BLS IT SERVICES PRIVATE LIMITED
(CIN:U74999DL2016PTC298498)
BALANCE SHEET AS AT MARCH 31, 2019

Amount in (INR)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I ASSETS			
1 Non-current asset			
a. Property, plant & equipment	3	-	77,937,609
b. Intangible assets	4	-	18,776
d. Financial assets:			
Other financial assets	5	-	346,445
e. Deferred tax assets (net)	6	135,988	9,622,777
f. Other non-current assets	7	-	40,069
Total non- current assets		**135,988**	**87,965,677**
2 Current asset			
a. Financial assets:			
(i) Trade receivables	8	427,706,523	680,150,411
(ii) Cash and cash equivalents	9	205,228	1,857,372
(iii) Bank balances other than (ii) above	10	11,000,000	11,000,000
(v) Other financial assets	11	6,884,719	75,627,552
b. Other current assets	12	5,574,371	1,468,335
Total current assets		**451,370,841**	**770,103,670**
TOTAL ASSETS		**451,506,829**	**858,069,346**
II EQUITY & LIABILITIES			
Equity			
a. Equity share capital	13	100,000	100,000
b. Other equity	14	220,902,472	112,412,772
Total equity		**221,002,472**	**112,512,772**
Liabilities			
1 Non - current liabilities			
a. Financial liabilities:			
Borrowings	15	-	136,072,772
b. Provisions	16	-	564,078
Total non-current liabilities		-	**136,636,850**
2 Current liabilities			
a. Financial liabilities:			
(i) Borrowings	17	144,282,731	218,675,980
(ii) Trade payables	18	15,521,917	145,683,962
(iii) Other financial liabilities	19	17,013,467	162,980,299
b. Other current liabilities	20	25,408,457	28,691,795
c. Provisions	21	-	1,130
d. Current tax liabilities (net)	22	28,277,785	52,886,558
Total current liabilities		**230,504,357**	**608,919,724**
TOTAL EQUITY AND LIABILITIES		**451,506,829**	**858,069,346**
Significant accounting policies	1-2		

The Accompanying notes referred to above formed an integral part of the financial statements

As per our report of even date attached
For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number: 000756N

Harish Gupta
Partner
Membership number: 098336

For and on behalf of the board of directors of
BLS IT-Services Private Limited

(Dinesh Sharma)
Director
DIN No. 00956860

(Sanjeev Kumar)
Director
DIN No. 02826773

Place : New Delhi
Date : 18th May 2019

BLS IT SERVICES PRIVATE LIMITED
(CIN:U74999DL2016PTC298498)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Amount in (INR)

	Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I.	Revenue from Operations	23	219,683,453	712,989,973
II.	Other income	24	133,053,876	1,337,721
III.	**Total income (I+II)**		352,737,329	714,327,694
IV.	**Expenses:**			
	Cost of services	25	69,250,768	272,268,391
	Employee benefits expense	26	9,036,993	18,262,605
	Finance cost	27	36,894,273	43,936,571
	Depreciation and amortization expense	28	32,336,608	117,442,535
	Other expenses	29	52,208,509	114,019,947
	Total expenses		199,727,151	565,930,049
V.	**Profit before tax (III - IV)**		153,010,178	148,397,645
VI.	**Tax expense:**			
	a) Current tax		35,033,689	56,030,980
	c) Deferred tax		9,486,789	(13,135,027)
	Total tax expenses		44,520,478	42,895,953
VII.	**Profit for the year (V-VI)**		108,489,700	105,501,692
VIII.	**Other comprehensive income (OCI)**			
A.	**Items that will not be reclassified subsequently to statement of profit and loss**			
	(a) Remeasurements gain/(loss) on defined benefit plans			19,115
	(b) Tax on re-measurements of defined benefit plans		-	(5,513)
B.	**Items that will be reclassified subsequently to statement of profit and loss**		-	-
	Total of other comprehensive income/(losses)		-	13,602
IX.	**Total comprehensive income for the year**		108,489,700	105,515,294
X.	**Earnings per equity share: basic and diluted (Rs.)**	30	10,848.97	10,550.17
	Significant accounting policies	1-2		

The accompanying notes referred to above formed an integral part of the financial statements

As per our report of even date attached
For S. S. Kothari Mehta & Company
Chartered Accountants
Firm's registration number: 000756N

Harish Gupta
Partner
Membership number: 093336

For and on behalf of the board of directors of
BLS IT-Services Private Limited

(Dinesh Sharma)
Director
DIN No. 00956860

(Sanjeev Kumar)
Director
DIN No. 02826773

Place : New Delhi
Date : 18th May 2019

BLS IT SERVICES PRIVATE LIMITED
(CIN:U74999DL2016PTC298498)
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Year ended March 31, 2019	Amount in (INR) Year ended March 31, 2018
Cash flow from operating activities		
Profit before tax	153,010,178	148,397,645
Adjustments to reconcile net profit to net cash by operating activities		
Other comprehensive income	-	19,115
Depreciation & amortization expense	32,336,608	117,442,535
Finance costs	36,894,273	43,470,016
Assets written off	10,923,124	
Interest income	(782,421)	(774,229)
Provision Written back on creditors	(2,359,688)	
Profit on sale PPE disposal	(129,222,970)	
Cash Generated from operatins profit before working capital changes	**100,799,104**	**308,555,082**
Adjustments for:		
(Increase)/ decrease in trade receivables	252,443,888	(522,797,739)
(Increase)/ decrease in other financial current assets	68,789,257	(16,534,781)
(Increase)/ decrease in other current assets	(4,106,036)	1,674,198
(increase)/ decrease in non current financial asset - long-term loans	346,445	(46,172)
(Increase)/ decrease in other non-current assets	40,069	32,056
(Decrease)/ increase in long term provision	(564,078)	365,154
(Decrease)/increase in trade payable	(127,802,357)	116,714,611
(Decrease)/ increase in other financial current liabilities	(89,138,175)	53,552,447
(Decrease)/ increase in other current liabilities	(3,283,338)	22,801,927
(Increase)/ decrease in short term loans	-	70,000
(Decrease)/ increase in short term provision	(1,130)	643
Cash gererated from operations	**197,523,649**	**(35,612,574)**
Direct taxes	(59,642,462)	(981,934)
Net cash (used in)/generated from operating activities [A]	**137,881,187**	**(36,594,508)**
Cash flow from investing activities		
Purchase of property, plant and equipment	(25,500)	(2,589,776)
Sales proceeds from property, plant and equipment	163,945,123	59,542
Interest received from others	735,997	853,544
Net cash (used in)/ generated from investing activities [B]	**164,655,620**	**(1,676,690)**
Cash flow from financing activities		
Repayments of non-current borrowings	(187,777,523)	(23,969,044)
Loan from Holding Company	(16,861,436)	
Proceeds/ (Repayment) from current borrowing (Net)	(57,531,813)	99,803,361
Interest paid	(42,018,179)	(38,354,373)
Net cash (used in)/ generated from financing activities [C]	**(304,188,951)**	**37,479,944**
Net increase /(decrease) in cash and cash equivalent [A+B+C]	(1,652,144)	(791,254)
Add: Cash and cash equivalent at the beginning of the year	1,857,372	2,648,626
Cash and cash equivalent at the end of the year(Refer note 9)	205,228	1,857,372
Components of cash and cash equivalent		
Cash on hand	-	1,629,666
Current accounts	205,228	227,706
Total cash and cash equivalent	205,228	1,857,372

Notes:

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7)-Statement of Cash Flows.

Significant accounting policies 1-2

The accompanying notes referred to above formed an integral part of the financial statements

As per our report of even date attached
For S. S. Kothari Mehta & Company
Chartered Accountants
Firm's registration number: 000756N

S. S. KOTHARI MEHTA & COMPANY NEW DELHI Chartered Accountants

Harish Gupta
Partner
Membership number: 098336

Place : New Delhi
Date : 18th May 2019

For and on behalf of the board of directors of BLS IT-Services Private Limited

(Dinesh Sharma)
Director
DIN:-00956860

(Sanjeev Kumar)
Director
DIN:-02826773

1 The Company Overview

BLS IT Services Private Limited is a private company incorporated in India under Indian Companies Act.The registered office of the company is located at G-4B-1, Extension, Mohan Co-Operative Indl. Estate Mathura Road New Delhi.

The Punjab Sewa Kendra (PSK) -which is an e-governance project- was awarded to the company by Punjab State government to provide over 200 citizen Services with the setting up of Sewa Kendras across the state. Further, the government of Punjab has terminated the master service agreement entered with the company vide its letter dated January 30, 2018. This contract was the only source of revenue for the company. However, management is making efforts to secure other contracts/business in the company

The financial statements of the company for the year ended March 31,2019 were approved and adopted by Board of Directors of the Company in their meeting held on 18 May 2019.

Change in accounting policies

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method , the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant. The Accounting policy on revenue in given in note 2 on Significant Accounting Policies

I Basis of Preparation of Financial Statements

(i) Statement of compliance :

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

(ii) Basis of preparation:

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policy set out below:

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 - Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 – Impairment of Assets.

(iii) Functional & presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian National Rupee ('INR'), which is the Company's functional and presentation currency.

(iv) Use of estimates:

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(v) Current & Non current classification:

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realisation in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

SS KOTHARI MEHTA & COMPANY
NEW DELHI
Chartered Accountants

Sanjeev Kumar

2 Significant Accounting Policies for the year ended March 31, 2019

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

(a) Revenue recognition

Rendering of Services

Revenue from sale of services is recognized as per the terms of contract with customers at the time when the outcome of transactions involving rendering of services can be estimated reliably

Other Income

-Interest income

Interest income is recognized on time proportion basis using the effective interest method.

-Dividend Income

Dividend income is recognized when the right to receive payment is established, which is generally when shareholders approve the same.

(b) Property Plant and Equipment

Property, plant and equipment acquired after the transition date are stated at cost net of tax, less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price and also other cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

Depreciation is provided on written down value method over the useful lives of property, plant and equipment as estimated by management. Pursuant to Notification of Schedule II of the Companies Act, 2013 depreciation is provided prorata basis on written down value at the rates determined based on estimated useful lives of property, plant and equipment where applicable, prescribed under Schedule II to the Companies Act 2013. The residual value, useful lifes and method of depreciation of property, plant and equipment is reviewed at each financial year and adjusted prospectively, if appropriate.

(c) Intangible Assets

Intangible Assets are recognised, when it is probable that if the future economic benefits attributable to the assets are expected to flow to the company and cost of the asset can be measured reliably. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible asset with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised

(d) Impairment

The carrying amount of Property, plant and equipments, Intangible assets and Investment property are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. An impairment loss is recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount.

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NEW DELHI
Chartered Accountants

Sanjeev Kumar

(e) Financial Instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents.

At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified under following three categories according to the purpose for which they are held. The classification is reviewed at the end of each reporting period.

Financial Assets at Amortised Cost

At the date of initial recognition, financial assets are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortisation is included as interest income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Assets at Fair value through Other Comprehensive Income

At the date of initial recognition, financial assets are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in Other Comprehensive Income (OCI). Interest income calculated using the effective interest rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognised in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

Financial Assets at Fair value through Profit or Loss

At the date of initial recognition, financial assets are held for trading, or which are measured neither at Amortised Cost nor at fair value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Investment in Equity Shares

Investments in Equity Securities are initially measured at cost. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in Equity Securities are held for trading purposes. The fair value gains or losses of all other Equity Securities are recognized in Other Comprehensive Income.

Investments in Subsidiaries & Joint Ventures

Investment in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment, if any.

Impairment

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

De-recognition

Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all

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Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(f) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique. In estimating the fair value of an the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair values for measurement and/ or disclosure purposes are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 - This includes financial instruments measured using quoted prices.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(g) Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

(h) Employee Benefit

i. Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is determined by actuarial valuation as on the balance sheet date, using the projected unit credit method.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year in which such gains or losses arise.

ii. Other short term benefits

Expense in respect of other short term benefit is recognised on the basis of amount paid or payable for the period during which services are rendered by the employee.

(i) Earning Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

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Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

SS KOTHARI MEHTA & COMPANY NEW DELHI Chartered Accountants

Sanjeev Kumar

(j) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year after taking credit of the benefits available under the Income Tax Act and any adjustment to the tax payable or receivable in respect of previous years. It is measured using

Current tax assets and liabilities are offset only if, the Company:
i) has a legally enforceable right to set off the recognised amounts; and
ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting Deferred tax is not recognised for:
i) temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.
Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates

Deferred tax assets and liabilities are offset only if:
i) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

MAT Credit

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax in future. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(k) Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

(l) Cash & Cash Equivalents

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

(m) Provisions, Contingent Assets & Contingent Liabilities:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

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(n) Cash Flow Statements

Cash flows are reported using the indirect method, whereby profit for the period 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. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(o) Operating Segments

(i) Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

(ii) Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

(iii) Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

III **Significant Accounting Judgements, Estimates & Assumptions**

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements which have significant effect on the amounts recognized in the financial statement:

a) Income taxes

Judgment of the Management is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

b) Contingencies

Judgment of the Management is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

c) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on ECL, which are the present value of the cash shortfall over the expected life of the financial assets.

d) Fair Value Measurement of Financial Instruments.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e) Defined Benefit Plans

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

SS KOTHARI MEHTA & COMPANY NEW DELHI Chartered Accountants

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IV Standards issued but not yet effective

The amendments to the standards are issued, but not yet effective, upto the last date of financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 amending the following standard:

(a) Ind AS 116 Leases

Ind AS 116 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements for both lessors and lessees. Ind AS 116 will supersede the current lease guidance including Ind AS 17 Leases and the related Interpretations when it becomes effective for accounting periods beginning on or after April 01, 2019. The date of initial application of Ind AS 116 for the Company will be April 01, 2019.

The Company is in the process of making an assessment of the impact of Ind AS 116 upon initial recognition, which is subject to changes arising from more detailed ongoing analysis. The management cannot provide a reasonable estimate of effects of the application of the Standard as they have not completed their impact assessment as at the reporting date.

(b) Amendment to existing issued Ind AS

The MCA has also carried out amendments in following accounting standards. These are:

i) Ind AS 12 Income taxes to 'Appendix C' Uncertainty over income tax treatments.
ii) Ind AS 19 Employee Benefits
iii) Ind AS 23 Borrowing Costs
iv) Ind AS 28 Investments in Associates and Joint Ventures
v) Ind AS 109 Financial Instruments
vi) Ind AS 111 Joint Arrangements

Application of above standards are not expected to have any significant impact on the Company's financial statements.

SS KOTHARI MEHTA & COMPANY
NEW DELHI
Chartered Accountants

Sanjeev Kumar

BLS IT SERVICES PRIVATE LIMITED
(CIN No.: L51909DL1983PLC016907)
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A. Equity Share Capital — Amount in (INR)

	Total
As at March 31, 2017	**100,000**
Changes in equity shares capital during the year	-
As at March 31, 2018	**100,000**
Changes in equity shares capital during the year	-
As at March 31, 2019	**100,000**

B. Other Equity — Amount in (INR)

	Reserve & Surplus	TOTAL
	Retained Earnings	
Balance as at April 01, 2017 (a)	6,897,478	6,897,478
Addition during the year:		
Profit for the year transferred from statement of P&L	105,501,692	105,501,692
Items of OCI for the year, net of tax:		
Remeasurement benefits defined benefits plans	13,602	13,602
Total comprehensive income for the year 2017-18 (b)	**105,515,294**	**105,515,294**
Balance as at March 31, 2018 (c)=(a+b)	**112,412,772**	**112,412,772**
Addition during the year:		
Profit for the year transferred from statement of P&L	108,489,700	108,489,700
Items of OCI for the year, net of tax:	-	-
Remeasurement benefits defined benefits plans		
Total comprehensive income for the year 2018-19 (d)	**108,489,700**	**108,489,700**
Balance as at March 31, 2019 E=(c+d)	**220,902,472**	**220,902,472**

Significant accounting policies 1-2

The accompanying notes referred to above formed an integral part of the financial statements

As per our report of even date attached
For S S Kothari Mehta & Company
Chartered Accountants
Firm's registration number: 000756N

Harish Gupta
Partner
Membership number: 098336

Place : New Delhi
Date : 18th May 2019

For and on behalf of the board of directors of
BLS IT-Services Private Limited

(Dinesh Sharma)
Director
DIN No. 00956860

(Sanjeev Kumar)
Director
DIN No. 02826773

BLS IT SERVICES PRIVATE LIMITED
(CIN:U74999DL2016PTC298498)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

3 PROPERTY, PLANT & EQUIPMENT

As at March 31, 2018

Amount in (INR)

Description	Gross carrying value					Depreciation					Net Carrying Value
Particulars	As at March 31, 2017	Additions	Disposals/ Adjustments	Asset Written off during the year	As at March 31, 2018	As at March 31, 2017	Charge for the year	Disposals/ Adjustments	Asset Written off during the year	As at March 31, 2018	As at March 31, 2018
Computers	236,015,010	2,408,256	154,568	-	238,268,698	66,877,698	106,556,369	100,165		173,333,902	64,934,796
Office Equipments	29,129,424	144,944	10,058	-	29,264,310	6,168,405	10,617,430	4,919	-	16,780,916	12,483,394
Furniture & Fixtures	-	36,576	-	-	36,576	-	9,287	-	-	9,287	27,289
Vehicles	906,028	-	-	-	906,028	188,377	225,521	-	-	413,898	492,130
Total	266,050,462	2,589,776	164,626	-	268,475,612	73,234,480	117,408,607	105,084	-	190,538,003	77,937,609

As at March 31, 2019

Amount in (INR)

Description	Gross carrying value					Depreciation					Net Carrying Value
Particulars	As at March 31, 2018	Additions	Disposals/ Adjustments	Asset Written off during the year	As at March 31, 2019	As at March 31, 2018	Charge for the year	Disposals/ Adjustments	Asset Written off during the year	As at March 31, 2019	As at March 31, 2019
Computers	238,268,698	-	174,155,687	64,113,011	-	173,333,902	28,065,614	147,551,912	53,847,604	-	-
Office Equipments	29,264,310	25,500	27,390,722	1,899,088	-	16,780,916	4,144,635	19,675,997	1,249,554	-	-
Furniture & Fixtures	36,576	-	-	36,576	-	9,287	27,289	-	36,576	-	-
Vehicles	906,028	-	906,028	-	-	413,898	88,475	502,374	-	-	-
Total	268,475,612	25,500	202,452,437	66,048,675	-	190,538,003	32,326,014	167,730,283	55,133,734	-	-

4 INTANGIBLE ASSET

As at March 31, 2018

Amount in (INR)

Description	Gross carrying value					Amortisation					Net Carrying Value
Particulars	As at March 31, 2017	Additions	Disposals/ Adjustments	Asset Written off durimg the year	As at March 31, 2018	As at March 31, 2017	Charge for the year	Disposals/ Adjustments	Written off durimg the year	As at March 31, 2018	As at March 31, 2018
Software	64,680	-	-	-	64,680	11,976	33,928		-	45,904	18,776
Total	64,680	-	-	-	64,680	11,976	33,928	-	-	45,904	18,776

As at March 31, 2019

Amount in (INR)

Description	Gross carrying value					Amortisation					Net Carrying Value
Particulars	As at March 31, 2018	Additions	Disposals/ Adjustments	Asset Written off durimg the year	As at March 31, 2019	As at March 31, 2018	Charge for the year	Disposals/ Adjustments	Written off durimg the year	As at March 31, 2019	As at March 31, 2019
Software	64,680			64,680	-	45,904	10,594		56,498	-	-
Total	64,680	-	-	64,680	-	45,904	10,594	-	56,498	-	-

SS KOTHARI MEHTA & COMPANY ★ NEW DELHI ★ Chartered Accountants

Sanjeevkumar

BLS IT SERVICES PRIVATE LIMITED
(CIN:U74999DL2016PTC298498)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

5 Other financial assets-non current
(un-secured, considered good unless otherwise stated)

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Carried at amortised cost		
Security deposits	-	346,445
Total	-	**346,445**

6 Deferred tax (assets)& Liabilities (Net)

Particulars	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Deferred tax assets on:		
Difference between book value of depreciable assets as per books of accounts and written down value as per income tax	135,469	9,464,478
Provision for employee benefit	-	163,006
Preliminary expenses	519	806
Deferred Tax Liability on:		
Others	-	5,513
Total deferred tax assets(net)	**135,988**	**9,622,777**

7 Other non current assets

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Unamortized value of security deposits		40,069
Total	-	**40,069**

Financial Asset

8 Trade receivables: current

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Unsecured		
Trade Receivables considered good	427,706,523	680,150,411
Less: Allowances for expected credit loss	-	-
Total	**427,706,523**	**680,150,411**

9 Cash and cash equivalents

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Balance with banks:		
Current account	205,228	227,706
Cash in hand	-	1,629,666
Total	**205,228**	**1,857,372**

10 Bank balance other than cash and cash equivalents

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Investment in term deposits (with original maturity period of more than three month but less than twelve months).*	11,000,000	11,000,000
Total	**11,000,000**	**11,000,000**

* Fixed deposit pledged against bank guarantees

11 Other financial assets : Current
(un-secured, considered good unless otherwise stated)

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Receivables from Punjab Govt (Punjab State e Governance Society)*	6,151,653	**74,787,965**
Interest accrued on fixed deposit	386,621	340,197
Advance to employees	-	499,390
Security deposits	346,445	-
Total	**6,884,719**	**75,627,552**

* Reimbursement of diesel & electricity expenses

12 Other current assets

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Prepaid expenses	-	525,165
Advances against materials and services	496,396	251,477
Balance with government authorities	5,077,976	691,693
Total	**5,574,371**	**1,468,335**

SS KOTHARI MEHTA & COMPANY
NEW DELHI
Chartered Accountants

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13 EQUITY SHARE CAPITTAL

Amount in (INR)

Particulars	As at March 31, 2019	As at March 31, 2018
Authorized Share Capital 10,000 (March 31, 2018: 10,000) equity shares of Rs. 10/-each	100,000	10,000
Issued, subscribed and fully paid-up 10,000 (March 31, 2018: 10,000) equity shares of Rs. 10/- each	100,000	100,000
Total	**100,000**	**100,000**

a.) Reconciliation of the number of shares

Amount in (INR)

EQUITY SHARES	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	10,000	100,000	10,000	100,000
Add: Changes in capital during the year	-	-	-	-
Balance as at the closing of the year	**10,000**	**100,000**	**10,000**	**100,000**

b.) Rights, preferences and restrictions attached to shares

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

c.) Number of shares held by holding company

	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of Rs.10 each				
BLS International Services Limited	10,000	100%	10,000	100%

d.) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of Rs.10 each				
BLS International Services Limited*	10,000	100%	10,000	100%

* one share hold by nominee share holder

e). The Company has not issued any bonus shares and there is no buy back of shares in the current year and preceding year.

SS KOTHARI MEHTA & COMPANY
NEW DELHI
Chartered Accountants

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14 Other equity

Amount in (INR)

	As at March 31,2019	As at March 31,2018
Balance of retained earnings at the beginning of reporting period	112,412,772	6,897,478
Add : Profit transferred from statement of profit & loss	108,489,700	105,501,692
Total (a)	**220,902,472**	**112,399,170**
Other comprehensive income (OCI) (b)	-	13,602
Balance of retained earnings at the end of reporting period(a+b)	**220,902,472**	**112,412,772**

15 Borrowings- non-current

Amount in (INR)

	As at March 31,2019	As at March 31,2018
Secured loan (refer note 15.1)		
from financials institutions	-	187,777,523
Less: Current maturities of long term borrowings		51,704,751
Total	-	136,072,772

15.1 Loan from HP Financial services : Total outstanding balance as at March 31, 2019 is NIL ; March 31, 2018 Rs. 187,777,523/- [total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 is Rs 51,704,751; this loan is secured by way of first charge on the moveable fixed assets acquired . Applicable rate of interest is 11.74 % p.a. Loan is repayable in 20 monthly instalments. During the Current year the company has entered an arrangement with HPFS for payment of borrowings on adhoc basis which has been paid before 31-03-2019.

16 Provisions - non- current

Amount in (INR)

	As at March 31,2019	As at March 31,2018
Provisions for employees benefits gratuity	-	564,078
Total	-	**564,078**

17 Borrowing - Current

Amount in (INR)

	As at March 31,2019	As at March 31,2018
Secured (loan repayable on demand)		
Loan from HDFC*	-	70,000,000
Bank overdrafts#	114,242,527	123,175,980
Unsecured		
Loans from holding company$	30,040,204	25,500,000
Total	**144,282,731**	**218,675,980**

*Working capital loan Outstanding as at March 31, 2019 Nil (P.Y. 70,000,000/-) from HDFC Bank is secured by the way of Bank guarantee amounting Rs. 70,000,000 from holding company (BLS international Services Limited).

Bank overdraft from HDFC Bank is secured by way of fixed deposits, first pari pasu charge on fixed assets and guarantee from holding. (BLS international Services Limited) (Interest Rate 10.50% Per annum).

$ Loans from holding :- The company has taken loan from its holding company for its businees activities. The loans are unsecured and repayble on demand. The loan carried an interest @ 10% & 12% p.a.

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Chartered Accountants

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18 Trade payables: current

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Total oustanding dues to micro enterprise & small enterprise (refer note 33)	-	-
Total outstanding dues to creditors other than micro enterprise & small enterprise	15,521,917	145,683,962
Total	**15,521,917**	**145,683,962**
	-	-

19 Other financials liabilities - current

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Current maturities of Long term debts (refer note 15)	-	51,704,751
Creditors for capital goods	97,868	97,868
Interest accrued and due on borrowings:		
- From financial institution	-	4,931,619
Interest accrued and but not due on borrowings:		
- From holding company(refer note 36)	2,354,176	445,316
- Other borrowing	-	2,101,147
Other payables:		
- Employees due payable	9,500	1,453,399
- Expense payable	14,551,923	89,257,931
- Govt fee Payable (Punjab State e-Governance Society & Power corporation)	-	12,988,268
Total	**17,013,467**	**162,980,299**

(a) Delay in Payments of Secured Term Loans from Financial Institutions

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
HP Financial services	-	9,778,200
Total		**9,778,200**

(b) Delay in Payments of interest to Financial Institutions

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
From financials institutions	-	4,931,619
Total	-	**4,931,619**

20 Other current liabilities

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
GST payable	25,216,159	-
Other statutory dues payable	192,298	28,691,795
Total	**25,408,457**	**28,691,795**

21 Provision : current

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Provision for employee benefit: gratuity	-	1,130
Total	-	**1,130**

22 Current tax liabilities (net)

	As at March 31,2019	As at March 31,2018
		Amount in (INR)
Income tax provision (net of tax paid)	28,277,785	52,886,558
Total	**28,277,785**	**52,886,558**

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BLS IT SERVICES PRIVATE LIMITED
(CIN:U74999DL2016PTC298498)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

23 Revenue from operations

	Amount in (INR)	
	Year ended March 31, 2019	Year ended March 31, 2018
Sale of services:	219,456,351	712,273,850
Sale of govt application form	227,102	716,123
Total	219,683,453	712,989,973

24 Other income

	Amount in (INR)	
	Year ended March 31, 2019	Year ended March 31, 2018
Interest income on: fixed deposits	782,421	774,229
Miscellaneous income	688,797	563,492
Balances written off - creditors	2,359,688	-
Profit on sale of fixed assets (refer note 42)	129,106,625	-
Profit on sale of car	116,345	-
Total	133,053,876	1,337,721

25 Cost of services

	Amount in (INR)	
	Year ended March 31, 2019	Year ended March 31, 2018
Contractual charges	94,629	-
Manpower cost	69,086,989	271,767,157
Government application form consumption	69,150	501,234
Total	69,250,768	272,268,391

26 Employee benefit expense

	Amount in (INR)	
	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, wages and bonus	9,022,222	17,812,625
Contribution to provident fund and other funds	-	384,912
Staff welfare expenses	14,771	65,068
Total	9,036,993	18,262,605

27 Finance cost

	Amount in (INR)	
	Year ended March 31, 2019	Year ended March 31, 2018
Interest on borrowings*	26,716,086	40,427,242
Interest others	9,434,188	3,042,774
Other financial charges	743,999	466,555
Total	36,894,273	43,936,571

*include from holding company, refer note 36

28 Depreciation and amortisation expenses

	Amount in (INR)	
	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on property, plant & equipment (Refer note 3)	32,326,014	117,408,607
Amortization on intangible assets (Refer note 4)	10,594	33,928
Total	32,336,608	117,442,535

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Sanjeev Kumar

29 Other expenses

	Year ended March 31, 2019	Year ended March 31, 2018
		Amount in (INR)
Management consultancy exp.*	4,000,000	21,500,000
Sewa Kendra Expenses	19,207,179	50,795,693
Bank charges	2,048,932	479,497
Sewa kendra computer AMC exp	-	7,919,177
Provision for exp of outstanding debtors	330,386	
diesel ditribution	1,208,179	5,051,500
Telephone & internet exp	1,538,314	5,428,713
Printing and stationery expense	799,163	3,932,324
Rent expenses	377,877	2,763,197
Sewa kendra printer cartridge exp	1,237,002	-
Conveyance local & outstation	1,472,491	-
Professional consultacny charges	1,487,250	4,170,250
Software exp	570,000	840,000
Swachh bharat exp	-	512,394
DG repair & maintenance exp	1,664,605	827,591
Computer repair & maintenance exp	54,418	523,315
Payment to auditors (refer note no. 29.1)	340,000	292,000
Provision for expense	130,417	-
FA write off	10,923,124	-
Misc expenses	4,819,172	8,984,296
Total	52,208,509	114,019,947

*include from holding company, refer note 36

29.1 Payment to auditors

	Year ended March 31, 2019	Year ended March 31, 2018
		Amount in (INR)
Statutory audit fees	340,000	280,000
Reimbursement of expenses	-	12,000
Total	340,000	292,000

30 Earning per share (EPS)

	Year ended March 31, 2019	Year ended March 31, 2018
		Amount in (INR)
Net profit after tax as per statement of proft and loss attributable to equity shareholders (Rs.)	108,489,700	105,501,692
Weighted average number of equity shares used as denominatior for calculating basic EPS	10,000	10,000
Weighted average potential equity shares	-	
total Weighted average number of equity shares used as denominatior for calculating diluted EPS	10,000	10,000
Basic EPS (Rs.)	10,848.97	10,550.17
Diluted EPS (Rs.)	10,848.97	10,550.17
Face value per equity share (Rs.)	10.00	10.00

31 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	Year ended March 31, 2019	Year ended March 31, 2018
		Amount in (INR)
Guarantees issued by the bank on behalf of the Company	200,200,000	257,283,400

32 LEASES

The Company has taken premises for office under cancellable operating lease agreements. Terms of the lease include terms for renewal, increase in rents in future periods and terms of cancellation.

Lease payments recognised in statement of profit an loss amounting Rs. 3,77,877 (P.Y. Rs.27,63,197)

33 The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Based on the information available, there are no vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Particulars	As at March 31, 2019	As at March 31, 2018
Principal amount remaining unpaid at the end of the year	Nil	Nil
Interest due thereon remaining unpaid at the end of the year	Nil	Nil
Delayed payment of Principal amount paid beyond appointed date during the entire financial year	Nil	Nil
Interest actually paid under Section 16 of the Act during the entire accounting year	Nil	Nil
Amount of Interest due and payable for the period of delay in making the payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act.	Nil	Nil
Amount of Interest due and payable for the period (where principal has been paid but interest under the MSMED Act not paid)	Nil	Nil
Interest accrued and remaining unpaid at the end of the year	Nil	Nil
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises for the purpose of disallowances as deductible expenditure under Section 23 of this Act	Nil	Nil

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Chartered Accountants

Sanjeev Kumar

34. Employee Benefits (Disclosures)

Table Showing Changes in Present Value of Obligations:

Amount in (INR)

Period	Gratuity (unfunded) 2017-18
Present value of the obligation at the beginning of the period	199,411
Interest cost	12,962
Current service cost	371,950
Benefits paid (if any)	-
Actuarial (gain)/loss	(19,115)
Present value of the obligation at the end of the period	565,208

Bifurcation of total Actuarial (gain) /loss on liabilities

Period	Gratuity (unfunded) 2017-18
Actuarial gain/ losses from changes in Demographics assumptions (mortality)	Not Applicable
Actuarial (gain) / losses from changes in financial assumptions	25,376
Experience Adjustment (gain)/ loss for Plan liabilities	(44,491)
Total amount recognized in other comprehensive Income	(19,115)

The amount to be recognized in the Balance Sheet

Period	Gratuity (unfunded) As at March 31, 2018
Present value of the obligation at the end of the period	565,208
Fair value of plan assets at end of period	-
Net liability/(asset) recognized in Balance Sheet and related analysis	565,208
Funded Status	(565,208)

Expense recognized in the statement of Profit and Loss

Period	Gratuity (unfunded) 2017-18
Interest cost	12,962
Current service cost	371,950
Past Service Cost	-
Expected return on plan asset	-
Expenses to be recognized in the statement of P&L accounts	**384,912**

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Other comprehensive (income)/expenses (Remeasurement)

Period	Gratuity (unfunded) 2017-18
Cumulative unrecognized actuarial (gain)/loss opening. B/F	
Actuarial (gain)/loss - obligation	(19,115)
Actuarial (gain)/loss - plan assets	
Total Actuarial (gain)/loss	(19,115)
Cumulative total actuarial (gain)/loss. C/F	

Net interest Cost

Period	Gratuity (unfunded) 2017-18
Interest Cost on defined benefit obligation	
Interest Income on plan assets	
Net interest Cost (Income)	

Experience Adjustment

Period	Gratuity (unfunded) 2017-18
Experience Adjustment (Gain)/loss for Plan liabilities	(44,491)
Experience Adjustment Gain/ (loss) for Plan assets	-

Summary of membership data at the date of valuation and statistics based thereon:

Period	Gratuity (unfunded) As at March 31, 2018
Number of employees	16
Total monthly salary	769,018
Average Past Service(Years)	1.5
Average remaining working lives of employees(Years)	19.2
Average Age(years)	38.8
Weighted average duration (based on discounted cash flows) in years	17
Average monthly salary	48,064

The assumptions employed for calculations are tabulated:

Discount rate	6.50%
Salary Growth Rate	6.50%
Mortality	IALM 2006-08 Ultimate
Expected rate of return	-
Withdrawal Rate (per annum)	100.00% p.a.

The expected contribution for Defined Benefit Plan for the next financial year will be Rs. 29,69,556/-
The weighted average duration of the Defined Benefit plan is 20 years

Current Liability (*It is probable outlay in next 12 months as required by the Companies Act) :

Period	Gratuity (unfunded) As at March 31, 2018
Current Liability (Short Term)*	1,130
Non Current Liability (Long Term)	564,078
Total Liability	565,208

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Sensitivity Analysis :

Period	
Defined benefit obligation (Base)	
Liability with x % increase in Discount rate	
Liability with x % decrease in Discount rate	
Liability with x % increase in salary growth rate	
Liability with x % decrease in salary growth rate	
Liability with x % increase in withdrawal rate	
Liability with x % decrease in withdrawal rate	

Maturity Profile of projected benefit obligation: from the fund

	For the year ended March 31, 2019 Gratuity (Unfunded)
1st Following Year	
2nd Following Year	
3rd Following Year	
4th Following Year	
5th Following Year	
After 5 Years	

Note:- During the year , Business operations of the company has been terminated due to which all the employees has been shifted to another group companies. Hence there is no employee in the company as at 31.03.2019. So no Actuarial valuation has been taken for the period.

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35 FINANCIAL INSTRUMENTS

35(A) Category-Wise Classification Of Financials Instruments

S.No	Financial assets/financial liabilities	Refer note	Non-current		Current	
			As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
(i)	**Financial assets measured at amortised cost**					
a)	Security deposits	5 & 11	-	346,445	346,445	-
b)	Cash & Cash Equivalents	9	-	-	205,228	1,857,372
c)	Other Bank Balances	10	-	-	11,000,000	11,000,000
d)	Trade receivables	8	-	-	427,706,523	680,150,411
e)	Other financial current assets	11	-	-	6,538,274	75,627,552
			-	346,445	445,796,470	768,635,335
(ii)	**Financial liabilities measured at amortised cost**					
a)	Borrowings from bank and financial institutions	15 & 17	-	187,777,523	114,242,527	244,880,731
b)	Loan from related party	17	-	-	30,040,204	25,500,000
c)	Trade payables	18	-	-	15,521,917	145,683,962
d)	Other financial current liability*	19	-	-	17,013,467	111,275,548
			-	187,777,523	176,818,115	527,340,241

*excluding current maturity

35(B) Fair Value Measurements

(i) Financial instrument measured at Amortised Cost

The carrying amount of financial assets and financials liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

35(c) Financial Risk Management- Objectives And Policies

The Company's financial liabilities comprise mainly of borrowings, trade payable and others payable. The company's financial assets comprise mainly of investments, cash and cash equivalents, other bank balances, loans , trade payable and other receivables.

The company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk; and
- Market risk

a) Risk management framework

The Company's board of directors has the overall responsibility for the management of these risks and is supported by Management Advisory Committee that advises on the appropriate financial risk governance framework. The Company has the risk management policies and systems in place and are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's audit committee oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of risk management framework in relation to the risks faced by the Company. The framework seeks to identify, asses and mitigate financial risk in order to minimise potential adverse effects on the company's financial performance.

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b) **Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises from the operating activities primarily (trade receivables) and investing activities including deposits with banks and other corporate deposits. The company establishes an allowance for impairment that represents its estimate of expected losses in respect of financial assets. A default of financial assets is when there is a Significant increase in the credit risk which is evaluated based on the business environment. The assets are written off when the company certain about the non- recovery.

(i) Trade & other receivables:

Customer credit risk is managed based on company's established policy, procedures and controls. The company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Credit risk is reduced by receiving pre-payments. The company has a well defined sales policy to minimize its risk of credit defaults. Outstading customer receivables are regularly monitored and assessed. Impairement analysis is performed pased on historical data at each reporting date on an individual basis. However a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Expected Credit loss under simplified approach for Trade receivables:

		Amount in INR
Ageing	**As at March 31,2019**	**As at March 31,2018**
Ageing of gross carrying amount		
0-6 months	192,841,646	434,830,506
More than 6 months	234,864,877	245,319,905
Gross Carrying amount	427,706,523	680,150,411
Expected Credit loss	-	-
Net carrying amount	**427,706,523**	**680,150,411**

(ii) Financial instruments and cash deposits :

Credit risk from balances with banks and other financial instruments is managed by Company in accordance with its policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the management, and may be updated throughout the year.

Impairment on cash and cash equivalents, deposits and other financial instruments has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of counterparties.

Based on the assessment there is no impairment in the above financial assets.

c) **Liquidity Risk**

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for maintenance of liquidity, continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis a vis debt service fulfillment obligation.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2019				
Borrowings from bank and financial institutions	114,242,527	-	-	
Loan from related party	30,040,204	-	-	30,040,204
Trade payables	15,521,917	-	-	15,521,917
Other financial current liability*	17,013,467	-	-	17,013,467
As at March 31, 2018				
Borrowings from bank and financial institutions	244,880,731	187,777,523	-	432,658,254
Loan from related party	25,500,000	-	-	25,500,000
Trade payables	145,683,962	-	-	145,683,962
Other financial current liability*	111,275,548	-	-	111,275,548

*excluding current maturity

c). Market Risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

i) The Company is not exposed to market risk primarily related to foreign exchange rate risk (currency risk)and market value of its investments.

ii) Interest Rate Risk and Sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates expose the Company to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the company and impact of floating rate borrowings on company's profitability.

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35(d) **Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Company's Capital management is to maximise shareholder's value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions.

The Company manages capital using gearing ratio, which is total debt divided by total equity. The gearing at the end of the reporting period was as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings (Non current)	-	187,777,523
Borrowings (Current)	144,282,731	218,675,980
Less: Cash and cash equivalents including bank balances	(205,228)	(1,857,372)
Total Debt(A)	**144,077,503**	**404,596,131**
Total Equity(B)	221,002,472	112,512,772
Overall financing (C=A+B)	365,079,975	517,108,903
Gearing ratio(A/C)	**0.39**	**0.78**

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year.

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36 Related Party Disclosures

Related party disclosures , as required by Ind AS 24 is as below:

A) Holding Company	**Country of Incorporation**
BLS International Service Limited	India
B) Subsidiaries of holding company	
BLS E- Solutions Private Limited	India
BLS E-Services Private Limited	India
BLS Kendras Private Limited	India
C) Key Management Personnel (KMP)	**Designation**
Mr. Dinesh Sharma (w.e.f 23.10.2017)	Director
Mr. Sanjeev Kumar (w.e.f 23.10.2017)	Director
Ms. Shivani Mishra	Director

Related Party Disclosures

The following transactions were carried out with the related parties in the ordinary course of business:

Particulars	Nature of Transaction	2018-19	2017-18
1 BLS International Service Limited	Management consultancy services	4,000,000	21,500,000
	Loan recived during the year	21,401,640	65,500,000
	Loan repaid during the year	16,861,436	40,000,000
	Reimbursement of Expenses (Paid)	-	
	Interest expenses	3,731,916	600,001
	Closing Balance		
	Loan payable	30,040,204	25,500,000
	Interest payable	2,354,176	445,315
	Other payables	-	27,868,707
	Off balance sheet item		
	Corporate guarantee taken	200,000,000	200,000,000
2 BLS E-Services Private Limited	Loan/ Advance received	53,000,000	70,000,000.00
	Loan/ Advance repaid	53,000,000	70,000,000.00
	Closing Balance		
	Balance receivables	-	-
3 BLS E- Solutions Private Limited	Loan/ Advance received	-	70,000,000
	Loan/ Advance repaid	-	70,000,000
	Closing Balance	-	-
	Balance receivables		

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BLS IT SERVICES PRIVATE LIMITED
(CIN:U74999DL2016PTC298498)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

37 Income Taxes

a. Amount recognised in Statement of Profit and Loss

Amount in (INR)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Income Tax		
Current year	35,033,689	56,030,980
Total	**35,033,689**	**56,030,980**
Deferred Tax	9,486,789	(13,135,027)
Tax credit entitlement		
Total	**44,520,478**	**42,895,953**

b. Income taxes that are charged or credited directly in equity

Amount in (INR)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax		
Re-measurements of defined benefit plans	-	(5,513)
Total	-	(5,512.77)

c. Reconciliation of Tax expense

Amount in (INR)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Reconciliation of effective tax rate		
Profit before tax	153,010,178	148,397,645
Enacted income tax rate*	27.82%	28.84%
Tax amount on enacted income tax rate in India	42,567,431	42,797,881
Add/(deduct) impact of:	-	
Expenses not allowable in income tax	1,418,350.12	658,133
Expenses allowable in income tax	(778)	
Change in tax rate	340,334	
Effect of carried forward losses		(3,350,118)
Others	195,140	2,790,057
Tax Expense	44,520,478	42,895,953

* tax rate of 27.82% includes corporate tax of 25%, 7% surcharge and Secondary and Higher Education Cess of 4% on the tax amount

PY: tax rate of 28.84% includes corporate tax of 25%, 12% surcharge and Secondary and Higher Education Cess of 3% on the tax amount

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Sayeed Kumar

38 Segment information

Information about primary segment

The company has engaged in the business of providing citizen services under an e-governance projects of Punjab state Govt. and has only reportable segment in accordance with IND AS-108 'Operating Segment'.

39 The Punjab Government has terminated master service agreement entered with the company vide its letter dated in January 31, 2018, which was only the source of the revenue of this company. However, the management is making the effort to secure further contracts/ business and is of the view that going concern assumption is not affected. Accordingly these financial statements have been prepared on a going concern basis.

40 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% at its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act.

a) Gross amount required to be spent by the company during the year is Rs.15,88,019/- (P.Y. Nil)

b) Amount spent during the year : Nil

41 Balance of Trade receivables, Trade payables and advances are subject to confirmation and reconciliation, difference if any, shall be accounted for no such reconciliation.

In the opinion of the management, the value on realisation of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance sheet and provisions for all known liabilities has been made.

42 The Punjab State E-Governance Society ("Punjab Government or the authority or PSEC's") has terminated master service agreement with BLS IT Services Private Limited vide its letter dated in January 30, 2018. As per the terms of contract, the Company has to transfer the property plant and equipment (hardware infrastructure) at the net block (Procurement price less depreciation as per provision of the Company's Act 2013) of the assets. The Company has accordingly handed over major part of the hardware infrastructure to the authority and transferred these at the net block based on their understanding of the master service agreement by taking the life of property, plant and equipment of 5 years and has accounted profit on such transfer. The company has communicated the basis of arriving at the net block to the authority which is pending final acceptance by them.

43 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

44 Notes 1 to 43 are annexed to and form an integral part of financial statements.

As per our report of even date attached
For S. S. Kothari Mehta & Company
Chartered Accountants
Firm's registration number: 000756N

Harish Gupta
Partner
Membership number: 098336

S S Kothari Mehta & Company New Delhi Chartered Accountants

For and on behalf of the board of directors of
BLS IT-Services Private Limited

Sanjeev Kumar

(Dinesh Sharma)	**(Sanjeev Kumar)**
Director	Director
DIN No. 00956860	DIN No. 02826773

Place : New Delhi
Date : 18th May 2019