	8.64
Provision for Staff Incentive	62.00	51.71
Provision for Expenses	1,760.43	1,287.66
Provision for CSR Expenses	-	-

Note. No provision has been made for contingencies



iii) a) Concentration of Advances

Particulars	March 31, 2024	March 31, 2023
Total advance of largest twenty borrowers*	174.66	59.20
percentage of Advance to largest twenty borrowers to total	0.36%	0.18%

*The Advances denotes the outstanding balances of standard twenty borrower

iii) b) Concentration of Exposure

Particulars	March 31, 2024	March 31, 2023
Total Exposure to largest twenty borrowers *	243.34	61.73
percentage of exposure to twenty largest borrowers to total	0.50%	0.19%

*The exposures denotes the total credit card limit against the top twenty borrower.

iii) c) Concentration of NPAs

Particulars	March 31, 2024	March 31, 2023
Total Exposure to top four NPA accounts*	18.61	5.35

* The exposure to NPA is only principal outstanding. The income is fully de-recognised and limit is already blocked from these customer.

iii) d) Sector-wise NPAs

Particulars	% of NPAs to Total	March 31, 2024	March 31, 2023
Agriculture & allied activities	Nil	Nil	Nil
MSME	Nil	Nil	Nil
Corporate borrowers credit cards	Nil	Nil	Nil
Services	Nil	Nil	Nil
Unsecured personal loans	Nil	Nil	Nil
Auto loans	Nil	Nil	Nil
Other personal loans credit cards	3.67%	1,795.80	1,671.30

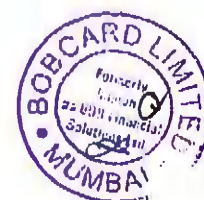
iv) Movement of NPAs

Particulars	March 31, 2024	March 31, 2023
i) Net NPAs to Net Advances (%)	Nil	Nil
ii) Movement of NPAs (Gross)		
Opening balance	1,671.30	1,078.84
Add:- Additions during the year	4,639.01	2,111.71
Less:-Written of as Bad Debts	3,302.18	797.15
Less:- Reductions during the year	1,212.33	722.10
Closing balance	1,795.80	1,671.30
iii) Movement of Net NPAs		
Opening balance	216.73	168.31
Add:- Additions during the year	1,514.77	710.27
Less:-Reductions during the year	1,166.79	661.84
Closing balance	564.72	216.73
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
Opening balance	1,454.60	910.57
Add:-Provisions made during the year	5,003.92	1,401.44
Less:-Written off as Bad Debts	2,500.34	670.78
Less:-write-back of excess provisions	2,727.10	186.63
Closing balance	1,231.09	1,454.60

13 The company does not have any joint venture or overseas subsidiaries

14 Off-balance Sheet SPVs sponsored:-

There is no off-balance sheet SPVs sponsored by the Company during the year ended 31st March 2024.



15 Disclosure of customer Complaints

i.) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	March 31, 2024	March 31, 2023
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	102	779
2	Number of complaints received during the year	1,38,095	1,29,975
3	Number of complaints disposed during the year	1,38,191	1,30,652
3.1	Of which, number of complaints rejected by the NBFC		
4	Number of complaints pending at the end of the year	6	102
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	1,272	916
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	1,253	905
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	5
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	19	11
6*	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

ii.) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Credit Card	102	1,38,095	6%	6	-
Total	102	1,38,095	6%	6	-
Previous Year					
Credit Card	779	1,29,975	23%	102	-
Total	779	1,29,975	23%	102	-

16 Public disclosure on liquidity risk as at 31st March 2023

i) funding Concentration based on significant counterparty (Both Deposits and Borrowings)

Sr. No.	Quarter Ended	Amount	% of Total Deposit	% of Total Liability
1	June 2023	20,988.69	N.A.	72.86%
2	September 2023	25,414.88	N.A.	76.81%
3	December 2023	28,808.40	N.A.	77.39%
4	March 2024	30,218.50	N.A.	73.73%

Note: Total liability does not include equity share capital and other equity.

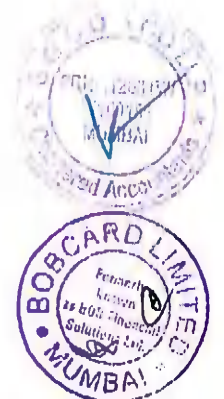
ii) Top 20 large deposits :- Not Applicable

iii) Top 10 borrowings

Sr. No.	Quarter Ended	Amount	% of Total borrowings
1	June 2023	25,206.80	98.01%
2	September 2023	29,474.97	97.00%
3	December 2023	32,749.34	95.63%
4	March 2024	35,167.90	92.87%

iv) funding Concentration based on significant counterparty

Sr. No.	Quarter Ended	Bank Lines		Commercial Paper		NCD	
		Amount	% of Total Liability	Amount	% of Total Liability	Amount	% of Total Liability
1	June 2023	21,005.94	72.91%	3,463.17	12.02%	1,249.31	4.34%
2	September 2023	26,414.88	79.83%	2,722.39	8.23%	1,249.33	3.78%
3	December 2023	28,808.40	77.39%	4,187.38	11.25%	1,249.35	3.36%
4	March 2024	26,818.84	65.44%	4,629.57	11.30%	1,246.01	3.04%



(v) Stock Ratios:

Sr. No.	Quarter Ended	Name of the instrument	% of total public fund	% of total Assets	% of total Liabilities
a.	June 2023	Commercial paper	N.A.	8.91%	12.02%
		Non-Convertible Debentures	N.A.	N.A.	N.A.
		Other Short term liabilities	N.A.	N.A.	N.A.
b.	September 2023	Commercial paper	N.A.	6.28%	8.23%
		Non-Convertible Debentures	N.A.	N.A.	N.A.
		Other Short term liabilities	N.A.	N.A.	N.A.
c.	December 2023	Commercial paper	N.A.	8.80%	11.25%
		Non-Convertible Debentures	N.A.	N.A.	N.A.
		Other Short term liabilities	N.A.	N.A.	N.A.
d.	March 2024	Commercial paper	N.A.	8.95%	11.30%
		Non-Convertible Debentures	N.A.	N.A.	N.A.
		Other Short term liabilities	N.A.	N.A.	N.A.

Note: Total liability does not include equity share capital and other equity.

(vi) Institutional set-up for liquidity risk management:- Liquidity represent the ability of the company to generate sufficient cash flow to meet financial obligation, both under normal and stressed conditions, without liquidating assets or raising funds at unfavourable terms. the operations of the company give rise to Assets Liability mismatches and liquidity risks. In order to manage these risks the Company has a Board approved Assets Liability Management policy in place prepared on the basis of RBI guidelines and internal factors specific to our business. The policy is reviewed on annual basis.

- 57 The Company does not own any Investment Property.
- 58 Corporate social responsibility (CSR) is not applicable to the Company and hence the disclosure for the same is not required.
- 59 The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 60 The Company has not traded or invested in Crypto currency or Virtual Currency during the year financial year 2023-24.

As per our report of even date
For S G C O & Co. LLP
Chartered Accountants
[Firm Registration No. 112081W/W100184]


Suresh Murarka
Partner
(Membership No. 044739)



Place: Mumbai
Date: 3rd May, 2024

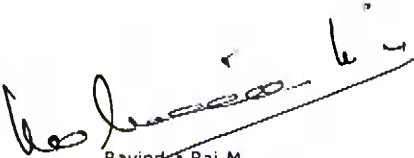


For and on behalf of the Board of Directors
BOBCARD Limited


Debpratta Chand
Chairman
(DIN:07899346)


Rupali Ran
Chief Financial Officer
(PAN:AHYPD2561L)

Place: Mumbai
Date: 3rd May, 2024


Ravindra Rai M.
Whole Time Director
(DIN: 10535708)


Sakshi Mehta
Company Secretary
(PAN:CWUPM3353A)