

Dated

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
PNB CARDS & SERVICES LIMITED
REPORT ON THE FINANCIAL STATEMENTS**

Opinion

We have audited the accompanying financial statements of **PNB CARDS & SERVICES LIMITED (the Company)**, which comprise the Balance Sheet as at March 31, 2025 and the Statement of Profit and Loss for the year then ended, statement of cash flows, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Companies Accounting Standard prescribed under section 133 of the Act read with the Companies (Accounts) Rules, 2014 as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit, its cash flows for the year ended on that date.

Basis of 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 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 Companies Act, 2013 and the Rule there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Board's report, but does not include the financial statements and our auditor's report thereon.

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.



If, based on the work we have performed prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and 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 of the Company including cash flows in accordance with 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 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 statement 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.

That Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility 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.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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.

Report on Other Legal and Regulatory Requirements

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, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by 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 cash flow statement dealt with by this Report are in agreement with the books of account;



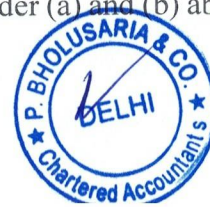
(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 and the operating effectiveness of such controls, refer to “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

(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 does not have any pending litigations as at 31st March, 2025 which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2025
- 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 its 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 or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company to or in any other person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the 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 have 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 misstatement.



- v. No dividend has been declared/ paid by the Company during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the year ended 31st March, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

The report on directions and sub-directions indicating the areas to be examined by the statutory auditors during the course of audit of annual accounts of PNB CARDS & SERVICES LIMITED for the year 2024-2025, issued by the office of the Comptroller and Auditor General of India under the provisions of section 143(5) of the Companies Act, 2013 is attached as "Annexure C".

For P. BHOLUSARIA & CO.
Chartered Accountants
FRN.: 000468N



PLACE: DELHI

DATED: 2-5-2025

UDIN: 250806918MOUAP1105


(PAWAN BHOLUSARIA)
PARTNER
(M.No. 080691)

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in Independent Auditor's Report to the members of **PNB CARDS & SERVICES LIMITED** (the company) on the financial statements for the year ended on 31st March, 2025, We Report that:

1. a. A) As explained to us, the Company has maintained proper records showing full particulars including quantitative details and situation of property, plant & Equipment on the basis of available information;

B) As explained to us, the Company has maintained proper records showing full particulars of Intangible Assets on the basis of available information.
- b. As explained to us, the management during the year has physically verified the Property, Plant and Equipment once in a year, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. According to the information and explanations given to us, the company do not have any immovable property at any time during the year.
- d. The Company has not revalued any of its Property, Plant and Equipment during the year.
- e. There are no proceedings initiated or are pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2. a. The company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- b. The company has not been sanctioned working capital limit in excess of Rs. Five crores in aggregate, at any point of time during the year, from scheduled banks on the basis of security of current assets and hence, reporting under clause 3(ii)(b) of the Order is not applicable.
3. As explained to us, the Company has neither made any investments, nor provided any guarantee or security, nor granted any loans and advances in the nature of loans, secured or unsecured to corporate, firms, Limited Liability Partnership. Hence the reporting requirement of para 3(iii) of the order is not applicable to the company.
4. According to the information and explanations given to us and on the basis of our examination of the records, the Company has neither given any loans, nor provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013. Hence the reporting requirement of para 3(iv) of the order is not applicable to the company.
5. The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.



6. According to the information and explanation given to us, the requirement for maintenance of Cost Records under section 148(1) of the Act is not applicable to the company.
- 7.a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services tax, Customs Duty, Excise Duty, Cess and other statutory dues to the extent and as applicable to the company have been generally regularly deposited by the company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2025 for a year of more than six months from the date of becoming payable.
- b. There are no dues in respect of income tax, goods and services tax, duty of customs that have not been deposited with the appropriate authorities on account of any dispute.
8. 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). Hence, the para 3(viii) of the order is not applicable to the Company.
9. a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon. Accordingly, the reporting requirement under paragraph 3(ix)(a) of the Order is not applicable.
- 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 taken any long-term loans and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) On the basis of books and records examined by us, the Company does not have any subsidiary, associate or joint venture. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.
- f) On the basis of books and records examined by us and as explained to us, the Company has not raised loans during the year on the pledge of securities held in any subsidiary, associate or joint venture. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.
10. a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Hence, the para 3(x)(a) of the order is not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or convertible debentures (fully, partly or optionally convertible) during the year. Accordingly, provisions of clause 3(x)(b) of the Order are not applicable to the Company.



11. a) In our opinion and according to the information and explanation given to us, no fraud by the company or on the Company has been noticed or reported during the course of our audit.
- b) During the year no report under sub-section 12 of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) No whistle blower complaints were received by the Company during the year. Hence, the reporting para 3(xi)(c) of the order is not applicable to the Company.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.
14. The company does not require to have an internal audit system commensurate with the size and nature of its business. However, in our opinion, it should be introduced for better internal/financial controls.
15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the order is not applicable.
16. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Hence reporting under clause 3(xvi)(a) to clause 3(xvi)(c) of the order is not applicable. In our opinion there is no Core Investment Company (CIC) within the group (as defined in the regulations made by the Reserve Bank of India) and accordingly, clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditor during the year. Hence, the reporting para 3(xviii) of the order is not applicable to the Company.
19. On the basis of financial ratios disclosed in Notes to accounts to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of 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 year 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 to the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a year of one year from the balance sheet date, will get discharged by the Company and when they fall due.



20. In our opinion and according to the information and explanations given to us, the provisions of sub-section (5) of Section 135 of the Companies Act, 2013 are not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For P. BHOLUSARIA & CO.
Chartered Accountants
FRN.: 000468N




(PAWAN BHOLUSARIA)
PARTNER
(M.No. 080691)

PLACE: DELHI

DATED: 2-5-2025

UDIN: 25080691BM0UAP1105

ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of **PNB CARDS & SERVICES LIMITED** on the accounts for the year ended 31st March, 2025.

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 **PNB Cards & Services Limited** ("the Company") as of 31st March, 2025 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 and the 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2025, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

PLACE: DELHI

DATED: 2-5-2025

UDIN: 250806918MOUAP1105



For P. BHOLUSARIA & CO.
Chartered Accountants
FRN.: 000468N


(PAWAN BHOLUSARIA)
PARTNER
(M.No. 080691)

ANNEXURE 'C' TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF PNB CARDS & SERVICES LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025.

The report on directions and sub-directions issued by the Comptroller and Auditor General of India under the provisions of section 143(5) of the Companies Act, 2013 indicating the areas to be examined by the statutory auditors during the course of audit of annual accounts of PNB CARDS & SERVICES LIMITED for the year 2024-2025.

<u>S. No.</u>	<u>Description</u>	<u>Auditor's observations</u>
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implication of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implication, if any, may be stated.	The company do not have a system in place to process all the accounting transaction through IT system. As per the information and explanation given to us and based on the verification of books of accounts in accounting software (tally prime) and all the transactions are entered in the 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. Whether such cases are properly accounted for?	As per the information and explanation given to us and based on the verification of books of accounts, the Company has not taken any loan from any lender (including Government Company). So, this point is not applicable.
3.	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation. In addition, the auditor is required to comply with any additional company/sector specific directions issued under section 143(5) of the Companies Act, 2013 by the field office entrusted with the supplementary audit of the company.	As per the information and explanation given to us and based on the verification of books of accounts, it is found that the company has not received/receivable any grant/subsidy for any schemes from Central/State government or its agencies.
4.	Whether security controls for digital payment products and services are in compliance with the directions of RBI for digital payment security control dated 18.02.2021.	<ul style="list-style-type: none"> The provisions of these directions shall apply to the following Regulated Entities (REs): a) Scheduled Commercial Banks (excluding Regional Rural Banks); b) Small Finance Banks; c) Payments Banks; and




		<p>d) Credit card issuing NBFCs.</p> <ul style="list-style-type: none"> Since PNB Cards & Services Limited is not financial company and not having any banking license or NBFC registration, hence the direction is not applicable to PNB Cards & Services Limited.
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For P. BHOLUSARIA & CO.
Chartered Accountants
FRN.: 000468N



PLACE: DELHI
DATED: 2-5-2025
UDIN: 450806918MOUAP1105


(PAWAN BHOLUSARIA)
PARTNER
(M.No. 080691)

PNB CARDS & SERVICES LIMITED

CIN: U74999DL2021PLC378579

Reg. Office: Plot No.4, Sector-10 Dwarka, New Delhi-110075

Corp. Office: 6th Floor, 7 Bhikaji Cama Place, Munirka, New Delhi-110067

Balance Sheet as at 31st March, 2025

Figures Rs. in thousands

Particulars	Note No.	As at 31.03.2025	As at 31.03.2024
I EQUITY AND LIABILITIES			
1) Shareholder's Funds			
a) Share Capital	3	1,50,000.00	1,50,000.00
b) Reserves and Surplus	4	72,767.38	35,987.14
		2,22,767.38	1,85,987.14
2) Non Current Liabilities			
a) Long Term Borrowings	5	-	-
b) Deferred Tax Liabilities (Net)	6	-	-
c) Other Long Term Liabilities	7	-	-
d) Long Term Provisions	8	3,435.53	301.35
		3,435.53	301.35
3) Current Liabilities			
a) Short Term Borrowings	9	-	-
a) Trade Payables	10		
A) total outstanding dues of micro enterprises and small enterprise and		653.76	6.36
B) total outstanding dues of creditors other than micro enterprises and small enterprise		47,580.36	1,789.94
b) Other Current Liabilities	11	4,570.07	30,281.50
c) Short Term Provisions	12	13,451.30	8,650.70
		66,255.49	40,728.50
Total		2,92,458.40	2,27,016.99
II ASSETS			
1) Non Current Assets			
a) Property Plant and Equipment and Intangible Assets	13		
i) Property, Plant and Equipment		3,461.35	3,725.34
ii) Intangible Assets		581.00	61.03
iii) Capital Work in Progress		-	659.00
b) Deferred Tax Asset (Net)	14	937.74	240.91
c) Long Term Loans and Advances	15	44.74	-
d) Other Non-Current Assets	16	451.00	602.00
		5,475.83	5,288.28
2) Current Assets			
a) Trade Receivables	17	56,883.91	44,112.82
b) Cash and Bank Balances	18	2,13,906.68	1,70,011.45
c) Short Term Loans and Advances	19	16,191.98	7,604.44
d) Other Current Assets	20	-	-
		2,86,982.57	2,21,728.71
Total		2,92,458.40	2,27,016.99

Significant Accounting Policies
Other Notes

2
30-45

Sachin Ludhiyani
Chief Financial Officer

Neha Aggarwal
Company Secretary

Taufique Alam
Managing Director & CEO
DIN : 09509383

Kalyan Kumar
Non Executive Chairman
DIN : 09631251

As per our report of even date attached
For P. Bholusaria & Co.
Chartered Accountants
FRN: 000468N

Pawan Bholusaria
Partner
Membership No: 080691
Place: New Delhi
Date: 02-05-2025
UDIN: 250806918MOUAP1105



PNB CARDS & SERVICES LIMITED

CIN: U74999DL2021PLC378579

Reg. Office: Plot No.4, Sector-10 Dwarka, New Delhi-110075

Corp. Office: 6th Floor, 7 Bhikaji Cama Place, Munirka, New Delhi-110067

Statement of Profit and Loss for the year Ended 31st March, 2025

Figures Rs. in thousands

Particulars	Note No.	From 01/04/2024 to 31/03/2025	From 01/04/2023 to 31/03/2024
I. Revenue from Operations	21	4,15,963.77	2,13,808.99
II. Other Income	22	11,475.79	9,421.92
III. Total Income		4,27,439.56	2,23,230.92
IV. Expenses			
Employee Benefits Expense	23	1,20,249.15	67,609.42
Finance Cost	24	-	-
Depreciation and Amortization Expense	13	1,306.26	978.99
Remuneration and Incentive to Outsourced Staff	25	1,79,594.92	99,337.18
Commission Expenses	26	37,390.67	2,027.51
Other Expenses	27	39,335.75	24,527.97
Total Expenses		3,77,876.75	1,94,481.07
V. Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		49,562.81	28,749.85
VI. Exceptional Items	28	-	1,916.54
VII. Profit Before Extraordinary items and tax (V-VI)		49,562.81	30,666.39
VIII. Extraordinary items		-	-
IX. Profit Before Tax (VII-VIII)		49,562.81	30,666.39
X. Tax Expense:			
i) Current Tax		13,210.00	7,896.58
ii) Deferred Tax		-696.85	90.72
iii) Tax adjustment of earlier years		269.42	107.78
XI. Profit for the year from continuing operations (VII-VIII)		36,780.24	22,571.30
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of Discontinuing operation		-	-
XIV. Profit/(Loss) from discontinuing operations (after Tax) (XII-XIII)		-	-
XV. Profit for the year (XI+XIV)		36,780.24	22,571.30
XVI. Earning per Equity Share:	29		
1) Basic		2.45	1.50
2) Diluted		2.45	1.50

Significant Accounting Policies

Other Notes

2
30-45



Sachin Ludhiyani
 Chief Financial Officer


Neha Aggarwal
 Company Secretary


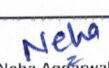
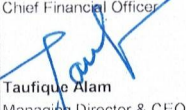





Taufique Alam
 Managing Director & CEO
 DIN : 09509383


Kalyan Kumar
 Non Executive Chairman
 DIN : 09631251

As per our report of even date attached
 For P. Bholusaria & Co.
 Chartered Accountants
 FRN: 000468N


Pawan Bholusaria
 Partner
 Membership No: 080691
 Place: New Delhi
 Date: 02-05-2025
 UDIN: 250806913MOVAP105



PNB CARDS & SERVICES LIMITED CIN: U74999DL2021PLC378579 Reg. Office: Plot No.4, Dwarka Sector-10, New Delhi-110075 Corp. Office: 6th Floor, 7 Bhikaji Cama Place, New Delhi-110067 Cash Flow Statement for the year ended 31st March, 2025		
Particulars	Year Ended	
	March 31, 2025	March 31, 2024
A. Cash Flow from Operating Activities		
Net Profit/(Loss) after Tax	36,780.24	22,571.30
Provision for Tax	12,782.57	8,095.08
(I) Net Profit/(Loss) before Tax	49,562.81	30,666.39
(II) Adjustments for:		
Interest Income	-11,475.79	-9,421.92
Depreciation	1,306.26	978.99
Provision for expenses	2,421.51	23,078.08
Provision for employee benefit	3,360.04	15.44
Sub Total	-4,387.98	14,650.59
Operating Profit/(Loss) before Working Capital Changes (I+II)	45,174.83	45,316.98
(III) Adjustment for net change in Working Capital		
Decrease/(Increase) in Current Asset	-7,442.52	-43,888.90
Increase/(Decrease) in Current Liability	6,535.44	4,625.58
Decrease/(Increase) in Non Current Assets	765.26	-951.28
Increase/(Decrease) in Non Current Liability	3,134.19	926.14
	2,992.37	-39,288.46
Cash generated from Operations (I+II+III)	48,167.20	6,028.52
Direct Taxes paid (including Interest)	-14,185.53	-7,196.45
A Net Cash Flow/ (used in) operating activities (A)	33,981.67	-1,167.93
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	-1,562.23	-2,581.95
Sale of Property, Plant and Equipment	-	512.00
Interest Received	11,475.79	9,421.92
Net cash flow /(used in) investing activities (B)	9,913.56	7,351.97
C. Cash Flow from Financing Activities		
Net cash flow/(used in) financing activities (C)	-	-
Net change in Cash and Bank Balances (A+B+C)	43,895.23	6,184.04
Cash and Bank Balances as at beginning of the year	1,70,011.45	1,63,827.40
Cash and Bank Balances as at end of the year	2,13,906.68	1,70,011.45
Note:		
1 Components of Cash and Bank Balances:		
Balances with Banks		
In Current Accounts	43,767.05	47,577.28
In Suvidha Card (Imprest Account)	0.67	7.06
Other Bank Balances		
In deposit account	1,70,138.96	1,22,427.11
(including interest accrued)		
	2,13,906.68	1,70,011.45
<div> <div>  Sachin Ludhiyani Chief Financial Officer </div> <div>  Neha Aggarwal Company Secretary </div> </div> <div> <div>  Taufique Alam Managing Director & CEO DIN : 09509383 </div> <div>  Kalyan Kumar Non Executive Chairman DIN : 09631251 </div> </div> <div> <p>As per our report of even date attached For P. Bholusaria & Co. Chartered Accountants FRN: 000468N</p> <div>  Pawan Bholusaria Partner Membership No: 080691 Place: New Delhi Date: 02-05-2025 UDIN: 25080691BMQVAP1105 </div> <div>   </div> </div>		

PNB Cards & Services Limited

Notes forming part of Financial Statements for the year ended March 31st, 2025.

Note 1: General Information

A. Background

PNB Cards & Services Limited ("the Company") having CIN No. U74999DL2021PLC378579, was incorporated on 16th March, 2021. The company is carrying on business of non-financial support services related to Credit Card business of Punjab National Bank. RBI vide its letter dated 13.01.2023 has conveyed approval for undertaking additional non-financial support services by the company which includes Sourcing, Marketing, Promoting, Publicizing, Advertising, Soliciting, distributing deposits (Current and Saving Accounts etc.) and retail loan products (Housing Loan, Loan against property, Vehicle Loan, Education loan, Personal loan etc.) of Punjab National Bank.

B. Going Concern Assumption

The financial statement of the company is prepared on the assumption of going concern and will continue in operation for the foreseeable future.

Note 2: Significant Accounting Policies

A. Basis of Preparation of Financial Statements:

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles in India (GAAP), applicable statutory provisions, circulars and guidelines issued by various Regulatory Authorities and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 as amended upto date and the relevant provisions of the Companies Act, 2013 to the extent applicable. All amounts are stated in Indian Rupees rounded to the nearest thousand rupees.

B. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

Future results could differ from these estimates.

Difference between the actual results and estimates is recognized in the period in which the results are known / materialized.

Any revision to the accounting estimates is recognized prospectively in the current and future periods unless otherwise stated.



C. Property, Plant and Equipment and Intangible Assets

- C.1 Property, Plant and Equipment and Intangible asset are stated at historical cost less accumulated depreciation/amortization, wherever applicable.
- C.2 Software is capitalized and clubbed under Intangible assets.
- C.3 Cost includes cost of purchase and all expenditure such as site preparation, installation costs and professional fees incurred on the asset till the time of capitalization. Subsequent expenditure/s incurred on the assets are capitalized only when it increases the future benefits from such assets or their functioning capability.
- C.4 Capital Work in Progress: Cost of Assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress.

D. Depreciation

- D.1 Depreciation on property, plant and equipment and intangible asset is provided on straight-line method based on useful life of the asset (after deducting residual value, if any) on pro rata basis.
- D.2 All the property, plant and equipment are depreciated as per the useful life specified in Schedule II to the Companies Act, 2013 according to their respective balance useful life.

E. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been change in the estimate of recoverable amount.

F. Revenue Recognition

- F.1 Revenue is recognized based on the nature of activity, when consideration can be reasonably measured and there exists a reasonable certainty of its recovery.
- F.2 Certain services are priced as per cost plus a markup approach and the revenue is recognized considering the actual revenue expenses incurred during the invoice period.
- F.3 Revenue from customer acquisition services is accounted for on the basis of billings and includes unbilled revenue accrued up to the end of reporting period.
- F.4 Interest income on Short Term Deposit/Fixed Deposits with the Bank is recognized on an accrual basis.

G. Leases

Leases where the lessor effectively retains substantially all the risk and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Profit & Loss.

H. Taxation

Tax expense comprise both current and deferred tax. The current tax and deferred tax are determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 - Accounting for Taxes on Income respectively.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. The impact of changes in deferred tax assets and liabilities is recognized in the profit and loss account. Deferred tax assets are recognized and reassessed at each reporting date, based upon management's judgment as to whether their realization is considered as reasonably/virtually certain.



6



I. Employee Benefits or Terminal Dues

Company has commenced its operations with staff on deputation from the parent company, subsequently the company has recruited its own staff. In case of PNB employees on deputation, terminal dues (excluding Gratuity) are provided for in our books and remitted to the PNB on regular basis which will be ultimately paid to the employees by PNB.

I.1 Provident Fund

Contribution towards provident fund of employees is made to the EPFO, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

I.2 Gratuity

Provision for Gratuity made on the basis of actuarial valuation which is done in accordance with Accounting Standard -15 on "Employee Benefits" and as per the provisions of payment of Gratuity Act, 1972.

I.3 Compensated Absences

Leave Encashment: All confirmed employees are eligible for Privilege Leave of one day for every 11 days of service on duty provided that at the commencement of service no privilege leave may be availed of before completion of 11 months of service on duty. Maximum accumulation will be upto 180 days which can be encashed only at the time of separation.

Sick Leave: Accumulating compensated absences such as Sick Leave are provided for based on Actuarial Valuation.

J. Provision, Contingent Liability and Contingent Assets

J.1 In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognizes provisions only when it has a present obligation as a result of a past event, and would result in a probable outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

J.2 Contingent Assets are not recognized in the financial statements.

K. Cash and Bank Balances

Cash and Bank Balances for the purpose of Cash Flow Statement comprise of Suvidha card cheques in hand, bank balances, demand deposits with banks and other short term highly liquid deposits which can be easily liquidated within a short period.

L. Cash Flow Statement

The cash flow statement has been prepared under the "Indirect Method" as set out in the "Accounting Standard -3" on cash flow statement notified under the Companies (Accounting Standard) Rules, 2006.



M. Earnings per Share

- M.1 Basic Earnings per Share: In determining basic earnings per share, the company considers the net profit after tax and includes the post-tax effect of any extra ordinary items. The number of shares used in computing basic earnings per share is weighted average number of shares outstanding during the year adjusted for any increase/decrease in the number of shares without corresponding change in resources.
- M.2 Diluted Earnings per Share: For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

N. Prior Period Items

Income and Expense relating to prior period are disclosed separately in the Financial Statements subject to materiality.



PNB CARDS & SERVICES LIMITED

CIN: U74999DL2021PLC378579

Reg. Office: Plot No.4, Sector-10 Dwarka, New Delhi-110075

Corp. Office: 6th Floor, 7 Bhikaji Cama Place, Munirka, New Delhi-110067

Notes forming Part of Financial Statements for the year Ended March 31, 2025

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 3: Share Capital		
<u>Authorized Capital</u> 2,50,00,000 (Previous year 2,50,00,000) Equity shares of Rs.10/- each	2,50,000.00	2,50,000.00
<u>Issued, subscribed and Paid up</u> 1,50,00,000 (Previous year 1,50,00,000) Equity shares of Rs.10/- each fully paid up	1,50,000.00	1,50,000.00
	1,50,000.00	1,50,000.00

Issued share capital of the Company has only one class of shares referred to as equity shares with a face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share.

No share was issued in cash/ share issued pursuant to contract without payment being received in cash since incorporation. No shares were allotted as fully paid up bonus shares since incorporation. There has been no buy back of shares since incorporation.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31.03.2025	As at 31.03.2024
At the beginning of the year	1,50,00,000	1,50,00,000
Add: Issued during the year	-	-
Outstanding at the end of the year	1,50,00,000	1,50,00,000

Particulars of shareholders holding more than 5% shares

S.No.	Name of Shareholder	As at 31.03.2025		As at 31.03.2024		Variance as at 31st Mar, 2025	Variance as at 31st Mar, 2024
		No. of Shares	% of total shareholdings	No. of Shares	% of total shareholdings		
1	Punjab National Bank (holding Company and its beneficiary)	1,50,00,000	100%	1,50,00,000	100%	0%	0%

Particulars of Shares held by Holding Bank

S.No.	Name of Shareholder	As at 31.03.2025		As at 31.03.2024		Variance as at 31st Mar, 2025	Variance as at 31st Mar, 2024
		No. of Shares	% of total shareholdings	No. of Shares	% of total shareholdings		
1	Punjab National Bank (holding Company and its nominees)	1,50,00,000	100%	1,50,00,000	100%	0%	0%

Particulars of Shares held by promoters

S.No.	Promoter's Name	As at 31.03.2025		As at 31.03.2024		Variance as at 31st Mar, 2025	Variance as at 31st Mar, 2024
		No. of Shares	% of total shareholdings	No. of Shares	% of total shareholdings		
1	Punjab National Bank (holding Company and its nominees)	1,50,00,000	100%	1,50,00,000	100%	0%	0%

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 4: Reserves and Surplus		
<u>Surplus</u>		
Opening Balance at the beginning of the year	35,987.14	13,415.75
Add: Rounding Adjustment	-	0.09
Add: Profit for the year transferred from the statement of profit and loss	36,780.24	22,571.30
Closing Balance at the end of the year	72,767.38	35,987.14

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 5: Long Term Borrowings		
	-	-
	-	-



Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 6: Deferred Tax Liabilities (Net)	-	-
	-	-

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 7: Other Long Term Liabilities	-	-
	-	-

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 8: Long Term Provisions		
Provisions for Employee Benefits		
Provision for Gratuity	564.53	136.77
Provision for Sick Leaves	602.48	16.93
Provision for Earned Leaves	2,268.52	147.64
	3,435.53	301.35

(Refer Note no. 34)

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 9: Short Term Borrowings	-	-
	-	-

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 10: Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises and	653.76	6.36
- Total outstanding dues of creditors other than micro enterprises and small enterprises	47,580.36	1,789.94
	48,234.12	1,796.30

Refer note no - 36 for disclosure relating to Micro, Small and Medium Enterprises Development Act, 2006.

Figures Rs. in thousands

Ageing schedule of trade payables as at 31.03.2025					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
i. MSME	653.76	-	-	-	653.76
ii. Others	47,580.36	-	-	-	47,580.36
iii. Disputed Dues - MSME	-	-	-	-	-
iv. Disputed Dues - Others	-	-	-	-	-
					48,234.12

Figures Rs. in thousands

Ageing schedule of trade payables as at 31.03.2024					
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
i. MSME	6.36	-	-	-	6.36
ii. Others	1,789.94	-	-	-	1,789.94
iii. Disputed Dues - MSME	-	-	-	-	-
iv. Disputed Dues - Others	-	-	-	-	-
					1,796.30

A



Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 11: Other Current Liabilities		
Expenses Payable	2,421.51	23,472.62
Statutory Dues Payable	2,148.56	6,808.88
	4,570.07	30,281.50

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 12: Short Term Provisions		
A) <u>Provision for Employee Benefits (Refer Note no. 34)</u>		
Provision for Gratuity	1.17	0.28
Provision for Sick Leaves	43.84	1.33
Provision for Earned Leaves	196.29	13.83
B) <u>Provision for Income Tax *</u>	13,210.00	8,635.26
	13,451.30	8,650.70

* including provision on extraordinary and exceptional items -refer note no. 28)

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 14: Deferred Tax Asset (Net)		
Deferred Tax Asset/(Liability)		
- On Pre Incorporation Expense	122.70	271.26
- On Employee Benefit Expenses	925.38	88.13
- On Property Plant and Equipment and Intangible Assets	(110.34)	(118.48)
	937.74	240.91

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 15: Long Term Loans & Advances		
Unsecured, considered good		
Prepaid Expenses	44.74	-
	44.74	-

Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 16: Other Non Current Assets		
Unsecured, considered good		
i) Security Deposits for Rental Accomodation of Employees	451.00	602.00
	451.00	602.00



Particulars	Figures Rs. in thousands	
	As at 31.03.2025	As at 31.03.2024
Note 17: Trade Receivables		
Unsecured, considered good*	56,883.91	44,112.82
	56,883.91	44,112.82

* Includes Rs.56,883.91 thousands (Previous Year. Rs.12862.92 thousands) as Unbilled Dues.

Ageing schedule of trade receivables as at 31.03.2025							
Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed trade receivables-considered Good	56,883.91	-	-	-	-	-	56,883.91
ii. Undisputed trade receivables-considered Doubtful	-	-	-	-	-	-	-
iii. Disputed trade receivables-considered Good	-	-	-	-	-	-	-
iv. Disputed trade receivables-considered Doubtful	-	-	-	-	-	-	-
							56,883.91

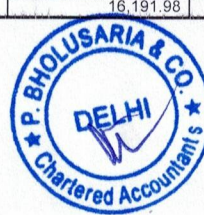
Ageing schedule of trade receivables as at 31.03.2024							
Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
i. Undisputed trade receivables-considered Good	12,862.92	31,249.90	-	-	-	-	44,112.82
ii. Undisputed trade receivables-considered Doubtful	-	-	-	-	-	-	-
iii. Disputed trade receivables-considered Good	-	-	-	-	-	-	-
iv. Disputed trade receivables-considered Doubtful	-	-	-	-	-	-	-
							44,112.82

Particulars	Figures Rs. in thousands	
	As at 31.03.2025	As at 31.03.2024
Note 18: Cash and Bank Balances		
a) Cash and Cash equivalents		
Balances with Banks		
In Current Accounts	43,767.05	47,577.28
In Suvidha Card (Imprest Account)	0.67	7.06
b) Other Bank Balances		
In Deposit account *	1,70,138.96	1,22,427.11
(including interest accrued)		
	2,13,906.68	1,70,011.45

* Maturity Profile of Deposit Accounts			Figures Rs. in thousands	
Particulars			As at 31.03.2025	As at 31.03.2024
Fixed deposits (including interest accrued) having remaining maturity				
- of less than 3 months			23,472.65	-
- of more than 3 months but not more than 12 months			1,26,655.79	1,22,427.11
- of more than 12 months			20,010.52	-
			1,70,138.96	1,22,427.11

Balance with banks in deposit account includes time deposits with banks having maturity more than 12 months are liquid deposit and can be withdrawn at any point of time without prior notice or penalty on the principal.

Particulars	Figures Rs. in thousands	
	As at 31.03.2025	As at 31.03.2024
Note 19: Short Term Loans & Advances		
A Unsecured, considered good		
Balances with Statutory / Government Authorities:		
GST Recoverable	1,097.42	104.41
Advance Income Tax/TDS/TCS	13,916.11	7,088.66
Other Advances	2.47	0.62
Prepaid Expenses	601.37	415.24
Advance to Employees	49.47	-4.49
Advance to Suppliers	525.14	-
	16,191.98	7,604.44



Figures Rs. in thousands

Particulars	As at 31.03.2025	As at 31.03.2024
Note 20: Other Current Assets	-	-
	-	-

Figures Rs. in thousands

Particulars	For the year Ended 31.03.2025	For the year Ended 31.03.2024
Note 21: Revenue from Operations		
Customer Acquisition- Business Support Service	4,15,963.77	2,13,808.99
	4,15,963.77	2,13,808.99

Figures Rs. in thousands

Particulars	For the year Ended 31.03.2025	For the year Ended 31.03.2024
Note 22: Other Income		
Interest on Fixed Deposit	11,475.79	9,421.92
	11,475.79	9,421.92

Figures Rs. in thousands

Particulars	For the year Ended 31.03.2025	For the year Ended 31.03.2024
Note 23: Employee Benefits Expense		
Salary and Benefits	1,13,621.85	63,240.97
Contribution to provident fund and other funds	6,627.30	4,368.45
	1,20,249.15	67,609.42

Figures Rs. in thousands

Particulars	For the year Ended 31.03.2025	For the year Ended 31.03.2024
Note 24: Finance Cost		
	-	-
	-	-

Figures Rs. in thousands

Particulars	For the year Ended 31.03.2025	For the year Ended 31.03.2024
Note 25: Remuneration and Incentive to Outsourced resources		
Remuneration	1,60,701.39	66,156.63
Variable Incentive	18,893.53	33,180.55
	1,79,594.92	99,337.18

Figures Rs. in thousands

Particulars	For the year Ended 31.03.2025	For the year Ended 31.03.2024
Note 26: Commission Expenses		
Commission to Direct Selling Agents:		
On Housing Loans	37,109.84	2,027.51
On Education Loans	280.83	-
	37,390.67	2,027.51



Figures Rs. in thousands

Particulars	For the year Ended 31.03.2025	For the year Ended 31.03.2024
Note 27: Other Expenses		
Auditors Remuneration	250.00	275.00
Background Verification	58.35	-
Bank Charges	1.64	0.38
Electricity Expenses	45.33	47.64
Legal & Professional Expense	468.80	617.23
Miscellaneous Expense	967.02	1,344.26
Office & Administration	3,560.54	1,248.67
Postage, Telephone & Internet	561.00	482.24
Printing & Stationary	527.02	377.75
Recruitment & Training	28.60	68.81
Rent	4,246.30	2,994.30
Repair & Maintenance	368.42	370.37
Selling, Distribution & Marketing	1,507.17	920.75
Sitting Fee (Director)	-	100.00
Software & Subscription	1,154.54	448.57
Telecalling Expenses	21,814.19	10,553.23
Travelling and Conveyance	3,776.83	4,678.77
	39,335.75	24,527.97

Figures Rs. in thousands

Particulars	For the year Ended 31.03.2025	For the year Ended 31.03.2024
Note 28: Extraordinary and Exceptional items		
Customer Acquisition- Business Support Service (Income for FY 2021-22)		2,655.22
Depreciation Adjustment (Expense Adjustment for FY 2021-22)		-
Tax on above items		-738.68
	-	1,916.54

Figures Rs. in thousands

Particulars	For the year Ended 31.03.2025	For the year Ended 31.03.2024
Note 29: Earnings per Share (EPS)		
Net Profit as per the statement of Profit & Loss	36,780.24	22,571.30
Weighted average number of equity shares outstanding during the year	1,50,00,000	1,50,00,000
Nominal Value of Shares	10.00	10.00
Basic & Diluted Earning per Share	2.45	1.50



Note No. 13 - PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

I. Property, Plant and Equipment		Figures Rs. in thousands									
		GROSS BLOCK			DEPRECIATION			NET BLOCK			
S.No.	Particular	As on 01.04.2024	Additions During the year	Deduction during the year	Total as on 31.03.2025	As on 01.04.2024	Depreciation charge for the year	Adjustments during the year	Total As on 31.03.2025	As on 31.03.2025	As on 31.03.2024
a)	Furnitures & Fixtures	110.50	-	-	110.50	7.28	10.50	-	17.78	92.72	103.21
b)	Vehicles	1,949.07	-	-	1,949.07	283.15	231.45	-	514.60	1,434.47	1,665.92
c)	Office Equipments	178.57	62.39	-	240.96	29.97	41.89	-	71.86	169.10	148.60
d)	Computers, Laptops & Printers	3,086.04	840.84	-	3,926.88	1,278.43	883.39	-	2,161.82	1,765.07	1,807.61
	Total	5,324.17	903.23	-	6,227.41	1,598.83	1,167.23	-	2,766.06	3,461.35	3,725.34
	Previous year	3,349.51	2,527.23	-511.58	5,365.17	668.39	971.44	-	1,639.83	3,725.34	2,681.13

II. Intangible Assets		GROSS BLOCK					DEPRECIATION			NET BLOCK	
S.No.	Particular	As on 01.04.2024	Additions During the year	Deduction during the year	Total as on 31.03.2025	As on 01.04.2024	Depreciation charge for the year	Adjustments during the year	Total As on 31.03.2025	As on 31.03.2025	As on 31.03.2024
a)	Softwares	72.72	-	-	72.72	11.69	13.82	-	25.51	47.21	61.03
b)	Website	-	659.00	-	659.00	-	125.21	-	125.21	533.79	-
	Total	72.72	659.00	-	731.72	11.69	139.03	-	150.72	581.00	61.03
	Previous year	18.00	54.72	-	72.72	4.14	7.55	-	11.69	61.03	13.85

III. Capital Work in Progress (Website under development)

Particulars	Figures Rs. in thousands	
	As at 31.03.2025	As at 31.03.2024
Opening Balance	659.00	-
Add: During the year	-	659.00
Less: Capitalised to Intangible assets	(659.00)	-
Closing Balance	-	659.00

Breakup of details of Capital Work in Progress is following:

Particulars	Figures Rs. in thousands	
	As at 31.03.2025	As at 31.03.2024
Development Charges	-	659.00
Total	-	659.00



PNB Cards & Services Limited

Notes forming part of financial statements for the year ended March 31, 2025

Note 30: Breakup of remuneration paid to the Statutory Auditors of the Company:

Particulars	2024-25	2023-24
	(Amount in '000)	(Amount in '000)
Statutory Audit under Companies Act	125.00	125.00
Tax Audit under Income Tax Act	50.00	50.00
Quarterly Limited Review of Financial Statement	75.00	75.00
Arrear for Previous year (FY 2022-23)	0.00	25.00
Total	250.00	275.00

Note 31: Corporate Social Responsibility

Company is not required to spend on CSR activity during the current and previous financial year since average net profit of last 3 financial years is less than Rs. 5.00 Crore and company is not falling in any of the criteria set out in sub section (1) of Section 135 of Companies Act, 2013.

Note 32: Dividend

The Company has not recommended any dividend during the Current and Previous Financial Year.

Note 33: Leases

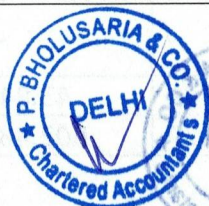
The Company has taken certain premises under cancellable operating lease agreements from the Parent Bank. The rent expense under these agreements is Rs.4246.30 (Previous Year Rs.2994.30). These are cancellable lease entered for a period of 11 months. There is no escalation clause provided within the lock in period. Further, there agreements are due for renewal as at the year-end i.e. as on 31.03.2025 and the same are yet to be renewed as on date.

Note 34: Employee Benefit Obligations

As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standards are given below:

A. Defined Contribution Plans- Contribution to defined contribution plans recognized as "Employee Benefit Expenses" for the year are as under:

	Particulars	2024-25	2023-24
		(Amount in '000)	(Amount in '000)
(a)	Contribution to Provident Fund	2,215.97	461.43



B. Defined Benefit Plans (Gratuity)-

Disclosures as per Accounting Standard on Employee Benefit (AS-15) are as follows:

a. Net Employee Benefit Expenses recognized in the Employee Cost (Amount in '000)

	Particulars	Gratuity		Sick Leave		Leave Encashment	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1	Opening balance	137.05	22.82	18.26	-	161.47	-
2	Past Service Cost	-	-	-	6.02	-	49.27
3	Current Service Cost	458.91	120.20	569.66	12.24	2,067.01	112.20
4	Interest Cost on Benefit Obligation	9.70	-	1.32	-	11.43	-
5	Expected Return on Plan Asset	-	-	-	-	-	-
6	Actuarial Gain/(Loss)	-39.97	-5.97	57.07	-	224.90	-
7	Net Benefit Expenses	565.70	137.05	646.32	18.26	2464.81	161.47

b. Net Liability as shown in Balance Sheet Date

		Gratuity		Sick Leave		Leave Encashment	
	Particulars	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1.	Present Value of Defined Benefit Obligation	565.70	137.05	646.32	18.26	2,464.81	161.47
2.	Fair Value of Plan Assets	-	-	-	-	-	-
3.	Net Liability/(Asset) recognized in the Balance Sheet	565.70	137.05	646.32	18.26	2,464.81	161.47

c. Net Liability as shown in the Balance Sheet date under "Short Term/ Long Term Provisions".

	Particulars	Gratuity		Sick Leave		Leave Encashment	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1	Opening present value of Defined Benefit Plan						
	-Current	0.28	-	1.33	-	13.83	-
	-Non-Current	136.77	22.82	16.93	-	147.64	-
2	Interest Cost	9.70	-	1.32	-	11.43	-
3	Past Service Cost	-	-	-	6.02	-	49.27
4	Current Service Cost	458.91	120.20	569.66	12.24	2,067.01	112.20
5	Actuarial (Gains)/Losses on obligation	-39.97	-5.97	57.07	-	224.90	-
6	Benefit paid	-	-	-	-	-	-
7	Closing Defined Benefit Plan	-	-	-	-	-	-
	-Current	1.17	0.28	43.84	1.33	196.29	13.83
	-Non-Current	564.53	136.77	602.48	16.93	2,268.52	147.64

d. Changes in Fair Value and Plan Assets

	Particulars	Gratuity		Sick Leave		Leave Encashment	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1.	Opening fair value of Planned Asset	-	-	-	-	-	-
2.	Expected Return	-	-	-	-	-	-
3.	Contribution made by employer	-	-	-	-	-	-
4.	Actuarial (Gains)/Losses on obligation	-	-	-	-	-	-
5.	Benefit paid	-	-	-	-	-	-
6.	Closing fair value of Planned Asset	-	-	-	-	-	-

e. Actuarial Assumptions

	Particulars	Gratuity		Sick Leave		Leave Encashment	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1.	Interest and Discount Rate	6.99%	7.25%	6.99%	7.25%	6.99%	7.25%
2.	Estimated Rate of Return on planned asset	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Attrition Rate	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Retirement Age	60	60	60	60	60	60
5.	Salary Cost increase rate	7%	7%	7%	7%	7%	7%

Note 35: Related Party Disclosure

a. List of related Parties with description of relationship with whom the Company had transactions

Name of Related Party	Relationship
Punjab National Bank	Entity/Personnel who can exercise significant influence (Holding Company)
Shri Taufique Alam	Key Management Personnel (MD & CEO) (w.e.f. 03.05.2023)
Shri Aditya Nath Das	Key Management Personnel (MD & CEO) (upto 02.05.2023)
Shri Vijay Jasuja	Key Management Personnel (Non-Executive Director) (up to 25.05.2023)
Shri Sachin Ludhiyani	Key Management Personnel (CFO)
Smt. Saraswati Devi	Relative of Key Management Personnel (MD & CEO) (up to 03.05.2023)
Smt. Neha Aggarwal	Key Management Personnel (Manager, Company Secretary & Legal) (w.e.f. 18.09.2023)



b. Transactions with related parties:

Nature of Transaction	2024-25		2023-24
	(Amount in '000)		(Amount in '000)
- Remuneration to MD & CEO (Shri Aditya Nath Das)	0.00		456.29
- Remuneration to MD & CEO (Shri Taufique Alam)	3,510.84		2,928.58
- Reimbursement of expenses	751.45		727.89
- Remuneration to Chief Financial Officer (Shri Sachin Ludhiyani)	2,543.82		2,300.35
- Reimbursement of expenses	259.08		187.62
- Parental Lease payment to relative of KMP (Smt. Saraswati Devi)	0.00		50.00
- Remuneration to Company Secretary (Smt. Neha Aggarwal)	776.10		468.38
- Sitting Fees to Director (Shri Vijay Jasuja)	0.00		100.00
<u>Punjab National Bank, (Parent Bank)</u>			
(a) Expenditure			
- Reimbursement of expenses paid	Nil		Nil
- Bank Charges	1.64		0.38
- Office Rent	4,442.80		2,380.80
(b) Income			
- Customer Acquisition- Business Support Service (Excluding GST)			
a) Billed	3,59,079.89		2,03,601.29
b) Unbilled	56,883.91		12,862.92
- Interest Received	11,475.79		9,421.92
- Sale of Fixed Asset	0.00		511.57

c. Balances with related parties

Particulars	Recoverable / (Payable) as at	
	31.03.2025	31.03.2024
	(Amount in '000)	(Amount in '000)
<u>Punjab National Bank, Parent Bank</u>		
(a) Receivable		
- Fixed Deposits	1,70,138.96	1,22,427.11
- Current Accounts including Prepaid Card & Sweep Deposit	43,767.72	47,584.33
- Trade Receivable	56,883.91	44,112.82
(b) Payables		
Rent Payable	417.00	-



- d. MD & CEO and CFO of the company- the Key Management Personnel are on deputation from Parent Bank and remuneration of the Key Management Personnel on deputation from Punjab National Bank is in accordance with the service rules of the parent Bank which has been charged as expenditure in the books of the Company.

Note 36: Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

S.No.	Particulars	As at 31.03.2025	As at 31.03.2024
		(Amount in '000)	(Amount in '000)
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year.	653.76	6.36
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	Nil	Nil
(iii)	The amount of interest paid by the buyer 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)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
(vi)	the amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

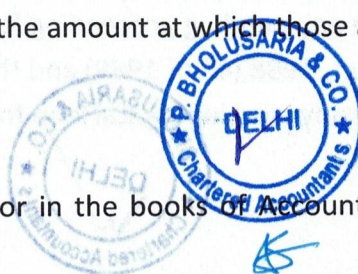
The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note 37: Current Assets

The value of current assets, loans and advances other than those stated otherwise, if realised in the ordinary course of business, shall at least be equal to the amount at which those are stated in the Balance Sheet.

Note 38: Current Liabilities

All known liabilities have been accounted for in the books of Accounts. In the opinion of management,



provision for income tax and other expenses/liabilities made in the books of accounts is adequate and is not excessive.

Note 39: Segment Reporting

The company is engaged in Support Services related to products of Punjab National Bank and has only domestic operations. Accordingly, the company has only one reportable business and geographical segment. Hence the financial statement is reflective of the information required by Accounting Standard 17 as prescribed in Company (Accounting Standard) Rules, 2006.

Note 40: Contingent Liabilities & Capital Commitments

Particulars	As at 31.03.2025	As at 31.03.2024
	(Amount in '000)	(Amount in '000)
Contingent Liabilities	Nil	Nil
Capital Commitments	Nil	561.00
Total	Nil	Nil

Note 41: During the reporting period, the company has provided Rs. 12.40 lakh (Previous Year -Rs. 2.41 lakh) [Including Rs.3.87 Lakh (Previous Year- Nil) relating to provision for period prior to the current financial year] on account of Payment of Royalty to Punjab National Bank for using its brand name and logo.


Note 42: Comptroller and Auditor General of India i.e C&AG vide letter dated 16.10.2024 has advised the management of the company to seek clarification from the Ministry of Corporate Affairs or Reserve Bank of India (RBI) regarding applicability of Ind AS to ensure compliance in financial reporting. Company vide its Parent Bank i.e Panjab National Bank has sought clarification regarding the same from RBI, to which RBI vide letter dated 07.01.2025 has clarified to be guided by the Companies (Indian Accounting Standards) Rules, 2015 notified by the Government of India Gazette notification GSR 111(E) dated February 16, 2015.

Further, the company has also taken up the matter with Registrar of Companies, Delhi vide letter dated 19.11.2024, to which the response is still awaited. In view of the response received from RBI, the company has prepared its financial statements as per the generally accepted accounting principles in India and complied with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006.

Note 43: Additional Regulatory Information

- The company doesn't have any Immovable Properties.
- The Company has not revalued its Property, Plant and Equipment as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 during the year current and previous year.
- The company has not granted any loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- Company does not have any Capital-Work-in Progress (CWIP) during the year.
- The company does not have any pending proceeding for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The company does not have any working capital loan from banks or financial institutions on the basis of security of current assets.



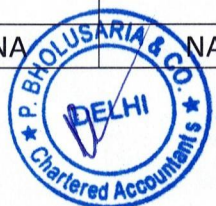
- vii) Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- viii) The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- ix) The company does not have any charges or satisfaction yet to be registered with the Registrar of Companies beyond the statutory period.
- x) The company has not advanced/ loaned/ invested funds (borrowed/share premium/any other sources of kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- xi) The company has not received any funds from any other person(s) or entity(ies), including foreign entities (Funding Party), with the understanding (whether recorded in writing or otherwise) that the company shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.
- xii) The provisions with respect to the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable on the company.
- xiii) No income has been surrendered or disclosed for which transaction was 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).
- xiv) There is no transaction related to Crypto Currency or Virtual Currency. Hence, not applicable.
- xv) No scheme of compromise/arrangement has been approved by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013. 



Note 44: Financial Ratios

(Amount in '000)

	Particulars	Ratio for the F.Y. 2024-25	Ratio for the F.Y. 2023-24	% Variance	Reason for Variance
a)	Current Ratio (Current Asset/Current Liability)	4.33	6.40	-32%	Current Ratio has been decreased due to increase in current liability and decrease in current assets subsequently to previous year.
b)	Debt – Equity Ratio = Total Debt/ Shareholder's Equity	NA	NA	-	-
c)	Debt Service Coverage Ratio = Earnings available for debt service / Debt Service	NA	NA	-	-
d)	Return on Equity = Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity	0.18	0.13	39%	Return on Equity has been increased due to rose in Net Profit of the Company as the business operations are scaled up during the current year.
e)	Inventory Turnover ratio = Cost of goods sold OR sales/ Average Inventory				
f)	Trade receivables turnover ratio = Net Credit Sales / Average Accounts Receivable	1.13	1.42	-20%	-
g)	Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables	1.93	2.00	-4%	-
h)	Net capital turnover ratio = Net Sales/ Average Working Capital	2.07	1.25	65%	The net capital turnover ratio increased due to upscale of business operations i.e increase in net sales.
i)	Net Profit Ratio = Net Profit / Net Sales	0.09	0.11	-16%	-
j)	Return on capital employed = Earnings before interest and taxes / Capital Employed	0.22	0.16	35%	Return on equity has been increased due to rose in sales as the business operations are scaled up during the current year i.e. increase in earnings before interest and taxes.
k)	Return on investment	NA	NA	-	



Note 45: The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.



Sachin Ludhiyani
Chief Financial Officer



Neha Aggarwal
Company Secretary



Taufique Alam
Managing Director & CEO
DIN : 09509383



Kalyan Kumar
Non Executive Chairman
DIN : 09631251

As per our report of even date attached
For P. Bholusaria & Co.
Chartered Accountants
FRN: 000468N



Pawan Bholusaria
Partner
Membership No: 080691
Place: New Delhi
Date: 02-05-2025
UDIN: 25080691BMOUAP1105

