

## INDEPENDENT AUDITOR'S REPORT

To the Members  
BLS E-Services Private Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of **BLS E-Services Private Limited ("the Company")** which comprise the balance sheet as at March 31, 2017, the statement of profit and loss, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes



evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

### Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid 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 written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of sub-section 2 of section 164 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 our separate Report in "Annexure B"; and
- (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 which would impact its financial position;



- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the investor education and protection fund by company; and
- iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealing in specified bank notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer note 27 to the financial statements.

Place: New Delhi  
Date: May 12, 2017

For **S S KOTHARI MEHTA & CO.**  
Chartered Accountants  
Firm's registration number: 000756N



  
**Harish Gupta**  
Partner

Membership number: 098336

**“Annexure A” to the Independent Auditors’ Report**

The Annexure as referred in paragraph (1) ‘Report on Other Legal and Regulatory Requirements’ of our Independent Auditors’ Report to the members of **BLS E-Services Private Limited** on the financial statements for the year ended March 31, 2017, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the management according to the programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Fixed Assets. The discrepancies, if any, noticed on such physical verification have been properly dealt with in the books of accounts.
  - (c) The company does not have any immovable property.
- ii. The company is a service company. Accordingly it does not hold any physical inventories. Thus paragraph 3(ii) of the order is not applicable to the company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The company has not accepted any deposits from public.
- vi. The nature of the company’s service is such that maintenance of cost records under section 148(1) of the act is not applicable to the company.
- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income tax, service tax, cess and any other material statutory dues with the appropriate authorities to the extent applicable except advance tax of Rs.11,77,423 which is due for more than 6 months.
  - (b) According to the information and explanations given to us, there are no dues of in respect of income tax, sales tax, service tax, which have not been deposited on account of any dispute. In this company wealth tax, custom duty, excise duty, Value added tax, sales tax are not applicable.
- viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any financial institutions as at balance sheet date.

As per information and explanation given to us the company had not taken any loan or borrowings from the government. Further, the company had not issued any debenture.



- ix. According to the information and explanations given to us, the Company has neither raised any money by way of initial public offer or further public offer nor have taken any term loan during the year under audit. Accordingly, provision of clause 3(ix) of "the Order" is not applicable to the Company.
- x. According to the information and explanations given to us, no instance of fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company is private limited Company, therefore section 197 of the Act is not applicable. Accordingly, clause 3 (xi) of "the Order" is not applicable to the Company.
- xii. 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.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

The provisions of Section 177 of the Act are not applicable to the Company and accordingly reporting under clause 3(xiii) of "the Order" in so far as it relates to section 177 of the Act is not applicable to the Company.

- xiv. Based upon the audit procedures performed and the information and explanations given to us, the Company has made the preferential allotment of shares during the year under review and has complied with the requirement of section 42 of Companies Act, 2013 the amount was used for the purpose for which they was raised.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **S S KOTHARI MEHTA & CO.**  
Chartered Accountants  
Firm's registration number: 000756N



**Harish Gupta**  
Partner

Place: New Delhi  
Date: May 12, 2017

Membership number: 098336

**“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of BLS E-Services Private limited.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of ‘Report on Other Legal and Regulatory Requirements’ section**

We have audited the internal financial controls over financial reporting of **BLS E-Services Private Limited** (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 periods 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 March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi  
Date: May 12, 2017

For S S KOTHARI MEHTA & CO.  
Chartered Accountants  
Firm's registration number: 000756N



Harish Gupta  
Partner

Membership number: 098336

**BLS E-SERVICES PRIVATE LIMITED**  
**Balance Sheet as at 31st March, 2017**

		(Amount in INR)
	Note	As at 31st March, 2017
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	3	100,000
Reserves and surplus	4	22,835,945
		<u>22,935,945</u>
<b>Non-current liabilities</b>		
Long-term borrowings	5	124,802,121
Deferred Tax Liabilities (Net)	12	11,283,485
		<u>136,085,606</u>
<b>Current liabilities</b>		
Short term borrowings	6	80,871,380
Trade Payables	7	-
Total Outstanding dues of micro enterprises & small enterprises		8,545,932
Total Outstanding dues of creditors other than micro enterprises & small enterprises		64,092,058
Other current Liabilities	8	5,003,531
Short Term Provision	9	-
		<u>158,512,901</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>317,534,452</u></u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets	10	133,921,157
Property, Plant & Equipment		26,352
Intangible assets		164,250
Long-term loans and advances	11	-
		<u>134,111,759</u>
<b>Current assets</b>		
Trade receivables	13	130,730,389
Cash and bank balances	14	2,498,776
Short-term loans and advances	15	11,049,163
Other current assets	16	39,144,365
		<u>183,422,693</u>
<b>Total</b>		<u><u>317,534,452</u></u>

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

for **S S Kothari Mehta & Co.**

Chartered Accountants

Firm's registration number: 000756N



**Harish Gupta**

Partner

Membership number: 098336

for and on behalf of the board of directors of

For BLS E-SERVICES PVT. LTD. For BLS E-Services Private Limited

  
 Director/Authorised Signatory

  
 Director/Authorised Signatory

**(Diwakar Aggarwal) (Vinod Aggarwal)**

Director

Director

DIN: 00144645

DIN: 00135390

Place : New Delhi

Date : May 12, 2017



**BLS E-SERVICES PRIVATE LIMITED**  
**Statement of Profit and Loss for the Year Ended 31st March,2017**

PARTICULARS	Note	(Amount in INR)
		For the year ended 31st March, 2017
<b>REVENUE</b>		
Revenue from operations	17	268,302,728
<b>Total Revenue</b>		<b>268,302,728</b>
<b>EXPENSES</b>		
Cost of Services	18	114,368,726
Employee benefits expenses	19	5,976,632
Depreciation and amortisation expenses	20	57,343,844
Finance costs	21	14,140,962
Other Expenses	22	42,353,134
<b>Total Expenses</b>		<b>234,183,298</b>
<b>Profit before tax</b>		<b>34,119,430</b>
<b>Tax expenses</b>		
Current tax		6,956,559
MAT credit entitlement		(6,956,559)
Deferred tax		11,283,485
<b>Total tax expense</b>		<b>11,283,485</b>
<b>Profit for the year</b>		<b>22,835,945</b>
<b>Earnings per equity share</b>	23	
Face value per equity share		10
Basic & Diluted (Rs.)		2,284

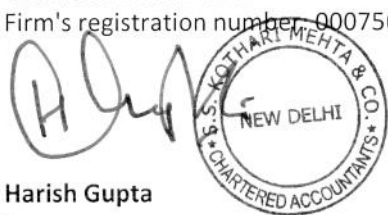
The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

**for S S Kothari Mehta & Co.**

Chartered Accountants

Firm's registration number: 000756N



**Harish Gupta**

Partner

Membership number: 098336

Place : New Delhi

Date : May 12,2017

for and on behalf of the board of directors of

For BLS E-SERVICES PVT. LTD.

For BLS E-SERVICES PVT. LTD.

  
 Director/Authorised Signatory

**(Diwakar Aggarwal)**

Director

DIN: 00144645

  
 Director/Authorised Signatory

**(Vinod Aggarwal)**

Director

DIN: 00135390

**BLS E-SERVICES PRIVATE LIMITED**  
**Cash Flow Statement for the Year Ended 31st March,2017**

PARTICULARS	(Amount in INR)
	For the year ended 31st March, 2017
<b>Cash flow from operating activities</b>	
Profit before tax	34,119,430
<b>Adjustments for:</b>	
Depreciation and amortisation	57,343,844
Interest expense	14,140,962
<b>Cash generated from operation before working capital changes</b>	<b>105,604,236</b>
<b>Adjustments for:</b>	
(Increase)/ Decrease in trade receivables	(130,730,389)
(Increase)/ Decrease in loans and advances	(11,213,413)
(Increase)/ Decrease in other assets	(39,144,365)
Increase/ (Decrease) in trade payables	8,545,932
Increase/ (Decrease) in other liabilities and provisions	41,345,707
<b>Cash flow from operations activities</b>	<b>(25,592,292)</b>
Direct taxes paid (net of refunds)	-
<b>Net cash (used in) / generated from operating activities - [a]</b>	<b>(25,592,292)</b>
<b>Cash flow from investing activities</b>	
Purchase of fixed assets including capital work in progress	(191,291,356)
<b>Net cash (used in) / generated from investing activities - [b]</b>	<b>(191,291,356)</b>
<b>Cash flow from financing activities</b>	
Proceeds from share capital issued	100,000
Proceeds of short term borrowings	80,871,380
Proceeds of long term borrowings	160,051,932
Repayment of long term borrowings	(9,072,948)
Interest paid	(12,567,940)
<b>Net cash (used in) / generated from financing activities - [c]</b>	<b>219,382,424</b>
<b>Net increase/(decrease) in cash and cash equivalents - [a+b+c]</b>	<b>2,498,776</b>
Cash and cash equivalents at the beginning of the year [refer note 14]	-
Cash and cash equivalents at end of the year [refer note 14]	2,498,776
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>2,498,776</b>
<b>Components of cash and cash equivalents :-</b>	
Balances with banks:	
Current accounts	151,649
Cash on hand	2,347,127
<b>Cash and cash equivalents at end of the year [refer note 14]</b>	<b>2,498,776</b>

As per our report of even date attached  
**for S S Kothari Mehta & Co.**

Chartered Accountants

Firm's registration number: 000756N

Harish Gupta  
 Partner  
 Membership number: 098336



For BLS E-SERVICES PVT. LTD. for and on behalf of the board of directors of  
**BLS E-Services Private Limited**

  
 Director/Authorised Signatory

(Diwakar Aggarwal)  
 Director  
 DIN: 00144645

  
 Director/Authorised Signatory

(Vinod Aggarwal)  
 Director  
 DIN: 00135390

Place : New Delhi

## BLS E- SERVICES PRIVATE LIMITED

### Notes to Financial Statement for the Year ended March 31, 2017

#### 1 Corporate information

BLS E Services Private Limited (CINU74999DL2016PTC298207) is a private company incorporated on 12 April, 2016 Its registered office is at G-4B-1, Extension, Mohan Co-Operative Indl. Estate Mathura Road New Delhi and paidup capital Rs. 1,00,000/-. 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.

#### 2 Summary of significant accounting policies

The financial statements have been prepared to comply in all material respects with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and the relevant provisions of the Companies Act, 2013 to the extent applicable. The financial statements have been prepared under the historical cost convention, as a going concern, on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company.

##### a Use of estimates

The preparation of financial statements is in conformity with the generally accepted accounting principles, which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

##### b Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is recognised as income as and when services are rendered to customers.

###### i) Revenue from services

Revenue is recognised as income as and when services are rendered to customers.

###### ii) Interest income

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

###### iii) Dividend income

Dividend Income on investment is accounted for when the right to receive the payment is established.

##### c Fixed assets

Property , Plant and Equipment's (Tangible assets) are stated at cost of acquisition less accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of fixed assets are capitalized. Expenditure on account of modification/alteration in the fixed assets, which increases the future benefit from the existing asset beyond its previous assessed standard of performance. is capitalized to the cost of asset.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

##### d Depreciation on tangible assets

Depreciation on tangible assets is calculated on written down value method, at the rates prescribed under the Schedule II to the Companies Act, 2013. In respect of assets acquired/sold during the year, depreciation is provided on pro-rata basis with reference to the number of days of addition/put to use or disposal.

Individual assets costing upto Rs 5,000 are depreciated @ 100% in the year of purchase.

##### e Investments

Investments are classified as current or non current, based on management's intention at the time of purchase. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments.

##### f Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.



**g Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Lease rentals in respect of assets taken on 'operating lease' are charged to the Statement of Profit and Loss on a straight line basis over the lease term.

**h Taxations**

**Current Tax:**

Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with the provisions of Income Tax Act, 1961.

**Minimum Alternate Tax (MAT) Credit:**

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement under Loans & Advances. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**Deferred Tax:**

Deferred Tax is recognized, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income & accounting income computed for the current accounting year and reversal of earlier years' timing difference. Deferred Tax Assets are recognized and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses, which are recognized to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**i Earnings Per Share (EPS)**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss 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.

**j Contingent liabilities and provisions**

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made. A disclosure is made for a contingent liability when there is a:

- (i) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;
- (ii) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- (iii) present obligation, where a reliable estimate cannot be made or where the possibility of outflow of resources is remote.

**k Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**l Borrowing cost**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are considered as part of the cost of assets/ projects. Qualifying Asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are treated as period cost and charged to the statement of profit and loss in the year in which incurred.

**m Cash Flow Statement**

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



3 Share Capital

(Amount in INR)

As at 31st March,  
2017

a) Authorized Shares	
10000 equity shares of Rs.10/- each	100,000
Issued, subscribed and fully Paid up shares	
10000 equity shares of Rs.10/- each	100,000
	<u>100,000</u>

b) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31st March, 2017	
	No. of shares	Amount in INR
At the beginning of the Period		
Issued Equity Shares	10,000	100,000
Outstanding at the end of the Period	<u>10,000</u>	<u>100,000</u>

c) Terms/rights attached to equity shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

d) Details of shareholders holding more than 5% shares in the Company is set out below (representing legal and beneficial ownership):

Name of Shareholders	As at 31st March, 2017	
	No. of shares	% holding
BLS International Services Limited*	10,000	100%
*One share held By Mr. Diwakar Aggarwal (Promoter)		

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

4 Reserves and Surplus

(Amount in INR)

Particulars	As at 31st March, 2017
Surplus as per the statement of profit and loss	
Balance at beginning of the year	-
Add : Profit for the Period	22,835,945
Net surplus in the statement of profit and loss	<u>22,835,945</u>
Total Reserves and Surplus	<u>22,835,945</u>

5 Long term borrowings

(Amount in INR)

Particulars	As at 31st March, 2017
Secured Loan*	
From Bank	
From financial institution	124,802,121
*Refer note no 5.1 for other details of borrowings.	<u>124,802,121</u>

5.1 The requisite particulars in respect of secured borrowings are as under:

Particulars	31st March,2017	Particulars of security / guarantees /default	Terms of repayment
<u>IT Equipments financed from Hewlett Packard financial Service Private Limited</u>		The said loan is secured by	Interest Rate 11.74% per annum
Balance Outstanding	150,804,201	way of first charge on	The said loan is repayable in 20
Current Maturity	26,002,080	moveable fixed assets	equal quarterly installment
Non-Current Maturity	124,802,121	acquired	

6 Short Term borrowing

(Amount in INR)

Particulars	As at 31st March, 2017
Secured Loans Repayable on Demand	
Bank Overdraft*	80,871,380
* Credit facility available from HDFC Bank is secured by way of Fixed Deposits and commercial Properties, First pari passu charge on all assets of the Borrower (Interest Rate 10.50% Per annum) Interest shall be payable at monthly rests and on the last day of the month.	<u>80,871,380</u>



**7 Trade Payables**

	(Amount in INR)
Particulars	As at 31st March, 2017
<b>Trade payables</b>	
Total outstanding dues of micro and small enterprises	-
Total outstanding dues of creditors other than micro and small enterprises	8,545,932
	<u>8,545,932</u>

**7.1 Trade Payables - Dues to Micro, Small and Medium Enterprises (As Per The Intimation Received From Vendors)**

	(Amount in INR)
Particulars	As at 31st March, 2017
a. Principal and interest amount remaining unpaid	-
b. Interest due thereon remaining unpaid	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act.	-
e. Interest accrued and remaining unpaid	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-

**8 Other Current Liabilities**

	(Amount in INR)
Particulars	As at 31st March, 2017
Current Maturity for long term borrowings (Refer note no. 5.1)	26,002,080
Interest accrued but not due on borrowings	1,747,802
Creditors for Capital Goods	3,426,624
<b>Other Payable</b>	
- Expenses Payable	27,392,965
- Government Fees Payable (Punjab State e-Governance Society)	522,725
- Government Fees Payable (Punjab State Power Corporation Limited)	842,217
- Salary and incentives payable	740,473
Statutory due Payable	3,417,172
	<u>64,092,058</u>

**9 Short Term Provision**

	(Amount in INR)
Particulars	As at 31st March, 2017
Provision for Income Tax (Net of Advance Tax & TDS Receivable Rs. 19,53,028)	5,003,531
	<u>5,003,531</u>

**11 Long Term Loans and Advances**

	(Amount in INR)
Particulars	As at 31st March, 2017
Security deposits (Unsecured, Considered good)	164,250
	<u>164,250</u>

**12 Deferred tax Liabilities (Net)**

	(Amount in INR)
Particulars	As at 31st March, 2017
<b>Deferred tax liability on account of</b>	
Timing difference on depreciation and amortisation	11,562,217
Total deferred tax liability (A)	<u>11,562,217</u>
<b>Deferred tax asset on account of</b>	
Timing difference on carry forward losses	277,499
Timing difference on preliminary expenses	1,233
Total deferred tax asset (B)	<u>278,732</u>
<b>Deferred tax liability (Net) (A-B)</b>	<u>11,283,485</u>

**13 Trade Receivables**

	(Amount in INR)
Particulars	As at 31st March, 2017
Outstanding due for a period exceeding six months from the date they are due for payment	-
<b>Other receivables</b>	
Unsecured, considered good	130,730,389
	<u>130,730,389</u>



BLS E- SERVICES PRIVATE LIMITED  
Notes to Financial Statement for the Year ended 31st March, 2017

10. FIXED ASSETS

Description	GROSS CARRYING VALUE		DEPRECIATION/ AMORTISATION		NET CARRYING VALUE	
	Additions during the year	Sales during the year	For the year	Sales during the year	As at 31st March, 2017	As at 31st March, 2017
<b>Property, Plant &amp; Equipment</b>						
Computer and data processing units	22,743,542	-	4,929,605	-	4,929,605	17,813,937
Server and Networks	145,761,245	-	48,054,927	-	48,054,927	97,706,318
End user device desktop, Laptop etc.	1,281,906	-	162,796	-	162,796	1,119,110
Furniture and Fixtures	911,994	-	174,011	-	174,011	737,983
Vehicles	20,560,329	-	4,016,517	-	4,016,517	16,543,809
Office Equipments						
<b>Other Intangible Assets</b>						
Computer Software	32,340	-	5,988	-	5,988	26,352
<b>Total Assets</b>	<b>191,259,016</b>	<b>-</b>	<b>57,337,856</b>	<b>-</b>	<b>57,337,856</b>	<b>133,921,157</b>



<b>14 Cash and Bank Balances</b>	(Amount in INR)
<b>Particulars</b>	<b>As at 31st March, 2017</b>
Cash and cash equivalents	
Balances with banks:	
Current accounts	151,649
Cash on hand	2,347,127
	<u>2,498,776</u>
<b>15 Short Term Loans and Advances</b> (Unsecured, considered good)	(Amount in INR)
<b>Particulars</b>	<b>As at 31st March, 2017</b>
Advances against materials and services	1,641,282
Other Advance	246,056
Prepaid expenses	877,810
Diesel Expenses Recoverable	1,226,545
Balance with Statutory/ Government authorities:	100,911
MAT Credit entitlement	6,956,559
	<u>11,049,163</u>
<b>16 Other Current Assets</b>	(Amount in INR)
<b>Particulars</b>	<b>As at 31st March, 2017</b>
Other Receivables	470,456
Income accrued but not due	38,673,909
	<u>39,144,365</u>
<b>17 Revenue from operations</b>	(Amount in INR)
<b>Particulars</b>	<b>For the year Ended 31st March, 2017</b>
Sale of Services	266,734,901
Sale of Government application form	1,567,827
	<u>268,302,728</u>
<b>18 Cost of Services</b>	(Amount in INR)
<b>Particulars</b>	<b>For the year Ended 31st March, 2017</b>
Manpower Cost	113,830,517
Consumption of Government Application Form	538,209
	<u>114,368,726</u>
<b>19 Employee Benefits Expenses</b>	(Amount in INR)
<b>Particulars</b>	<b>For the year Ended 31st March, 2017</b>
Salaries and wages, bonus etc.	5,870,270
Staff welfare expenses	106,362
	<u>5,976,632</u>
<b>20 Depreciation and Amortisation</b>	(Amount in INR)
<b>Particulars</b>	<b>For the year Ended 31st March, 2017</b>
Depreciation on tangible assets	57,337,856
Amortisation on intangible assets	5,988
	<u>57,343,844</u>
<b>21 Finance Cost</b>	(Amount in INR)
<b>Particulars</b>	<b>For the year Ended 31st March, 2017</b>
Interest on Overdraft Account	5,441,844
Interest on borrowings	8,699,118
	<u>14,140,962</u>





**22 Other Expenses**

Particulars	(Amount in INR)
	For the year Ended 31st March, 2017
Sewa Kendra House Keeping	8,230,915
Management & consultancy exp.	15,345,000
Bank Guarantee Charges	153,257
Sewa Kendra Computer AMC Exp	5,800,981
Printing & Stationery	3,226,661
Sewa Kendra Expenses	984,349
Sewa Kendra printer cartridge exp.	1,120,912
Diesel distribution cost	860,000
Rent Expenses	722,274
DG Repair & Maintenance	500,250
Swachh Bharat Expense	696,444
Bank Charges	580,796
Computer repair & maintenance	378,287
Software Expenses	540,000
Freight & Cartage	135,224
Audit Expenses (Refer Note No: 25)	100,000
Telephone & Internet Expenses	1,044,910
Professional Charges	472,000
Conveyance Expenses	221,951
Miscellaneous Expenses	1,238,923
	<b>42,353,134</b>

**23 Earning per Share (EPS)**

Particulars	(Amount in INR)
	As at 31st March, 2017
Net Profit as per statement of Profit & Loss account	22,835,945
	<b>22,835,945</b>
Face Value of share (Rs)	10
Closing balance of shares	10,000
Weighted average number of equity shares in calculating basic & diluted EPS	10,000
Basic and diluted earning per share (Rs.)	<b>2,284</b>

**24 As per Accounting Standard-18, the Company's related parties and transactions are disclosed below:**
**I) List of Related parties and relationship , where control exists:**

<b>A) Holding Company</b>	
BLS International Service Limited	India
<b>B) Fellow Subsidiaries</b>	
BLS International FZE	UAE
BLS IT- Services Private Limited	India
BLS E-Solution Private Limited	India
<b>C) Key Management Personnel (KMP)</b>	
Mr. Diwakar Aggarwal	Director
Mr. Vinod Aggarwal	Director
<b>D) Relatives of KMP :</b>	
Mrs. Alka Aggarwal	Wife of Mr Diwakar Aggarwal
Mr. Shikhar Aggarwal	Son of Mr Diwakar Aggarwal
Ms. Riya Aggarwal	Daughter of Mr Diwakar Aggarwal
Mrs. Laxmi Aggarwal	Wife of Mr Vinod Aggarwal
Mr. Gaurav Aggarwal	Son of Mr. Vinod Aggarwal
Ms. Shaloo Aggarwal	Daughter of Mr Vinod Aggarwal
Ms. Sonal Aggarwal	Daughter of Mr Vinod Aggarwal
Mr. Sushil Aggarwal	Brother of Mr. Diwakar Aggarwal & Mr. Vinod Aggarwal
Mr. Madhukar Aggarwal	Brother of Mr. Diwakar Aggarwal & Mr. Vinod Aggarwal
<b>E) Enterprise in which Director(s)/ Relative(s) have substantial interest or significant influence:</b>	
BLS International Visa Services Phillippines, Inc.	Mr. Diwakar Aggarwal
Wonder Rock Finance and Investment Private Limited	Mr. Diwakar Aggarwal
B. L. & Sons Limited	Mr. Diwakar Aggarwal & Mr. Vinod Aggarwal
BLS Management Solutions Pvt Ltd	Mr. Vinod Aggarwal

**II) Transaction and balances with related parties during the Year**

Name of the Party	FY 2016-17
<b>BLS International Service Limited</b>	
Management Consultancy Services	15,345,000
Payment of Management Services	25,273,341
Reimbursement of Expenses (Paid)	10,765,702
Performance Bank guarantee amounting to Rs.20 Crores in favour of Punjab State e-Governance Society	
<b>Outstanding at the end</b>	<b>1,598,011</b>



Particulars	(Amount in INR)
	For the year Ended 31st March, 2017
25 Payment to auditors (Excluding Service Tax)	100,000
	100,000

26 In accordance with Accounting Standard "AS-19 on Leases" the following disclosures in respect of operating leases is made as under:  
Assets taken on operating lease:

Lease payments recognised in statement of profit an loss amounting Rs.7,22,274/-

Future commitments in respect of minimum lease payment payable in respect of aforesaid lease entered by the Company are as follows:

Particulars	(Amount in INR)
	For the year Ended 31st March, 2017
a) Not later than one year	5,52,000
b) Later than one year and not later than five years	5,98,000
c) Later than five years	

27 Disclosure on Specified Bank Notes (SBNs)

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification G.S.R 308 (E) dated March 30, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other Denomination Notes	(Amount in INR)
			Total
Closing Cash in Hand as on November 8, 2016	1,073,000	38,922	1,111,922
(+) Permitted receipts	-	45,833,897	45,833,897
(-) Permitted payments	-	-	-
(-) amount Deposited in Banks	400,500	17,080,668	17,481,168
(-) Amount Deposited in Govt. Banks	672,500	27,586,178	28,258,678
Closing Cash in Hand as on December 30, 2016	-	1,205,973	1,205,973

\*For the purpose of this clause, the term 'Specified Bank Notes shall have the same meaning provided in the notification of Government of India, In the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

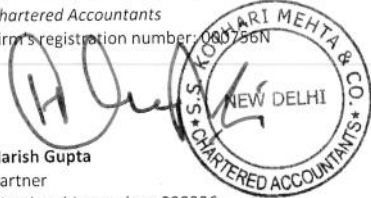
28 All amounts in the financial statements are presented in Rupees and rounded off to nearest rupee.

As per our report of even date attached

for S S Kothari Mehta & Co.

Chartered Accountants

Firm's registration number: 080756N



Harish Gupta

Partner

Membership number: 098336

Place : New Delhi

Date : May 12, 2017

For BLS E-SERVICES PVT. LTD. for and on behalf of the board of directors of BLS E-SERVICES PVT. LTD. BLS E-Services Private Limited

  
Director/Authorised Signatory

(Diwakar Aggarwal)

Director

DIN: 00144645

  
Director/Authorised Signatory

(Vinod Aggarwal)

Director

DIN: 00135390