

### Independent Auditor's Report

To,

The members of **BOB FINANCIAL SOLUTIONS LIMITED** (Formerly known as BOBCARDS Limited)

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of **BOB FINANCIAL SOLUTIONS LIMITED** (Formerly known as BOBCARDS Limited) ("the Company"), which comprise the balance sheet as at 31st March 2019, the statement of Profit and Loss, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, 2019, and its Loss and its Cash Flows for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 opinion.

##### **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 Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The Board's Report including Annexures to Board's Report is expected to be made available to us after the date of this auditor's report.

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 the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



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**Responsibilities of Management and Those Charged with Governance for the Standalone 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, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- 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.



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- 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.

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.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Comptroller and Auditor General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of Section 143 of the Act, the compliances of which is set out in the Annexure "B".
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 purposes 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d). In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e). On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.




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- (f). With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "C".
- (g). With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28(a) 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.



FOR ASL & CO.  
Chartered Accountants  
(Regn. No 101921 W)

  
(Kapil Kumar Joshi)  
PARTNER

Membership No. : 137334

PLACE: - MUMBAI.

DATED: -May 16, 2019

**Annexure “A” referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of the Independent Auditors’ report of even date on the Financial Statements of BOB Financial Solutions Limited (Formerly known as BOBCARDS Limited) for the Year Ended 31<sup>st</sup> March 2019.**

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under. Matters specified in clauses (i)(c),(iii)(a)(b)(c),(vi),(ix),(xi),(xii),(xiv) & (xv) of paragraph 3 of the Companies (Auditor’s Report) Order, 2016 do not apply to the Company. Accordingly no comments have been made on the matters not applicable to the company.

- ( i )
- ( a ) The company has maintained proper records showing full particulars including quantitative details and situation of fixed Assets.
- ( b ) As per the information and explanations given to us, fixed assets have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification and the same have been properly dealt with in the books of account.
- ( ii ) As per the information and explanations given to us, the inventory has been physically verified by the management during the year at reasonable intervals. In our opinion and according to the information and explanations given to us, the discrepancies noticed on verification between the physical stock and the book records were not material and the same have been properly dealt with in the books of account.
- ( iii ) As per information and explanations given to us, the Company has not granted any secured or unsecured loans to the companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- ( iv ) In our opinion and according to the information and explanations given to us, in respect of Investments made during the year under review, the company has complied with the provisions of Section 186 of the Companies Act, 2013.
- ( v ) As per information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 of the Companies Act 2013 and Rules made there under.
- ( vi )
- ( a ) As per the records of the Company and according to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee’s state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and other statutory dues, to the extent applicable to it.



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According to the information and explanations given to us , there are no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues were outstanding as at 31st March, 2019 for a period of more than 6 months from the date they became payable.

- ( b ) According to the information and explanations given to us and the records of the Company examined by us , the particulars of dues of income tax, sales tax, service Tax, custom duty, excise duty, and value added tax as at March 31, 2019 which have not been deposited on account of any dispute, are as hereunder :

Nature of dues	Amount (₹.)	Forum where the dispute is pending
Income Tax	1,66,070	ITAT order effect yet to be given

- ( vii ) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in payment of dues to its bank.
- ( viii ) As per information and explanations given by the management, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year under review.
- ( ix ) In our opinion and according to the information and explanations given to us and based on our examination of the records, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- ( x ) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained certificate of registration dated 23<sup>rd</sup> October 1999.



**FOR ASL & CO.**  
**Chartered Accountants**  
 (Regn. No 101921 W)

*Kapil Kumar Joshi*  
 (Kapil Kumar Joshi)  
 PARTNER

Membership No. : 137334

PLACE: - MUMBAI.  
 DATED: - May 16, 2019

**Annexure “B” to the Independent Auditors’ report of even date on the Financial Statements of BOB Financial Solutions Limited (Formerly known as BOBCARDS Limited) for the Year Ended 31<sup>st</sup> March 2019.**

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

We have examined the books of accounts of the BOB Financial Solutions Limited (Formerly known as BOBCARDS Limited) for the year ended March 31, 2019 and we are submitting our comments and answers to the questions asked in the directions issued by the Comptroller & Auditor General of India, according to the best of our information and explanations given to us by the management and as appears from the examination of the books of accounts and records produced before us by the Company, which are as under.

S. No.	Directions	Reply
1.	Whether the company has system in place to process all the accounting transactions through IT system? If no, 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 of debts /loans/interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated.	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.
3.	Whether funds 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 received/ receivable for specific schemes from central/ state during the year under review.



**FOR ASL & CO.**  
**Chartered Accountants**  
 (Regn. No 101921 W)

*(Signature)*  
**(Kapil Kumar Joshi)**  
**PARTNER**

Membership No. : 137334

**PLACE: - MUMBAI.**  
**DATED: - May 16, 2019**

**Annexure “C” to the Independent Auditor’s Report Of Even Date on the Financial Statements of BOB Financial Solutions Limited (Formerly known as BOBCARDS Limited).**

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

We have audited the internal financial controls over financial reporting of **BOB Financial Solutions Limited** (Formerly known as BOBCARDS Limited) (“the Company”) as of March 31, 2019 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 with reference to the financial statements 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 with reference to the 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 with reference to the financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls with reference to the 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.





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

### Meaning of Internal Financial Controls with reference to the Financial Statements

A company's internal financial control with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the 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 transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to the 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 with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the 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 with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to the financial statements 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 ASL & CO.  
 Chartered Accountants  
 (Regn. No 101921 W)

(Kapil Kumar Joshi)  
 PARTNER

Membership No. : 137334

PLACE: - MUMBAI.

DATED: - May 16, 2019

**Compliance Certificate**

We have conducted the audit accounts of **BOB FINANCIAL SOLUTIONS LIMITED** (Formerly known as BOBCARDS LIMITED) for the year ended as on 31<sup>st</sup> March 2019 in accordance with the directions/~~sub-directions~~ issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that all the directions/~~sub-directions~~, as applicable to the Company, have been complied with.

**FOR ASL & Co.**  
**Chartered Accountants**  
**(Regn. No 101921 W)**



*KJoshi*  
**(Kapil Kumar Joshi)**

**PARTNER**

**Membership No. : 137334**

**UDIN: 19137334AAAAAV8949**

**PLACE: - MUMBAI**

**DATED: - May 16, 2019**

**BOB FINANCIAL SOLUTIONS LIMITED (Formerly known as BOBCARDS LIMITED)**  
**CIN: U65990MH1994GOI081616**  
**BALANCE SHEET AS AT 31ST MARCH 2019.**

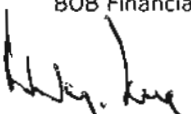
Particulars	Note	As At March 31, 2019	As At March 31, 2018
		Rs.	Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	1,75,00,00,000	1,75,00,00,000
(b) Reserves and Surplus	3	72,65,95,675	68,60,00,390
<b>2 Non-current liabilities</b>			
(a) Long-term provision	4	2,76,42,632	1,71,81,980
<b>3 Current liabilities</b>			
(a) Short-term borrowings	5	99,51,93,642	13,93,47,871
(b) Trade payables	6		
Total outstanding dues to micro enterprise and small		8,29,918	1,475
Total outstanding dues of creditors other than micro		6,70,28,952	7,10,42,048
(c) Other current liabilities	7	65,71,19,076	48,63,04,980
(d) Short-term provisions	8	19,16,26,571	21,08,81,977
<b>TOTAL</b>		<b>4,41,60,36,466</b>	<b>3,36,07,60,721</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property plant & equipment			
(i) Tangible assets	9	38,04,68,143	53,93,33,008
(ii) Intangible assets	9	1,21,13,051	6,54,133
(iii) Intangible assets under development		9,27,600	61,50,000
(b) Deferred tax assets( net)	10	39,35,08,794	54,61,37,141
(c) Long term Loans & Advances	11	14,00,20,861	9,51,17,672
(d) Other non-current assets	12	13,69,790	-
		9,84,17,768	11,06,49,052
<b>2 Current assets</b>			
(a) Current Investments	13	-	4,67,23,177
(b) Inventories	14	1,08,06,165	83,46,922
(c) Trade receivables	15	63,77,53,120	37,33,52,029
(d) Cash and cash equivalents	16	26,06,44,560	30,57,10,305
(e) Short term Loans & Advances	17	2,66,14,08,613	1,70,19,04,166
(f) Other current assets	18	21,21,06,795	17,28,20,257
<b>TOTAL</b>		<b>4,41,60,36,466</b>	<b>3,36,07,60,721</b>
<b>Significant accounting policies and accompanying Notes to Financial Statements form an integral part of the Financial Statements.</b>	1-40		

As per our report of even date attached.  
 For ASL & Co.  
 Chartered Accountants  
 [Firm Registration No. 101921W]

  
 [Kapil Kumar Joshi]  
 Partner  
 Membership No. 137334

Place: Mumbai  
 Date: 16.05.2019

For and on behalf of the Board of Directors  
 BOB Financial Solutions Limited

  
 P.S. Jayakumar  
 Chairman  
 (DIN:01173236)

  
 Vikramaditya S Khichi  
 Director  
 (DIN:08317894)

  
 Manish Shah  
 Managing Director  
 (DIN:06422627)

  
 Pooja Karnani  
 Chief Financial Officer  
 (PAN:AHEPB7049P)

  
 Vipul Barot  
 Company Secretary  
 (PAN:AFDPB3972Q)

Place: Mumbai  
 Date: 16.05.2019





**BOB FINANCIAL SOLUTIONS LIMITED (Formerly known as BOBCARDS LIMITED)**

CIN: U65990MH1994GOI081616

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019**

Particulars	Note	March 31, 2019	March 31, 2018
		Rs.	Rs.
<b>(A) Revenue</b>			
Revenue from operations	19	2,32,86,48,675	2,22,69,01,234
Other income	20	4,69,71,098	3,02,97,243
<b>Total Revenue</b>		<b>2,37,56,19,773</b>	<b>2,25,71,98,477</b>
<b>(B) Expenses:</b>			
Operating expenses	21	1,24,45,13,563	1,41,82,54,025
Employee benefit expenses	22	34,18,72,606	15,68,73,557
Finance cost	23	3,01,31,917	1,52,74,113
Depreciation and amortization expense	9	17,20,26,119	17,83,36,790
Other expenses	24	43,07,69,776	15,50,22,961
Bad debts written off / Provision for Doubtful Debts / Balance written off	25	7,74,13,112	11,54,55,107
Corporate social responsibility	26	64,86,000	84,82,000
<b>Total Expenses</b>		<b>2,30,32,13,093</b>	<b>2,04,76,98,552</b>
<b>(C) Profit before exceptional and extraordinary items and tax</b>		7,24,06,680	20,94,99,925
(D) Exceptional items (refer note no 38)		(1,18,71,615)	-
<b>(E) Profit before extraordinary items and tax</b>		<b>6,05,35,065</b>	<b>20,94,99,925</b>
(F) Extraordinary items		-	-
<b>(G) Profit before tax</b>		<b>6,05,35,065</b>	<b>20,94,99,925</b>
<b>(H) Tax expense:</b>			
(I) Current tax		6,55,00,000	12,87,62,794
(II) Tax adjustment for earlier years		(6,57,032)	-
(III) Deferred tax		(4,49,03,189)	(7,33,97,333)
<b>(I) PROFIT AFTER TAX</b>		<b>4,05,95,286</b>	<b>15,41,34,464</b>
<b>(J) Earning per equity share:</b>	27		
Basic & Diluted earning per share		0.23	0.88
<b>Significant accounting policies and accompanying Notes to Financial Statements form an integral part of the Financial Statements.</b>	1-40		

As per our report of even date attached.

For ASL & Co.

Chartered Accountants

[Firm Registration No. 101921W]

  
[Kapil Kumar Joshi]

Partner

Membership No. 137334

Place: Mumbai

Date: 16.05.2019

For and on behalf of the Board of Directors

BOB Financial Solutions Limited

  
P.S. Jayakumar  
Chairman  
(DIN:01173236)

  
Vikramaditya S Khichi  
Director  
(DIN:08317894)

  
Manish Sīrah  
Managing Director  
(DIN:06422627)

  
Rooja Karnani  
Chief Financial Officer  
(PAN:AHEPB7049P)

  
Vipul Barot  
Company Secretary  
(PAN:AFDPB3972Q)

Place: Mumbai

Date: 16.05.2019





**BOB FINANCIAL SOLUTIONS LIMITED (Formerly known as BOBCARDS LIMITED)**

CIN: U65990MH1994GOI081616

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2019**

Particulars	Note	March 31, 2019	March 31, 2018
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit before extra ordinary items & tax		6,05,35,065	20,94,99,925
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation & amortization		17,20,26,119	17,83,36,790
Interest on short term borrowings		3,01,31,917	1,52,74,113
Bad debts written off		1,43,73,011	2,77,08,500
Fixed Asset Written Off		89,16,608	-
Provision for standard and doubtful assets		7,74,13,112	7,76,88,188
Loss / (Gain) on sale of fixed assets		44,520	(3,953)
Income from Mutual Fund investments		(26,57,104)	(20,11,410)
Provision written back towards fraud		(35,02,072)	(9,14,072)
Interest on fixed deposits		-	(43,84,269)
<b>Operating profit before working capital changes</b>		<b>35,72,81,176</b>	<b>50,11,93,812</b>
Changes in assets and liabilities			
Short term Loans & Advances and Other current assets		(1,09,19,32,835)	(14,05,63,823)
Inventories		(24,59,243)	2,17,80,453
Trade receivables and long term loans & advance		(26,57,70,881)	14,97,54,020
Other liabilities		15,88,34,689	5,08,59,069
Income tax paid		(4,77,53,885)	(13,14,35,384)
<b>Net cash inflow / (outflow) from operating activities (A)</b>		<b>(89,18,00,979)</b>	<b>45,15,88,147</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets including intangible assets under development		(2,88,83,085)	(17,23,84,471)
Sale Proceeds from Fixed Assets		5,24,185	5,000
Purchase of Investments		(2,79,35,00,000)	(2,46,60,00,000)
Sale Proceed from Investments		2,84,02,23,176	2,42,00,02,588
Income from Mutual Fund Investment		26,57,104	20,11,410
Interest on fixed deposits		-	43,84,269
<b>Net cash inflow / (outflow) from Investing activities (B)</b>		<b>2,10,21,380</b>	<b>(21,19,81,204)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from /(repayments of) short term borrowings		85,58,45,771	(26,46,64,549)
Interest Paid		(3,01,31,917)	(1,52,74,113)
Dividend including Dividend distribution tax		-	(10,53,13,250)
<b>Net cash inflow / (outflow) from Financing Activities (C)</b>		<b>82,57,13,854</b>	<b>(38,52,51,912)</b>
<b>D) Net Increase / (decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(4,50,65,745)</b>	<b>(14,56,44,968)</b>
Cash and Cash Equivalent at beginning of the period		30,57,10,305	45,13,55,273
Cash and Cash Equivalent at end of the period ( Note 16 )		26,06,44,560	30,57,10,305
<b>Significant accounting policies and accompanying Notes to Financial Statements form an integral part of the Financial Statements.</b>	1-40		

**Notes:**

- The cash flow statement has been prepared in accordance with the "Indirect Method" as set out in the Accounting Standard (AS-3) on "Cash Flow Statement".
- Cash and cash equivalent includes cash in hand, balance with scheduled banks in current and deposit accounts.

As per our report of even date attached.  
For ASL & Co.  
Chartered Accountants  
[Firm Registration No. 101921W]

[Kapil Kumar Joshi]  
Partner  
Membership No. 137334

Place: Mumbai  
Date: 16.05.2019



For and on behalf of the Board of Directors  
BOB Financial Solutions Limited

P.S. Jayakumar  
Chairman  
(DIN:01173236)

Vikramaditya S Khichi  
Director  
(DIN:08317894)

Manish Shah  
Managing Director  
(DIN:06422627)

Pooja Karmar  
Chief Financial Officer  
(PAN:AHEPB7049P)

Vipul Barot  
Company Secretary  
(PAN:AFDPB3972Q)

Place: Mumbai  
Date: 16.05.2019







## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

### Background:

BOB Financial Solutions Limited (formerly known as Bobcards Ltd) is a wholly owned subsidiary of Bank of Baroda and a Non Deposit Accepting Non-Banking Finance Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI"). The Company's core business is credit card issuance. It also provides support to Bank of Baroda by carrying out its merchant acquiring operations, debit cards operation for its overseas territory subsidiaries/sponsored RRB's and manpower/consultancy services.

### a) System of Accounting:

The financial statements have been prepared on the basis of Going Concern concept and under the historical cost convention except otherwise stated elsewhere. The company adopts accrual basis in preparation of its accounts to comply in all material aspects with applicable accounting principles generally accepted in India, the Accounting standards specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013, to the extent applicable.

### b) Use of Estimates:

The preparation of financial statements, in conformity with the generally accepted accounting principles, require estimates and assumptions to be made that affect the reported amounts of the assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

### c) Property, Plant & Equipment:

#### Tangible assets:

Tangible fixed assets have been stated at original cost of acquisition including all expenses incidental to purchase thereof and expenses incurred to bring the assets to their intended use for the first time, less the accumulated depreciation thereon.

#### Intangible assets:

Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

#### 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.



**d) Depreciation and Amortization:**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant & Equipment – Tangible are being provided, based on the useful lives as per Schedule II to the Companies Act, 2013, following the method as given here under:

**Tangible Assets :**

<b>A. On Straight Line Method :</b>
Computers Hardware
EDC Machines
Plant & Machinery
<b>B. On Written Down Value Method :</b>
Furniture & Fixtures
Office Equipments
Vehicles

Additions during the year are being depreciated on a pro-rata basis from the date of purchase.

Similarly where any asset has been sold, discarded, demolished or destroyed, the depreciation on such asset is calculated on a pro-rata basis up to the date, on which such asset has been sold, discarded, demolished or destroyed.

Assets beyond repair are written off in the financial year in which they are identified as such.

**Intangible Assets :**

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

**e) Valuation of Inventories:**

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

The cost for inventory valuation as include 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.

**f) Revenue recognition:**

Revenue from services is recognized on accrual basis, unless otherwise stated. Fees income is accounted as and when billed to customer. In view of uncertainty of realization of income in case of Non-Performing Assets (NPA) such income is accounted for only on receipt basis. Recovery from bad debts written off is recognized as income on the basis of actual realization from customer. Income on deployment of funds is recognized on accrual basis. The income accrued but not billed till the year end, are accounted for on estimated basis without considering the applicable indirect



taxes like GST. The applicable indirect taxes, on such income are accounted for in the year of actual billing.

**g) 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. In addition, Company has designed a Reward & Recognition program for sourcing credit card through branches of our parent organization. Accordingly the eligible staff of our parent organization 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 redeem in the future is accounted for on the basis of actuarial valuation. In respect of liability for points not credited to card holders on non-holding of credit card is considered as contingent liability. Hitherto the same was accounted for in the year of actual redemption. (refer note no 35)

**h) Employee Cost:**

- i) Retirement benefit in the form of Company's contribution to Provident Fund, which is a defined contribution scheme, is charged to the Profit and Loss account on accrual basis.
- ii) The company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The gratuity plan provides a lump-sum payment to vested employee at retirement, death or termination of employment, of an amount based on the respective employee's salary and tenure of employment with a company. The scheme is maintained and administered by India First Life Insurance Company Ltd to which the Company makes periodic contributions.

Liabilities with regards to the gratuity plan are determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the year in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets.

- iii) Liability towards leave encashment is recognized on actuarial valuation basis under projected unit credit method.

**i) Lease Rent Transaction:**

Lease where the lessor effectively retains substantially all the risk and rewards of ownership over the lease terms are classified operating lease. The total lease rentals in respect of assets taken on operating lease are charged to the Statement of Profit and Loss on straight line basis over the lease term.



**j) Foreign Exchange Transactions:**

Transactions in foreign currencies are accounted for in Indian Rupees at the exchange rates prevalent on the date on which the respective transactions are entered into. Monetary items of current assets and liabilities in foreign currency outstanding at the close of financial year are revalued at the appropriate exchange rates prevailing at the close of the year. The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in the year in which the same arises, are recognized in the Statement of Profit and Loss.

**k) Asset Classification and provision norms:**

The financial assets of the Company are classified under two categories as under:

- i) Standard Assets - An account, which is performing and not classified as Non-Performing Asset (NPA) under (ii) below are called "Standard Asset".
- ii) Non- performing Assets (NPA) - The Account are classified as Non-Performing Assets (NPA) where:
  - The outstanding balance remains continuously in excess of the Sanctioned limit for 90 days and more;
  - The outstanding balance in the principal operating card account is less than the sanctioned limit but there are no credits continuously for 90 days;
  - Credits are not enough to cover the service charges, other charges & applicable tax debited during the same period [i.e. 90 days] and have become overdue.

**Provisioning norms:**

Particulars	% of provision
Standard Assets	1%
Non-Performing Assets (NPA)	100%

**Asset upgradation :**

Non-Performing Asset (NPA) up to 6 months is up graded on recovery of minimum outstanding dues. In case of Non-Performing Asset (NPA) beyond 6 months, the card is cancelled.

**Write off:**

Decision to write off is taken on case to case basis as per the Board approved company policy in this regard.



## l) Taxation:

Current Income tax expense comprises of taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of Income Tax Act, 1961.

Income tax is accounted for in accordance with Accounting Standard AS -22 "Accounting for Taxes on Income", which includes deferred tax. Deferred tax reflects the tax effect of timing difference between accounting income/ (loss) and taxable income/(loss). Deferred tax asset /liabilities have been measured using the rates and the tax laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax asset is recognized only if there is virtual certainty of realization of such Asset.

## m) Cash Flow Statement:

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

## n) Earnings Per Share:

In determining earnings per share, the company considers the net profit and includes the post-tax effect of any extra-ordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

## o) Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, upon certain events require an outflow of resources & the same is contingent.

Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, then no provision or disclosure is made.



**p) Impairment of Assets:**

The carrying value of assets is reviewed for impairment, when events or changes in circumstance indicate that the carrying values may not be recoverable. In addition, at each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

**q) Investment:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**r) Prior period adjustments, extra-ordinary items and changes in accounting policies:**

Prior period adjustments, extra-ordinary items and changes in accounting policies, if any, having material impact on the financial affairs of the Company are disclosed.

**s) Borrowing cost:**

All borrowing costs are expensed in the period they occur. Borrowing cost consists of interest and other cost that a company incurs in connection with borrowing of fund.



## NOTE 2

## A. Details of authorised, issued and subscribed share capital

(Amt in Rs)

Share Capital	As At March 31, 2019	As At March 31, 2018
<b>Authorised Capital</b>		
20,00,00,000 (P.Y. 20,00,00,000) Equity Shares of Rs 10/- Each	2,00,00,00,000	2,00,00,00,000
<b>Total</b>	2,00,00,00,000	2,00,00,00,000
<b>Issued Capital</b>		
17,50,00,000 (P.Y. 17,50,00,000) Equity Shares of Rs 10/- each fully paid up	1,75,00,00,000	1,75,00,00,000
<b>Total</b>	1,75,00,00,000	1,75,00,00,000
<b>Subscribed and Paid up</b>		
17,50,00,000 (P.Y. 17,50,00,000) Equity Shares of Rs 10/- each fully paid up	1,75,00,00,000	1,75,00,00,000
<b>Total</b>	1,75,00,00,000	1,75,00,00,000

## B. Reconciliation of number of shares

Particulars	As At March 31, 2019		As At March 31, 2018	
	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	17,50,00,000	1,75,00,00,000	17,50,00,000	1,75,00,00,000
Shares issued during the year	Nil	Nil	Nil	Nil
Shares bought back during the year	Nil	Nil	Nil	Nil
Shares outstanding at the end of the year	17,50,00,000	1,75,00,00,000	17,50,00,000	1,75,00,00,000

## C. Information on equity shares allotted without receipt of cash or allotted as bonus shares or shares bought back

Particulars	For the Year ended				
	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2019
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil

## D. Information on shareholders/ shareholder holding more than 5 per cent

Name of Shareholder	Relationship	As At March 31, 2019		As At March 31, 2018	
		No of Equity shares held	Percentage	No of Equity shares held	Percentage
Bank of Baroda *	Holding Company	17,50,00,000	100%	17,50,00,000	100%

\* The Bank holds 17,49,99,300 shares in its own name and the balance shares through its -7- nominee shareholders holding 100 shares each.

## E. Rights, Preferences and restrictions attached to shares

Equity shares: The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held at the General Meeting.

## NOTE 3

Reserves and surplus	As At March 31, 2019	As At March 31, 2018
<b>a. Statutory Reserves</b>		
Opening Balance	34,40,53,181	31,32,26,289
(+) Current Year Transfer (as per section 45-I C of RBI Act, 1934)	81,19,057	3,08,26,893
(-) Written Back in Current Year	-	-
Closing Balance	35,21,72,238	34,40,53,181
<b>b. Surplus</b>		
Opening balance	34,19,47,208	32,39,52,887
(+) Net Profit/(Net Loss) For the current year	4,05,95,286	15,41,34,464
(-) Transfer to Reserves	81,19,057	3,08,26,893
(-) Provision for Dividend and DDT	-	10,53,13,250
Closing Balance	37,44,23,437	34,19,47,208
<b>Grand Total</b>	<b>72,65,95,675</b>	<b>68,60,00,390</b>

## NOTE 4

Long-term provision	As At March 31, 2019	As At March 31, 2018
Provision towards Chargeback Loss		52,25,273
<b>Provision for Employee Benefits:</b>		
Leave Encashment (Ref Note No.30(c))	2,76,42,632	1,19,56,707
<b>Total</b>	<b>2,76,42,632</b>	<b>1,71,81,980</b>

## NOTE 5

Short-term borrowings	As At March 31, 2019	As At March 31, 2018
Working Capital Loan From Banks*	99,51,93,642	13,93,47,873
<b>Total</b>	<b>99,51,93,642</b>	<b>13,93,47,873</b>

\* Denotes clean overdraft facility availed from Bank of Baroda.



**NOTE 6**

(Amt in Rs)

Trade payables	As At March 31, 2019	As At March 31, 2018
Trade Payables		
a) total outstanding dues of micro enterprises and small enterprises	8,29,918	1,475
b) total outstanding dues of creditors other than micro enterprises and small enterprises	6,70,28,952	7,10,42,048
<b>Total</b>	<b>6,78,58,870</b>	<b>7,10,43,523</b>

\*Refer Note No. 34 for disclosure of Micro, Small &amp; Medium enterprise as per MSMED Act 2006.

**Note-7**

Other current liabilities	As At March 31, 2019	As At March 31, 2018
Refundable Deposit	37,50,000	68,00,000
Credit Balance In Cancelled Cards	16,19,114	18,46,850
Insurance Claim Payable	17,13,116	12,15,393
Advance received from Credit card holders	3,64,41,059	3,29,48,446
Charge back hold	2,31,11,234	2,29,97,399
Merchant payment on hold	30,06,75,495	36,24,97,965
Payable to Merchant	21,58,76,258	14,70,411
Onus Chargeback	31,20,353	22,47,679
Payable to employees	7,78,306	-
<u>Liability Towards Statutory Dues</u>		
Provident fund	38,38,062	18,43,868
GST	4,75,81,925	3,61,41,244
Professional Tax	82,898	16,000
Withholding tax (TDS)	1,85,31,256	1,62,79,704
<b>Total</b>	<b>65,71,19,076</b>	<b>48,63,04,980</b>

**NOTE 8**

Short-term provisions	As At March 31, 2019	As At March 31, 2018
<u>Provision for Employee Benefits:</u>		
Gratuity (Ref Note No. 30(b))	-	21,81,016
Leave Encashment (Ref Note No.30(c))	59,80,806	15,00,941
Provision for Staff Incentives	2,45,00,000	-
Provision For CSR Activities (Ref Note No. 26)	-	1,03,47,191
Provision For Expenses	13,21,42,089	9,15,39,579
Provision for Reward Point Expenses (Ref Note No. 35)	2,90,03,676	-
Provision for Dividend to Bank of Baroda	-	8,75,00,000
Provision for Dividend Distribution Tax (DDT)	-	1,78,13,250
<b>Total</b>	<b>19,16,26,571</b>	<b>21,08,81,977</b>





NOTE 9 : Property plant & equipment  
at Current Year

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block		
	As at April 1, 2018	Additions during the Year	Acquired through business combinations	Sales/ Adjustment	As at March 31, 2019	As at April 1, 2018	Depreciation charge for the year	Adjustment due to revaluations	Sales/ Adjustment	As at March 31, 2019	As at March 31, 2019
<b>Tangible Assets</b>											
EDC Machines	86,72,51,176	-	-	3,80,71,163	82,91,80,013	33,96,20,027	16,43,05,807	-	3,52,83,338	46,86,42,496	36,05,37,517
Plant & Machinery	-	20,51,200	-	-	20,51,200	-	1,068	-	-	1,068	20,50,133
Furniture & Fixtures	92,09,723	18,11,649	-	-	1,10,21,372	56,07,874	10,04,701	-	-	66,12,575	44,08,797
Vehicles	31,03,035	-	-	5,61,000	25,42,035	19,19,319	3,87,091	-	5,23,629	17,82,781	7,59,254
Office Equipment	93,71,453	1,54,622	-	1,34,387	1,03,91,688	73,83,790	9,91,800	-	1,24,961	82,50,629	21,41,059
Computers hardware	2,88,03,872	90,81,807	-	13,62,543	3,65,23,136	2,38,75,241	29,38,363	-	8,61,851	2,59,51,753	1,05,71,383
<b>Total (A)</b>	<b>91,77,39,259</b>	<b>3,40,99,278</b>	-	<b>4,01,29,093</b>	<b>89,17,09,444</b>	<b>37,84,06,251</b>	<b>16,96,28,830</b>	-	<b>3,67,93,779</b>	<b>51,12,41,302</b>	<b>38,04,68,143</b>
<b>Intangible Assets</b>											
Computers software	2,99,17,518	1,38,56,207	-	-	4,37,73,725	2,92,63,385	23,97,289	-	-	3,16,60,674	1,21,13,051
Trademark	67,000	-	-	-	67,000	67,000	-	-	-	67,000	-
<b>Total (B)</b>	<b>2,99,84,518</b>	<b>1,38,56,207</b>	-	-	<b>4,38,40,725</b>	<b>2,93,30,385</b>	<b>23,97,289</b>	-	-	<b>3,17,27,674</b>	<b>1,21,13,051</b>
<b>Total (A+B)</b>	<b>94,77,23,777</b>	<b>2,79,55,485</b>	-	<b>4,01,29,093</b>	<b>93,55,50,169</b>	<b>40,77,36,636</b>	<b>17,20,26,119</b>	-	<b>3,67,93,779</b>	<b>54,29,68,976</b>	<b>39,25,81,194</b>

bj Previous Year

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block		
	As at April 1, 2017	Additions during the Year	Acquired through business combinations	Sales/ Adjustment	As at March 31, 2018	As at April 1, 2017	Depreciation charge for the year	Adjustment due to revaluations	Sales/ Adjustment	As at March 31, 2018	As at March 31, 2018
<b>Tangible Assets</b>											
EDC Machines	70,45,47,165	15,27,04,011	-	-	86,72,51,176	16,68,73,971	17,27,46,056	-	-	33,96,20,027	52,76,31,149
Furniture & Fixtures	89,77,031	2,32,692	-	-	92,09,723	43,64,060	12,43,814	-	-	56,07,874	36,01,849
Vehicles	31,03,035	-	-	-	31,03,035	13,81,657	5,37,662	-	-	19,19,319	11,83,716
Office Equipment	86,33,831	7,37,622	-	-	93,71,453	59,22,395	14,61,395	-	-	73,83,790	19,87,663
Computers hardware	2,65,11,700	23,31,892	-	39,720	2,88,03,872	2,20,38,803	18,75,111	-	38,673	2,38,75,241	49,26,631
<b>Total (A)</b>	<b>75,17,72,762</b>	<b>16,60,06,217</b>	-	<b>39,720</b>	<b>91,77,39,259</b>	<b>20,05,80,886</b>	<b>17,78,64,038</b>	-	<b>38,673</b>	<b>37,94,06,251</b>	<b>53,93,33,008</b>
<b>Intangible Assets</b>											
Computers software	2,95,89,254	2,28,254	-	-	2,99,17,518	2,87,90,634	4,72,751	-	-	2,92,63,385	6,54,133
Trademark	67,000	-	-	-	67,000	67,000	-	-	-	67,000	-
<b>Total (B)</b>	<b>2,97,56,264</b>	<b>2,28,254</b>	-	-	<b>2,99,84,518</b>	<b>2,88,57,634</b>	<b>4,72,751</b>	-	-	<b>2,93,30,385</b>	<b>6,54,133</b>
<b>Total (A+B)</b>	<b>78,15,29,026</b>	<b>16,62,34,471</b>	-	<b>39,720</b>	<b>94,77,23,777</b>	<b>22,94,38,520</b>	<b>17,83,36,789</b>	-	<b>38,673</b>	<b>40,77,36,636</b>	<b>53,99,87,141</b>



(39,25,81,191)

**NOTE 10**

The breakup of deferred tax assets into major components at the year end :

(Amt in Rs)

Deferred Tax Asset	As At March 31, 2019	As At March 31, 2018
Deferred Tax Assets, arising on		
Excess of net block of fixed assets as per tax over net block as per books.	5,33,85,434	3,35,45,720
Provision for Leave encashment	97,91,145	39,18,867
Provision for Bad & Doubtful debts	6,66,43,291	5,42,43,049
Provision for Grauity	-	6,35,112
Provision for loss due to fraud	17,55,121	27,74,924
Provision for reward points	84,45,870	-
<b>Total</b>	<b>14,00,20,861</b>	<b>9,51,17,672</b>

**NOTE 11**

Long term Loans & Advances	As At March 31, 2019	As At March 31, 2018
<b>Loans &amp; advances to customer (Personal loan)</b>		
a) Unsecured, considered good	13,83,627	-
Less: Provision against the standard assets	(13,837)	-
	13,69,790	-
b) Unsecured, considered Doubtful	27,558	-
Less: Provision for doubtful debts	(27,558)	-
	-	-
<b>Total</b>	<b>13,69,790</b>	<b>-</b>

**NOTE 12**

Other non-Current Assets	As At March 31, 2019	As At March 31, 2018
<b>Unsecured, considered good , Unless otherwise specified</b>		
Security Deposit	51,82,800	3,25,000
Advance Tax (net of provision)	9,32,34,968	11,03,24,051
<b>Considered Doubtful</b>		
Related to Fraud cases	60,27,201	95,29,274
Less: Provision for fraud cases	(60,27,201)	(95,29,273)
<b>Total</b>	<b>9,84,17,768</b>	<b>11,06,49,052</b>

**NOTE 13**

Current Investments	As At March 31, 2019	As At March 31, 2018
(At cost or market price, whichever is lower)		
<b>Quoted:</b>		
Investment in Mutual fund		
Nil (PY 23371.6370) Baroda liquid fund plan B growth *	-	4,67,23,177
<b>Total</b>	<b>-</b>	<b>4,67,23,177</b>

\* Denotes investment with Baroda Asset Management India Limited, which is subsidiary of Bank of Baroda.

**NOTE 14**

Inventories	As At March 31, 2019	As At March 31, 2018
(At the lower of cost and net realisable value)		
Credit Card Stock	67,34,781	25,32,649
Debit Card Stock	40,71,384	58,14,273
<b>Total</b>	<b>1,08,06,165</b>	<b>83,46,922</b>



**NOTE 15**

Trade Receivables	As At March 31, 2019	As At March 31, 2018
(Unsecured, considered good , Unless otherwise specified)		
a) Trade receivable outstanding for a period exceeding six months *	21,77,81,093	5,44,00,000
b) Other Trade receivable *	41,99,72,027	31,89,52,029
<b>Total</b>	<b>63,77,53,120</b>	<b>37,33,52,029</b>

*the above includes receivable from Holding company i.e. Bank of Baroda	As At March 31, 2019	As At March 31, 2018
(Unsecured, considered good , Unless otherwise specified)		
a) Trade receivable outstanding for a period exceeding six months	16,94,90,895	-
b) other Trade receivable	34,28,21,266	22,26,02,719
<b>Total</b>	<b>51,23,12,161</b>	<b>22,26,02,719</b>

**NOTE 16**

Cash & Cash equivalents	As At March 31, 2019	As At March 31, 2018
Cash in Hand	10,000	10,000
Balances with Bank	26,06,34,560	30,57,00,305
<b>Total</b>	<b>26,06,44,560</b>	<b>30,57,10,305</b>

**NOTE 17**

Short term Loans & Advances	As At March 31, 2019	As At March 31, 2018
(Unsecured)		
Loans & advances to customer (Credit card)		
a) Considered good *	2,67,04,08,047	1,71,84,68,905
Less: Provision against the standard assets	(2,64,32,874)	(1,72,22,312)
	2,64,39,75,173	1,70,12,46,592
b) Considered Doubtful	25,81,05,101	21,08,25,691
Less: Provision for doubtful advances	(25,81,05,101)	(21,08,25,691)
	-	-
Loans & advances to customer (Personal Loan )		
Considered good	1,02,15,421	-
Less: Provision against the standard assets	(1,02,154)	-
	1,01,13,267	-
<b>Other Advances</b> (Considered good , Unless otherwise specified)		
Advance Others	42,000	4,000
Advance To Employees	29,03,502	6,14,615
Advance towards Gratuity fund	41,18,898	-
Advance to Vendor #	2,55,773	38,959
<b>Total</b>	<b>2,66,14,08,613</b>	<b>1,70,19,04,166</b>
* includes receivable from directors	6,26,076	4,93,878
# includes receivable from joint venture of holding company.	1,04,847	-
Above loan & advances have been given in the normal course of its business or business purpose.		

**NOTE 18**

Other Current assets	As At March 31, 2019	As At March 31, 2018
Interest Accrued but not due on Personal Loan	1,13,519	-
Unrecovered Merchant Payment	9,05,522	-
GST Input Tax Credit	3,23,52,739	2,00,82,132
Prepaid Expenses	69,93,761	6,16,733
Chargeback recoverable	2,58,18,048	2,08,83,381
Recoverable towards Settlement	11,88,86,069	13,12,38,013
Recoverable from Oil Marketing Company	2,70,37,137	-
<b>Total</b>	<b>21,21,06,795</b>	<b>17,28,20,257</b>



## NOTE 19

(Amt in Rs)

Revenue from operations	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Revenue from financial services</b>		
Service Charges From Merchants	65,99,94,584	65,15,39,429
POS Charges	27,88,02,157	39,42,71,461
MDR Subvention	17,39,08,216	10,41,18,365
Service Charges from Bank of Baroda	17,06,58,000	-
Service Charges From Oil Marketing Company	2,57,00,000	-
Merchant Enrollment Charges	2,13,275	38,47,149
Service Charges from Cardholders	62,61,77,461	42,54,57,095
Card Fees & Incidental charges from Cardholders	4,98,81,828	4,69,53,206
Currency Conversion Fees	1,07,64,083	1,07,84,728
Card Interchange Fees	14,54,84,415	12,81,34,094
Bad Debts Recovered	1,72,67,371	3,00,58,275
Revenue From Debit Card Operations	11,79,27,972	40,96,95,496
Interest on Personal Loan	10,30,306	-
Processing fees on Personal Loan	70,500	-
<b>Other operating revenues</b>		
Income from Consultancy service	4,72,27,245	2,20,41,936
Business Development incentive income	35,41,262	-
<b>Total</b>	<b>2,32,86,48,675</b>	<b>2,22,69,01,234</b>

## NOTE 20

Other Income	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on Fixed deposits	-	43,84,269
Income from mutual fund investments	26,57,104	20,11,410
Income from advertisement	7,575	44,73,035
Reversal from provision towards employee Gratuity expenses	4,81,113	-
Reversal of Provision for loss due to fraud	35,02,072	9,14,072
Liability no longer required written back	3,95,21,597	1,74,37,718
Profit on sale of fixed assets	-	3,953
Miscellaneous income	8,01,637	10,72,786
<b>Total</b>	<b>4,69,71,098</b>	<b>3,02,97,243</b>

## NOTE 21

Operating expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Interchange fees	74,53,26,470	68,59,62,046
EDC Processing Charges	15,85,64,654	22,64,46,152
GPRS Connectivity Charges (POS)	2,30,19,655	7,12,70,358
Scheme charges	12,61,21,581	13,66,93,168
Card Verification Charges	6,41,07,959	29,14,615
Consumption of Credit Card Plastic	43,80,339	8,23,611
Card embossing charges	16,53,306	2,08,120
Bonus Point expenses	1,99,54,036	66,78,837
Recovery Agent Charges	4,53,52,822	3,01,83,503
Data Processing Charges	3,09,636	13,11,304
Consumption of Debit Card Plastic	2,28,18,753	8,45,30,258
Debitcard Operation expenses	3,29,04,352	17,12,32,053
<b>Total</b>	<b>1,24,45,13,563</b>	<b>1,41,82,54,025</b>

## NOTE 22

Employee Benefit Expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, bonus & allowances	32,45,60,539	14,70,54,542
Contribution to Provident and other funds	1,58,12,020	85,49,330
Staff Welfare Expenses	15,00,047	12,69,685
<b>Total</b>	<b>34,18,72,606</b>	<b>15,68,73,557</b>

## NOTE 23

Finance Expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on Short term borrowings	3,01,31,917	1,52,74,113
<b>Total</b>	<b>3,01,31,917</b>	<b>1,52,74,113</b>



**NOTE 24**

Other expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Wages & Salaries to Substaff -Contractor	18,46,68,069	2,05,67,488
Business Promotion expenses	8,01,43,169	52,19,431
Postage & Courier	2,50,01,871	1,20,11,615
Software/ I.T. Expenses	2,22,86,959	1,00,01,246
Travelling Expenses	2,08,28,066	57,91,577
Rent	2,03,46,988	2,27,34,954
Legal and Professional	1,80,72,918	2,25,17,257
Printing & Stationery	1,18,36,786	56,22,803
Bank Charges	95,57,945	54,44,532
Fixed Asset Written Off	27,66,611	-
Repairs & Maintenance	86,75,473	77,38,458
Communication Expenses	50,26,220	48,08,078
Insurance Expenses	87,59,585	46,18,594
Electricity Expenses	48,47,948	42,54,287
Advertisement Expenses	28,58,076	16,26,745
Other Administrative Expenses	25,31,470	15,24,154
Foreign Exchange Fluctuation Loss	9,17,556	17,96,589
Rate& Taxes	7,04,505	1,69,05,651
<b>Auditor's Remuneration</b>		
Audit Fee	3,65,000	3,65,000
Tax Audit Fee	1,65,000	1,65,000
Certification Fees	70,000	95,000
Miscellaneous Expenses	8,041	7,22,420
Director's sitting fees	2,87,000	2,75,000
Loss on sale of fixed assets	44,520	-
Losses due to frauds	-	2,17,083
<b>Total</b>	<b>43,07,69,776</b>	<b>15,50,22,961</b>

**NOTE 25****Bad debts written off / Provision for Doubtful Debts / Balance written off**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Bad Debts Written Off	1,43,73,011	2,77,08,500
Provision for Standard assets	93,26,553	(14,19,849)
Provision for doubtful assets	4,73,06,968	7,91,08,036
Balances written off	64,06,580	1,00,58,419
<b>Total</b>	<b>7,74,13,112</b>	<b>11,54,55,107</b>

**NOTE 26****Corporate social responsibility(CSR) expenses:-**

- a. Gross amount required to be spent by the Company during the year 2018-19 - Rs. 64,86,000/- (Previous year - Rs. 84,82,000/-)  
b. Amount spent / utilised during the year on:

Particulars	2018-19		2017-18	
	In cash*	Yet to be paid in cash	In cash*	Yet to be paid in cash
i Construction/Acquisition of any assets	Nil	Nil	Nil	Nil
ii Purposes other than (i) above	1,68,33,191	Nil	81,34,809	1,03,47,191

- c. Related party transactions in relation to Corporate Social Responsibility : N.A.

- d. Provision movement during the year

Particulars	2018-19	2017-18
Opening provision	1,03,47,191	1,00,00,000
Addition during the year	64,86,000	84,82,000
Utilised during the year*	(1,68,33,191)	(81,34,809)
Closing provision	-	1,03,47,191

\* Represents actual outflow during the year.

**NOTE 27****Earning Per Share**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Basic & Diluted		
Net profit for the year	4,05,95,286	15,41,34,464
Weighted average number of share	17,50,00,000	17,50,00,000
Basic & Diluted earning per share (Face value of Rs. 10 each)	0.23	0.88



## 28 Contingent Liabilities and Capital Commitments

### a) Contingent Liabilities to the extent not provided for:

i) Claims filed against the Company in consumer courts but not acknowledged as Debts Rs. 87,89,753.82/- in 21 cases [Previous year Rs.1,01,71,048/- in 20 cases]

ii) Income Tax Demands - Disputed

(Amt. in Rs.)

Particulars	As At 31.03.2019	As At 31.03.2018
Income Tax Matter*	6,03,34,580	6,01,68,510

\* The company has preferred an appeal to ITAT by depositing tax of Rs.3,23,10,617/- & balance by adjustment of earlier years pending income tax refund of Rs. 2,78,57,893/-. In view of the nature of expenses and various judicial authorities favoring the Company's view, the Company does not foresee any liability in this regard.

iii) Bonus Points: As on 31st March, 2019, the total number of bonus points not credited to eligible staff under Reward & Recognition program for sourcing credit card due to not holding credit card is 2,24,84,779, each point is valued at Rs. 0.25/- (Previous year Rs. Nil)

b) Estimate amount of contracts remaining to be executed on capital account as on 31st March 2019 Rs. 1,52,06,135/-(Previous year Rs. 2,45,72,698/-)

## 29 Activities in foreign currency

(Amt. in Rs.)

Particulars	As At 31.03.2019	As At 31.03.2018
<b>Income in Foreign currency</b>		
Income from Debit card international operation, Currency conversion charges, Business Development incentive income	1,49,82,788	4,69,99,929
<b>Total</b>	<b>1,49,82,788</b>	<b>4,69,99,929</b>
<b>Expenditure in foreign currency</b>		
Scheme charges	12,61,21,581	13,66,93,168
<b>Total</b>	<b>12,61,21,581</b>	<b>13,66,93,168</b>

## 30 Employee benefits:-

### Defined Contribution Plan:

a) The Company has recognised a charge of Rs. 1,56,14,117/- (Previous year Rs. 80,58,194) for provident fund in the Statement of Profit and Loss.

### b) Defined Benefit Plans:

(Amt. in Rs.)

	2018-19	2017-18
<b>Disclosures for defined benefit plans based on actuarial reports as on March 31, 2019</b>	<b>Gratuity</b>	
<b>A. Change in Defined Benefit Obligation</b>		
Present Value of Defined Benefit Obligation as at the beginning of the year	2,19,62,827	2,01,69,553
Interest Cost	16,31,279	13,97,872
Current & Past Service Cost	30,87,467	33,73,812
Benefits Paid	(2,85,002)	-
Actuarial (gains)/loss	(26,88,001)	(29,78,410)
Present Value of Defined Benefit Obligation as at the end of the year	2,37,08,570	2,19,62,827
<b>B. Changes in Fair Value of Assets</b>		
Fair Value of Plan Asset as at beginning of the year	1,96,98,356	1,51,39,157
Adjustment to the Opening Fund		
Expected return on Plan Assets	15,76,503	11,08,208
Contributions by the employer	58,18,801	33,40,516
Benefits Paid	(2,85,002)	-
Actuarial gain/(loss)	10,18,810	1,10,475
Fair Value of Plan Asset as at end of the year	2,78,27,468	1,96,98,356
<b>C. Amount recognized in the Balance Sheet</b>		
Present value of defined benefit obligation as at end of the year	2,37,08,570	2,19,62,827
Fair Value of Plan Assets at the end of the year	2,78,27,468	1,96,98,356
Unrecognised Past Service Cost	-	(83,455)
Net Asset / (Liability) recognized in Balance Sheet	(41,18,898)	21,81,016
<b>D. Expenses recognized in Profit and Loss Account</b>		
Adjustment to the Opening Fund		
Current & Past Service Cost	31,70,922	32,90,357
Interest Cost	16,31,279	13,97,872
Expected return on planned Assets	(15,76,503)	(11,08,208)
Actuarial Losses / (Gains)	(37,06,811)	(30,88,885)
Total Expenses/(Income) recognized in Profit and Loss Account Included in Salaries, Bonus & allowances	(4,81,113)	4,91,136
Discount Rate (per annum)	7.75%	7.60%
Salary Escalation	9% for next 3 years & 6% thereafter	9% for next 4 years & 6% thereafter
Withdrawal Rate	15% at younger ages reducing to 1% at older ages	15% at younger ages reducing to 1% at older ages
<b>Experience Adjustments:</b>		
Experience Adjustments on Plan Liability (Gain)/Loss	(13,55,565)	(20,73,425)
Actuarial Loss / (gain) due to change in financial assumption	(4,40,319)	(9,04,985)

	2018-19	2017-18
<b>Disclosures for defined benefit plans based on actuarial reports as on March 31, 2019</b>	<b>Gratuity</b>	
<b>E. Principal Actuarial Assumptions used:</b>		
Actuarial Loss / (gain) due to change in demographic assumption	(8,92,117)	-
Experience Adjustments on Plan Assets (Gain)/Loss	(10,18,810)	(1,10,475)
Net actuarial Losses / (Gains) for the year	(37,06,811)	(30,88,885)

- c) Provision towards liability for Leave Encashment is made on the basis of actuarial valuation as per Accounting Standard 15 (Revised). Actuarial value liability is Rs.3,36,23,438/ (previous year Rs.1,34,57,648/) based upon following assumptions. The Company provides benefits to its employees under the Leave Encashment Pay Plan, which is other long term employee benefits, covered under the AS -15. The Company obtained actuarial valuation for liabilities of leave encashment benefits payable to Employees.

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Discount Rate(% P.A)	7.75%	7.60%
Eligible Salary Increase (% p.a.)	9% for 4 years and 6% thereafter	9% for 4 years and 6% thereafter
Withdrawal Rates	15% at younger ages reducing to 1% at older ages	15% at younger ages reducing to 1% at older ages

- 31 Current Assets, Loans and Advances, Trade Payables, Trade Receivables, other/non current liabilities and other/non current assets are subject to third party confirmations.

**32 Related Party Disclosures:**

- (I) As per Accounting Standard 18, as notified by the rules the disclosures of related parties and transactions during the year as deemed in are given below:

(A) Holding Company	Bank of Baroda
(B) Other Group Companies	Baroda Asset Management India Limited IndiaFirst Life Insurance Company Limited (Joint venture of holding company)
	Bank of Baroda (New Zealand) Limited Bank of Baroda (Botswana) Limited
(C) Key Managerial Personnel	Shri P.S.Jayakumar (Chairman) Shri Vikramaditya S Khichi (Executive Director) Shri O.K.Kaul (Non-executive Director) Shri Navtej Singh (Non-executive Director) Shri Rajneesh Sharma (Non-executive Director) Ms. Archana Pandey (Non-executive Director) Shri Atul Malik (Independent Director) Shri Sharad Sarin (Independent Director) Shri Manoj Piplani (Managing Director & CEO) (upto 31st August 2018) Shri Manish Shah (Managing Director & CEO) (Wef 03rd September 2018) Ms.Pooja Karnani (Chief Financial Officer ) Shri Vipul Barot (Company Secretary)

- (II) **Detail of transaction with related party**  
**Current Year**

(Amt. in Rs.)

Nature of transaction	Holding Company	Other Group Companies	Key Managerial Persons
<b>Revenues</b>			
Subvention income	13,16,58,961	-	-
Service Charges from Bank of Baroda	17,06,58,000	-	-
Debit Card Operations	13,12,10,302	-	-
Debit Card Operations (Debit - net of revenue)	-	(1,32,82,330)	-
Income from Mutual Fund	26,57,104	-	-
Advertisement Income	7,575	-	-
Income from Consultancy services	4,72,27,245	-	-
POS Charges From BOB	3,59,13,943	-	-
<b>Expenses</b>			
Rent	1,55,90,687	-	-
Interest on Short term borrowings	3,01,31,917	-	-
Bank Charges	95,05,824	-	-
IndiaFirst Life Insurance Company Limited (Insurance premium credit card )	-	5,51,418	-
Sundry Balances written off	54,18,156	-	-
Payments to Directors			
-Employee Benefit Expenses	-	-	1,78,79,659
-Sitting Fee	-	-	2,87,000
Payments to Other Key Managerial Persons			
-Remuneration	-	-	60,80,519
<b>Trade Receivables</b>			
Bank of Baroda	51,23,12,161	48,70,220	-
<b>Short Term Loan &amp; Advances</b>			
Card Receivables	-	-	626076
<b>Other Short Term Loans &amp; Advances</b>			
IndiaFirst Life Insurance Company Limited (Insurance premium )	1,04,847	-	-



**Previous Year**

Nature of transaction	Holding Company	Other Group Companies	Key Managerial Persons
<b>Revenues</b>			
Subvention income	9,22,18,365	-	-
Debit Card Operations	38,50,61,321	2,46,34,175	-
Interest on Fixed deposits	43,84,269	-	-
Income from Mutual Fund	20,11,410	-	-
Advertisement Income	44,73,035	-	-
Income from Consultancy services	2,20,41,936	-	-
<b>Expenses</b>			
Rent	2,23,34,255	-	-
Interest on Short term borrowings	1,52,74,113	-	-
Bank Charges	53,45,567	-	-
Payments to Directors			
-Employee Benefit Expenses	-	-	1,38,14,359
-Sitting Fee	-	-	2,75,000
Payments to Other Key Managerial Persons			
-Remuneration	-	-	45,99,901
<b>Trade Receivables</b>			
Bank of Baroda	22,26,02,719	2,40,07,800.00	-
<b>Short Term Loan &amp; Advances</b>			
Card Receivables	-	-	4,93,878
<b>Investments - Short Term</b>			
Baroda Asset Management India Limited	-	4,67,23,177	-

- 33 The company has taken office and godown premises under operating lease & leave and license agreements. These are generally cancellable and period range between 11 months and 5 years under leave and license and are renewable by mutual consent on mutually agreeable terms.
- 34 Suppliers/service providers covered under Micro, Small, Medium Enterprises Development Act, 2006 has been determined on the basis of intimation received from the vendor.

Particulars	As at March 31,2019	As at March 31,2018
a) Trade Payables include :		
i) total outstanding dues of micro ,small and medium enterprises	8,29,918	1,475
ii) total outstanding dues of creditors other than micro , small and medium enterprises	6,70,28,952	7,10,42,048
b) Other Liabilities include :		
i) total outstanding dues of micro ,small and medium enterprises	Nil	Nil
ii) total outstanding dues of creditors other than micro , small and medium enterprises	65,71,19,076	48,63,04,980
c) Principal and interest amount remaining unpaid	Nil	Nil
d) Interest due thereon remaining unpaid	Nil	Nil
e) 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
f) 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
g) Interest accrued and remaining unpaid	Nil	Nil
h) 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.		



### 35 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. In respect of liability for points not credited to card holders on non-holding of credit card is considered as contingent liability.

Hitherto no provision was made for the Liability in respect of the un-redeemed reward points. Due to this change in accounting policy, the Short Term Provisions are higher by Rs. 2,90,03,676/- and Loss for the Year is higher by Rs. 2,90,03,676/- with corresponding impact on the Reserves and Surplus as at 31st March 2019.

Movement of provision for rewards points expenses.

Particulars	As At 31.03.2019	As At 31.03.2018
Provision at the beginning of the year	-	-
Add: Addition made during the year	5,05,68,788	-
Less: - Amount used during the year	2,15,65,112	-
Less: - Unused amounts reversed during the year	-	-
Amount at the end of the year	2,90,03,676	-

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

37 The Accounts of the company is been prepared on going concern basis. The Board of Directors are of the Opinion that the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount stated in the Balance Sheet and provision for all known liabilities are adequate and are not in excess of the amount considered reasonable necessary.

38 The company had started a Software Project during earlier years and the cost incurred were carried forward as Intangible Assets under development. During the year under review it was decided to discontinue the project and write off the costs incurred.

The debit of Rs. 1,18,71,615/- to Profit & Loss account for the current year, as an Exceptional Item is in respect of the amount written off as above.

39 Schedule of Balance sheet of Non-systemically Non-deposit taking Non-Banking Financial Company as required in terms of Paragraph 13 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

Sr. NO.	Particulars	As at 31st March 2019		As at 31st March 2018	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	<b>Liabilities side</b>				
	<b>Loans and Advances availed by the NBFC's inclusive of interest accrued thereon but not paid.</b>				
	a) Debenture: Secured	Nil	Nil	Nil	Nil
	Unsecured	Nil	Nil	Nil	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) Other loans				
	-Cash Credit facility	99,51,93,642	Nil	13,93,47,871	Nil
	<b>Assets side</b>				
	<b>Break-up of Loans &amp; Advances including bills receivables (other than those included in (4) below:</b>				
2	a) Secured			Nil	Nil
	b) Unsecured			2,65,54,58,230	1,70,12,46,592



Particulars	As at 31st March 2019		As at 31st March 2018	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
<b>Break-up of Leased Assets &amp; Stock on Hire and other rassets counting towards AFC activities</b>				
a) Lease assets including lease rentals under sundry debtors:				
i) Finance Lease	Nil	Nil	Nil	Nil
ii) Operating Lease	Nil	Nil	Nil	Nil
b) Stock on hire including hire charges under sundry debtors:				
i) Assets on hire	Nil	Nil	Nil	Nil
ii) Repossessed Assets	Nil	Nil	Nil	Nil
c) Other loans counting towards AFC activities				
i) Loans where assets have been repossessed	Nil	Nil	Nil	Nil
ii) Loans other than (a) above	Nil	Nil	Nil	Nil
<b>Break-up of Investments</b>			<b>31st March 2019</b>	<b>31st March 2018</b>
<b>Current Investment</b>				
Quoted				
i) Shares : Equity			Nil	Nil
: Preference			Nil	Nil
ii) Debentures and bonds			Nil	Nil
iii) Unit of mutual funds			Nil	4,67,23,177
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
<b>Long Term Investment</b>				
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
<b>Borrower group-wise classification of assets financed as in (2) and (3) above:</b>				
<b>Category</b>	<b>As at 31st March 2019</b>		<b>As at 31st March 2018</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
1) Related parties				
i) Subsidiaries	Nil	Nil	Nil	Nil
ii) Companies in the same group	Nil	Nil	Nil	Nil
iii) Other related party	Nil	Nil	Nil	Nil
2) Other than related parties	Nil	Nil	Nil	Nil



Investor group-wise classification of all investments (current and long term) in share and securities (both quoted and unquoted)					
6	Category	As at 31st March 2019		As at 31st March 2018	
		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)
	1) Related parties				
	i) Subsidiaries	Nil	Nil	Nil	Nil
	ii) Companies in the same group	Nil	Nil	4,67,23,177	4,67,23,177
	iii) Other related party	Nil	Nil	Nil	Nil
	2) Other than related parties	Nil	Nil	Nil	Nil

Other Information					
7	Particulars	31st March 2019		31st March 2018	
	Gross Non-performing Assets				
	i) Related Parties	Nil	Nil	Nil	Nil
	ii) Other than related parties	25,81,32,659		21,08,25,691	
	Net Non-performing Assets (net of provision made)				
	i) Related Parties	Nil	Nil	Nil	Nil
	ii) Other than related parties	Nil	Nil	Nil	Nil
	Assets acquired on satisfaction of Debt	Nil	Nil	Nil	Nil



**40 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 Accounting Standard- AS-17-'Segment Reporting'.The details are stated below:

Business Segment	Merchant (acquiring)		Credit Card (issuing)		Debit Card		Other		Total	
	F.Y. 2018-19	F.Y. 2017-18	F.Y. 2018-19	F.Y. 2017-18	F.Y. 2018-19	F.Y. 2017-18	F.Y. 2018-19	F.Y. 2017-18	F.Y. 2018-19	F.Y. 2017-18
	Amt. in Lacs									
Revenue	13,461.29	11,690.69	8,618.94	6,531.49	1,192.69	4,129.33	483.28	220.42	23,756.20	22,569.77
Result	228.57	(2,034.66)	(156.40)	2,786.95	477.61	1,322.67	55.58	20.03	605.35	2,094.99
Unallocated Expense										
Operating Profit	228.57	(2,034.66)	(156.40)	2,786.95	477.61	1,322.67	55.58	20.03	605.35	2,094.99
Interest Income + PPI										
Profit/(Loss) before tax	228.57	(2,034.66)	(156.40)	2,786.95	477.61	1,322.67	55.58	20.03	605.35	2,094.99
Income Taxes									199.40	553.65
Extra-ordinary Profit/Loss										
<b>Net Profit</b>									<b>405.95</b>	<b>1,541.34</b>
Other Information										
Segment Assets	7,238.19	9,571.82	27,016.84	17,247.00	4,914.38	9,530.87	51.95	-	39,221.36	36,349.69
Unallocated Assets									4,939.00	3,524.33
<b>Total Assets</b>									<b>44,160.36</b>	<b>39,874.02</b>
Segment Liabilities	6,497.39	5,650.03	2,825.49	1,352.58	119.59	191.59	-	-	9,442.47	7,194.20
Unallocated Liabilities									34,717.89	32,679.82
<b>Total Liabilities</b>									<b>44,160.36</b>	<b>39,874.02</b>
Capital Expenditure	68.01	1,635.27	208.29	21.96	3.25	5.12	-	-	279.55	1,662.34
Unallocated										
Depreciation/Amortisation	1,668.69	1,740.49	43.10	34.77	1.50	8.11	6.98	-	1,720.26	1,783.37
Unallocated										
Non cash expenses other than depreciation	(0.08)	-	0.50	-	0.02	-	-	-	0.45	-
Unallocated										

Significant Accounting Policies

1

The Accompanying Notes to Financial Statements form an integral part of the financial statements.

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As per our report of even date attached.  
For ASL & Co.  
Chartered Accountants  
[Firm Registration No. 101921W]

For and on behalf of the Board of Directors  
BOB Financial Solutions Limited

*Kadil K. Joshi*  
[Kadil K. Joshi]  
Partner  
Membership No. 137334

*P.S. Jayakumar*  
P.S. Jayakumar  
Chairman  
(DIN:01173236)

*Vikramaditya S Khichi*  
Vikramaditya S Khichi  
Director  
(DIN:08317894)

*Manish Sifan*  
Manish Sifan  
Managing Director  
(DIN:06422627)

*Pooja Kulkarni*  
Pooja Kulkarni  
Chief Financial Officer  
(PAN:AHEPB7049P)

*Vipul Barot*  
Vipul Barot  
Company Secretary  
(PAN:AFDPP3972Q)

Place: Mumbai  
Date: 16.05.2019

Place: Mumbai  
Date: 16.05.2019



