

Independent Auditor's Report

To the Members BLS E-Services Private Limited

Report on the Ind-AS Financial Statements

We have audited the accompanying Ind-AS financial statements of **BLS E-Services Private Limited** ('the Company') which comprise the Balance Sheet as at March 31, 2018, the statement of profit and loss (including other comprehensive income), the Statement of Cash Flow and the Statement of Changes in Equity 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 Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.

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 Ind-AS 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 Ind-AS 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 section 143(10) 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 Ind-AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind-AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS 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 including the Ind-AS, of the financial position of the Company as at March 31, 2018, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

1. Attention is invited to note no 7 & 9 to the Financials Statements, wherein the receivables including unbilled revenue from Government of Punjab amounting to Rs. 49,52,28,568/- (including Rs.1,04,49,695 for reimbursement of diesel and electricity expenses) as on March 31, 2018 for which recovery is very slow. However, the management is confident that there is no impairment in the value of the amount to be received and we have relied upon the management's contention.
2. Attention is invited to note no 40 to the Financials Statements, where in the government of Punjab has terminated the master service agreement entered with the company vide its letter dated January 30, 2018, which was the only source of revenue for the company. However, we have relied on the management's assessment that there is no indication of dis-continuation of business and accounts have been prepared on going concern basis.

Our opinion is not qualified in respect of the above matter.

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 (including other comprehensive income), the Statement of Cash Flow and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Ind-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - (e) on the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 with reference to Ind AS financial statements 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 Ind-AS 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 the Company.

For **S. S. Kothari Mehta & Co.**
Chartered Accountants
Firm's Registration Number: 000756N



A handwritten signature in blue ink, appearing to read "Harish Gupta".

Harish Gupta
Partner

Membership Number: 098336

Place: New Delhi
Date: May 14, 2018

“Annexure A” to the Independent Auditor’s Report to the members of BLS E-Services Private Limited on its Ind AS financial statements dated May 14, 2018

Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1 of ‘Report on Other Legal and Regulatory Requirements’ section.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. However, the same needs to be further strengthened.

(b) The property, plant and equipment (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 in the business of providing e-governance services and does not have any physical inventories. Accordingly, the provisions of 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 paragraph 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 not made any loans and investments under the provision of section 185 and 186 of the Act.

Accordingly, provision of paragraph 3(iv) of “the order” is not applicable to the Company.
- v. The Company has not accepted deposits during the year and therefore, the provisions of the paragraph 3(v) of the order are not applicable to the Company.
- 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 goods & service tax, income tax, service tax, cess and any other material statutory dues with the appropriate authorities. However, in case of goods and services tax, the company is not regular in depositing undisputed statutory dues with appropriate authorities and there have been significant delays in a large number of cases.

Further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2018 except advance tax of Rs. 1,75,40,416 which is due for more than six months.

Provident fund, employees’ state insurance, sales tax, value added tax, duty of customs and duty of excise are not applicable on this company.



(b) According to the records and information and explanations given to us, there are no dues in respect of income tax, service tax, goods and service tax, or value added tax which have not been deposited on account of any dispute.

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 banks and financial institutions as at Balance Sheet date except in the below mentioned cases:

In the Case of Principal Repayment: -

Name of the Financial Institution	Amount of Default (Amount in Rs.)	Period of Default (in days)
Hewlett Packard Financial Services (India) Private Limited	19,17,905	60
Hewlett Packard Financial Services (India) Private Limited	2,26,136	32
Hewlett Packard Financial Services (India) Private Limited	14,64,854	1
Hewlett Packard Financial Services (India) Private Limited	11,83,215	60
Hewlett Packard Financial Services (India) Private Limited	7,61,647	32
Hewlett Packard Financial Services (India) Private Limited	10,15,830	32
Hewlett Packard Financial Services (India) Private Limited	1,30,292	1
Hewlett Packard Financial Services (India) Private Limited	1,44,714	1
Hewlett Packard Financial Services (India) Private Limited	1,44,172	1

In the Case of Interest Payment: -

Name of the Financial Institution	Amount of Default (Amount in Rs.)	Period of Default (in days)
Hewlett Packard Financial Services (India) Private Limited	9,49,944	60
Hewlett Packard Financial Services (India) Private Limited	1,08,418	32
Hewlett Packard Financial Services (India) Private Limited	7,01,230	1
Hewlett Packard Financial Services (India) Private Limited	6,35,500	60
Hewlett Packard Financial Services (India) Private Limited	3,94,931	32
Hewlett Packard Financial Services (India) Private Limited	5,26,727	32
Hewlett Packard Financial Services (India) Private Limited	67,597	1
Hewlett Packard Financial Services (India) Private Limited	80,844	1
Hewlett Packard Financial Services (India) Private Limited	86,583	1



As per information and explanation given to us the Company had not taken any loan or borrowings from the government.

- ix. According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. The company has not taken any term loan during the financial year.
- 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 provisions of the section 197 read with Schedule V of the Act is not applicable to the company. Accordingly, provision of the paragraph 3(xi) of the Order in so far as it relates to section 197 of the act 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 to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the Ind-AS financial statements as required by the applicable Accounting standards.

The provisions of the section 177 of the Act is not applicable to the company. Accordingly, provision of the paragraph 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 not made any preferential allotment of shares during the year under review. Consequently, provisions of paragraph (xiv) of the order are not applicable.
- 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, provisions of 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. Accordingly, provisions of paragraph 3(xvi) of the Order is not applicable.

For **S. S. Kothari Mehta & Co.**
Chartered Accountants
Firm's registration number: 000756N



A handwritten signature in blue ink, appearing to read "Harish Gupta".

Harish Gupta
Partner

Membership Number: 098336

Place: New Delhi
Date: May 14, 2018

"Annexure B" to the Independent Auditor's Report to the members of BLS E-Services Private Limited dated May 14, 2018 on its Ind AS financial statements.

Report on the Internal Financial Controls under Clause (l) 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 with reference to Ind AS financial statements of **BLS E-Services Private Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind-AS 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.

Auditor's 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 Ind-AS 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 Ind-AS 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 Ind-AS 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 Ind-AS 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, 2018, 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 14, 2018



For S. S. Kothari Mehta & Co.
Chartered Accountants
Firm's Registration Number: 000756N

A handwritten signature in blue ink, appearing to read "Harish Gupta".

Harish Gupta
Partner
Membership Number: 098336

BLS E-SERVICES PRIVATE LIMITED (CIN: U74999DL2016PTC298207)
BALANCE SHEET AS AT MARCH 31, 2018


		Amount in INR	
	Note	As at March 31, 2018	As at March 31, 2017
I ASSETS			
1 Non-Current Asset			
a. Property, plant & equipment	3	54,909,776	133,921,157
b. Intangible assets	4	9,388	26,352
c. Financial assets:			
(i) Loans	5	165,173	131,570
d. Other non-current assets	6	17,599	31,678
e. Deferred tax asset (net)	15	2,923,131	-
Total non-current assets		58,025,067	134,110,707
2 Current Asset			
a. Financial assets			
(i) Trade receivables	7	441,392,435	130,730,389
(ii) Cash and cash equivalents	8	25,484,878	2,498,776
(iii) Other financial assets	9	55,010,230	40,616,966
b. Other current assets	10	1,235,294	2,620,003
Total current assets		523,122,837	176,466,134
TOTAL ASSETS		581,147,904	310,576,841
II EQUITY & LIABILITIES			
Equity			
a. Equity share capital	11	100,000	100,000
b. Other equity	12	111,011,535	22,708,151
Total equity		111,111,535	22,808,151
Liabilities			
1 Non - Current Liabilities			
a. Financial liabilities:			
(i) Borrowings	13	97,979,722	124,802,121
b. Provisions	14	310,374	126,423
c. Deferred tax liability (net)	15	-	4,326,926
Total non-current liabilities		98,290,096	129,255,470
2 Current liabilities			
a. Financial liabilities:			
(i) Borrowings	16	169,773,143	80,871,380
(ii) Trade payables	17	50,202,728	8,545,932
(iii) Other financial liabilities	18	89,804,274	60,674,886
b. Other current liabilities	19	70,973,534	3,417,172
c. Provisions	20	622	319
d. Current tax liabilities (net)	21	40,991,972	5,003,531
Total current liabilities		371,746,273	158,513,220
TOTAL EQUITY AND LIABILITIES		581,147,904	310,576,841
Summary of accounting policies 1-2			
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 & Co.
 Chartered Accountants
 Firm's registration number: 000756N


Harish Gupta
 Partner
 Membership number: 098336

Place : New Delhi
 Date : May 14, 2018

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


(Dinesh Sharma)
 Director
 DIN No. 00956860
 64, VidyutNikunj,
 Patparganj, Delhi
 110092


(Sanjeev Kumar)
 Director
 DIN No. 02826773
 A 205, New Friends
 Colony, New Delhi
 110065

BLS E-SERVICES PRIVATE LIMITED (CIN: U74999DL2016PTC298207)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

		Amount in INR	
	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I.	Revenue from Operations	22 498,029,433	268,302,728
II.	Other Income	23 670,522	8,680
III.	TOTAL INCOME (I+II)	498,699,955	268,311,408
IV.	Expenses:		
	Cost of services	24 192,471,838	114,368,726
	Employee benefits expense	25 11,458,211	6,103,374
	Finance cost	26 34,380,423	14,140,962
	Depreciation and amortization expense	27 79,619,788	57,343,844
	Other expenses	28 57,790,293	42,362,866
	TOTAL EXPENSES	375,720,553	234,319,772
V.	PROFIT BEFORE TAX (III - IV)	122,979,402	33,991,636
VI.	Tax expense:		
	a) Current tax	48,900,276	6,956,559
	b) MAT Credit Entitlement	-	(6,956,559)
	c) Deferred tax	(14,211,704)	11,283,485
	TOTAL TAX EXPENSE	34,688,572	11,283,485
VII.	PROFIT FOR THE YEAR (V-VI)	88,290,830	22,708,151
VIII.	OTHER COMPREHENSIVE INCOME (OCI)		
A.	(i) Items that will not be reclassified subsequently to statement of profit and loss		
	(a) Remeasurements of defined benefit plans	17,642	-
	(b) Tax on Re-measurements of defined benefit plans	(5,088)	-
B.	(i) Items that will be reclassified subsequently to statement of profit and loss	-	-
	TOTAL OF OTHER COMPREHENSIVE INCOME/(LOSSES)	12,554	-
IX.	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	88,303,384	22,708,151
X.	Earnings per equity share: basic and diluted (Rs.)	29 883	227
XI.	Summary of accounting policies		
	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 & Co.

Chartered Accountants

Firm's registration number: 000756N




Harish Gupta

Partner

Membership number: 098336

Place : New Delhi

Date : May 14, 2018

For and on behalf of the board of directors of

BLS E-Services Private Limited



(Dinesh Sharma)

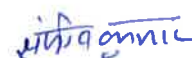
Director

DIN No. 00956860

64, VidyutNikunj,

Patparganj, Delhi

110092



(Sanjeev Kumar)

Director

DIN No. 02826773

A 205, New Friends

Colony, New Delhi -

110065

BLS E-SERVICES PRIVATE LIMITED (CIN: U74999DL2016PTC298207)
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2018

	(Amount in INR)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
A Cash flow from operating activities		
Profit for the period (Before tax)	122,979,402	33,991,636
Adjustments to reconcile net profit to net cash by operating activities		
Other Comprehensive Income (OCI)	17,642	-
Depreciation & amortization expense	79,619,788	57,343,844
Finance costs	34,380,423	14,140,962
Loss on theft of PPE	46,630	-
Operating profit before working capital change	<u>237,043,885</u>	<u>105,476,442</u>
Adjustments for:		
(Increase)/ decrease in trade receivables	(310,662,051)	(130,730,386)
(Increase)/ decrease in other financial current assets	(14,393,264)	(40,616,966)
(Increase)/ decrease in other current assets	1,384,709	(2,620,003)
(Increase)/ decrease in non-current financial asset - long term loans	(33,653)	(131,520)
(Increase)/ decrease in other non-current assets	14,079	(31,678)
(Decrease)/ increase in long term provision	183,951	126,423
(Decrease)/increase in trade payable	41,656,796	8,545,932
(Decrease)/ increase in other financial current liabilities	13,181,784	32,925,004
(Decrease)/ increase in other current liabilities	17,556,362	3,417,172
(Decrease)/ increase in short term provision	303	319
Cash (used in)/from operations	<u>(14,067,099)</u>	<u>(23,639,261)</u>
Direct taxes	(5,955,276)	(1,953,028)
Net cash flow (used in)/from operating activities	<u>(20,022,375)</u>	<u>(25,592,289)</u>
B Cash flow from investing activities		
Expenditure on Property, plant and equipment including CWIP	(2,521,401)	(191,259,016)
Expenditure on intangible fixed assets	-	(32,340)
Proceeds from Sale of Property, plant and equipment	<u>1,883,333</u>	<u>-</u>
Net cash flow from/ (used in) investing activities	<u>(638,068)</u>	<u>(191,291,356)</u>
C Cash flow from financing activities		
Proceeds from Equity Shares	-	100,000
Proceeds from non-current borrowings	-	150,804,201
Repayment of non-current borrowings	(15,832,324)	-
Proceeds from current borrowing (Net)	88,901,763	80,871,380
Interest paid	(29,422,894)	(12,393,160)
Net cash flow from/ (used in) financing activities	<u>43,646,545</u>	<u>219,382,421</u>
Net increase/(decrease) in cash and cash equivalent (A+B+C)	22,986,102	2,498,776
Cash and cash equivalent at the beginning of the year	<u>2,498,776</u>	<u>-</u>
Cash and cash equivalent at the end of the year	<u>25,484,878</u>	<u>2,498,776</u>
Cash and cash equivalents (refer note B)		
Current accounts	91,605	151,649
Cash on hand	<u>25,393,273</u>	<u>2,347,127</u>
Cash and cash equivalent at the end of the year	<u>25,484,878</u>	<u>2,498,776</u>

Amendments to Ind AS 7 Statement of Cash flows

The amendments require the Company to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gain or losses). The amendments are effective for annual periods beginning on or after April 01, 2017. Therefore, the Company has not provided comparative information of preceding period.

	(Amount in INR)	
	As at April 01, 2017	Cash Flows As at March 31, 2018
Long term borrowings (including current maturities)	150,804,201	(15,832,324)
Short term borrowings	80,871,380	88,901,763
	<u>231,675,581</u>	<u>73,069,439</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: 000756



Harish Gupta
Partner
Membership number: 098336

Place : New Delhi
Date : May 14, 2018

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


(Dinesh Sharma)
Director
DIN No 00956860
64, VidyutNikunj,
Patparganj, Delhi
110092


(Sanjeev Kumar)
Director
DIN No 02826773
A 205, New Friends
Colony, New Delhi -
110065

BLS E-SERVICES PRIVATE LIMITED (CIN: U74999DL2016PTC298207)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

A. Equity Share Capital

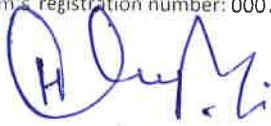
	Amount in INR
As at March 31, 2017	100,000
Changes in equity shares capital during the year	-
As at March 31, 2018	100,000

B. Other Equity

	Reserve & Surplus	TOTAL
	Retained Earnings	
Profit during the F.Y. 2016-17	22,708,151	22,708,151
As at March 31, 2017	22,708,151	22,708,151
Profit during the F.Y. 2017-18	88,290,830	88,290,830
Other comprehensive for the year	12,554	12,554
As at March 31, 2018	111,011,535	111,011,535

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 14, 2018

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



(Dinesh Sharma)
 Director
 DIN No. 00956860
 64, VidyutNikunj,
 Patparganj, Delhi
 110092



(Sanjeev Kumar)
 Director
 DIN No. 02826773
 A 205, New Friends
 Colony, New Delhi -
 110065

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.

These financial statements were approved and adopted by Board of Directors of the Company in their meeting held on May 14, 2018.

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 Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013. The Company has adopted Ind AS from April 1, 2017.

Up to the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards, Ind AS 101 First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note

(ii) Basis of Preparation:

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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.



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2 **Significant Accounting Policies for the year ended March 31, 2018**

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

(a) **Revenue recognition**

Sale of Services

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 from visa facilitation services, document handling services and allied services is recognised as income as and when services are rendered to customers.

Other Income

-Interest income

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

-Dividend Income

Dividend income is accounted for when the right to receive the dividend is established.

(b) **Property Plant and Equipment**

On transition to Ind AS, the company has adopted optional exception under Ind AS- 101 to measure property, plant and equipment at deemed Cost. Consequently the carrying value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

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 expenses 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 calculated on cost of items of property, plant and equipment less their estimated residual values, and is recognised in the statement of profit and loss. Depreciation on property, plant and equipment is provided on the Written Down Value Method based on the useful life of assets estimated by the Management which coincide with the life specified under Schedule II of the Companies Act, 2013.

(c) **Intangible Assets**

On transition to Ind AS, the company has adopted optional exception under Ind AS- 101 to measure Intangible Assets at deemed Cost. Consequently the carrying value has been assumed to be deemed cost of Intangible Assets on the date of transition.

Intangible Assets are recognised, 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. All other expenditure is expensed as incurred. The same are amortised over the expected duration of benefits. Such intangible assets are measured at cost less any accumulated amortisation and impairment losses, if any and are amortised over their respective individual estimated useful life on straight line method.

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 and adjusted prospectively, if appropriate.

(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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(c) 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 of the risks and rewards of the transferred assets, the transferred assets are not derecognised.



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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 maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

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. Provident fund

The Company makes contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan. The Company's contributions paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii. 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.

iii. 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.



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(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.

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.

(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 tax rates enacted or substantively enacted at the reporting date.

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 purposes and the corresponding tax bases used for taxation purposes.

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 enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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.



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(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.

(n) **Foreign Currency transactions**

The functional and presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss. Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

(o) **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.

Amendment to Ind AS 7

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

(p) **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.



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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.



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IV Recent Accounting Pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material

Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.



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3 PROPERTY, PLANT & EQUIPMENT

Particulars	Amount in INR				Total
	Computers	Office Equipment	Furniture & Fixtures	Vehicles	
Gross carrying value					
As at April 12, 2016					
Additions in FY 2016-17	168,504,787	20,560,329	1,281,906	911,994	191,259,016
Disposals					
As at March 31, 2017	168,504,787	20,560,329	1,281,906	911,994	191,259,016
Additions	2,426,496	94,905			2,521,401
Disposals	1,347,258	1,214,779			2,562,037
As at March 31, 2018	169,584,025	19,440,455	1,281,906	911,994	191,218,380
Accumulated Depreciation					
As at April 12, 2016					
Charge for FY 2016-17	52,984,532	4,016,517	162,796	174,011	57,337,856
Disposals					
As at March 31, 2017	52,984,532	4,016,517	162,796	174,011	57,337,856
Charge for the year	72,029,939	7,047,631	293,295	231,950	79,602,825
Disposals	608,033	24,041			632,074
As at March 31, 2018	124,406,438	11,040,107	456,091	405,970	136,308,607
Net carrying value					
As at March 31, 2017	115,520,255.00	16,543,812.00	1,119,107.00	737,983.00	133,921,157.00
As at March 31, 2018	45,177,587.00	8,400,350.00	825,815.00	506,024.00	54,909,775.00

4 Intangible assets

Particulars	Software
Gross carrying value	
As at April 12, 2016	
Additions in FY 2016-17	32,340
Disposals	
As at March 31, 2017	32,340
Additions	
Disposals	
As at March 31, 2018	32,340
Accumulated Amortization	
As at April 12, 2016	
Charge for FY 2016-17	5,988
Disposals	
As at March 31, 2017	5,988
Charge for the year	16,964
Disposals	
As at March 31, 2018	22,952
Net carrying value	
As at March 31, 2017	26,352
As at March 31, 2018	9,388



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5 LOANS: NON-CURRENT

(un-secured, considered good unless otherwise stated)

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Security Deposits	165,173	131,520
Total	165,173	131,520

6 OTHER NON-CURRENT ASSETS

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Unamortized value of security deposits	17,599	31,678
Total	17,599	31,678

7 TRADE RECEIVABLES

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured , Considered Good	441,392,435	130,730,389
Total	441,392,435	130,730,389

8 CASH AND CASH EQUIVALENTS

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Cash on hand	25,393,273	2,347,127
Balance with Banks		
In current accounts	91,605	151,649
Total	25,484,878	2,498,776

9 OTHER FINANCIALS ASSETS: CURRENT

(un-secured, considered good unless otherwise stated)

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Receivables from Punjab Govt. (PSeGS)	9,364,682	470,456
Diesel Expenses Recoverable	1,085,013	1,226,545
Unbilled revenue	43,386,438	38,673,909
Recoverable from employees	1,174,097	246,056
MAT Credit entitlement	-	-
Total	55,010,230	40,616,966

10 OTHER CURRENT ASSETS

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Advances to suppliers	776,030	1,641,282
Prepaid expenses	373,052	877,810
Balance with Statutory/ Government authorities	86,212	100,911
Total	1,235,294	2,620,003



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11 EQUITY SHARE CAPITAL

Amount in INR

Particulars	Amount in INR	
	As at March 31, 2018	As at March 31, 2017
Authorized Share Capital		
10,000 (March 31, 2017: 10,000) equity shares of Re. 10/- each	100,000	100,000
Issued, subscribed and fully paid-up		
10,000 (March 31, 2017: 10,000) equity shares of Re. 10/- each	100,000	100,000
Total	100,000	100,000

a.) Reconciliation of the number of shares

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	10,000	100,000	10,000	100,000
Add: Changes in capital during the year				
Balance 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.) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount	Number of shares	Amount
BLS International Services Limited	10,000	100.00%	10,000	100.00%

* 1 Share held by Mr. Diwakar Aggarwal.

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



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12 OTHER EQUITY

Amount in INR

Particulars	As at March 31, 2017	As at March 31, 2017
Retained earnings		
Balance as per last financial statements	22,708,151	
Add: Profit for the year	88,290,830	22,708,151
	110,998,981	22,708,151
Other Comprehensive Income (OCI)		
Balance as per last financial statements	-	
Add: Movement in OCI (net) during the year	12,554	-
	12,554	-
Total	111,011,535	22,708,151



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13 BORROWINGS - NON -CURRENT

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Secured Loan (refer note13.1)		
From Financial Institution	134,971,877	150,804,201
Less: Current maturities of Long term Borrowings	36,992,155	26,002,080
Total	97,979,722	124,802,121

Note 13.1

Loan from HP Financial services India Private Limited : Total outstanding balance as at March 31, 2018 is Rs. 134,971,877 ; March 31, 2017 Rs. 150,804,201 [total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 is Rs 36,992,155; March 31, 2017 Rs. 26,002,080] 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.

14 PROVISIONS - NON-CURRENT

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employee benefit*	310,374	126,423
Total	310,374	126,423

* refer note. 32

15 Deferred Tax Assets / (Liabilities)

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred tax Assets/ (liability) on:		
Difference between book value of depreciable assets as per books of accounts and written down value as per income tax.	2,832,634	(11,562,217)
Total deferred tax liability (A)	2,832,634	(11,562,217)
Deferred tax asset on:		
Employee benefit	89,691	-
carry forward losses	-	277,499
preliminary expenses	806	1,233
Total deferred tax asset (B)	90,497	278,732
Total deferred tax Assets/ (Liabilities) c=[a+b]	2,923,131	(11,283,485)
MAT Credit entitlement d	-	6,956,559
Net Deferred Tax Liability (c + d)	2,923,131	(4,326,926)

16 Borrowings : Current Financial liabilities

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Loan repayable on demand		
Secured*		
Bank overdraft	28,773,143	80,871,380
Working capital borrowing from banks	70,000,000	-
Unsecured #		
Borrowing from related party#	71,000,000	-
Total	169,773,143	80,871,380

* Bank overdraft from HDFC Bank is secured by way of corporate guarantee from holding company (BLS international Services Limited) (Interest Rate 10.50% Per annum).

Working capital loan from HDFC Bank is secured by the way of Bank guarantee amounting Rs. 70,000,000 from holding company (BLS international Services Limited)

Amount due to holding company Rs. 71,00,000/- (P.Y. Nil) refer note 35



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17 TRADE PAYABLES: CURRENT

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Total Outstanding dues to micro, small and medium enterprises (refer note no. 17.1)	-	-
Total Outstanding dues to creditors other than micro, small and medium enterprises	42,609,717	6,947,921
to related parties	7,593,011	1,598,011
Total	50,202,728	8,545,932

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

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, 2018	As at March 31, 2017
Principal and interest amount remaining unpaid	-	-
a. Interest due thereon remaining unpaid	-	-
b. 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.	-	-
c. 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.	-	-
d. Interest accrued and remaining unpaid	-	-
e. 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	-	-
f.	-	-

18 OTHER FINANCIALS LIABILITIES - CURRENT

Amount in INR

Particulars	As at March 31, 2018	As at March 31, 2017
Current Maturities of Long term Debts (refer note no. 18.1)	36,992,155	26,002,080
Interest accrued but not due on borrowings	1,780,055	1,747,802
Interest accrued and due:		
on borrowing from holding company \$	1,373,523	-
on borrowing of financials institution (refer note 18.2)	3,551,753	-
Capital creditors	45,552	3,426,624
Others		
- Expenses Payable*	45,275,064	27,392,965
- Government Fees Payable (Punjab State e-Governance Society)	21,640	522,725
- Government Fees Payable (Punjab State Power Corporation Limited)	-	842,217
Employees due payable	764,532	740,473
Total	89,804,274	60,674,886

* includes payables to holding company Rs. 7,593,011/- (P.Y. Rs. 1,598,011/-) refer note no 35
 \$ refer note 35

18.1 Delay in repayment of Loan

Amount in INR

Particulars	As at March 31, 2018	Delay in No. of days
HP Financial services India Private Limited#	6,988,767	1-83 days
Total	6,988,767	

Out of which Rs. 31,01,121 has been paid subsequently upto date May 22, 2018.

18.2 Delay in payment of Interest

Amount in INR

Particulars	As at March 31, 2018	Delay in No. of days
HP Financial services India Private Limited^	3,551,773	1-83 days

^ Out of which Rs.17,61,604 has been paid subsequently upto balance sheet date.



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BLS E-SERVICES PRIVATE LIMITED (CIN: U74999DL2016PTC298207)
 NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

19 OTHER CURRENT LIABILITIES	Particulars	Amount In INR	
		As at March 31, 2018	As at March 31, 2017
	Statutory due Payable	20,973,534	3,417,172
	Total	20,973,534	3,417,172

20 PROVISIONS: CURRENT	Particulars	Amount in INR	
		As at March 31, 2018	As at March 31, 2017
	Provisions for employees benefits*	622	319
	Total	622	319

Refer note no. 32

21 CURRENT TAX LIABILITIES (NET)	Particulars	Amount in INR	
		As at March 31, 2018	As at March 31, 2017
	Provisions for current tax (Net of advance tax and TDS)	40,991,972	5,003,531
	Total	40,991,972	5,003,531



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22 REVENUE FROM OPERATIONS		Amount in INR	
Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	
Sale of services	497,028,272	266,734,901	
Sale of government application form	1,001,161	1,567,827	
Total	498,029,433	268,302,728	

23 OTHER INCOME		Amount in INR	
Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	
Miscellaneous income	670,522	8,680	
Total	670,522	8,680	

24 COST OF SERVICES		Amount in INR	
Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	
Manpower Cost	192,083,598	113,830,517	
Consumption of government application form	388,240	538,209	
Total	192,471,838	114,368,726	

25 EMPLOYEE BENEFITS EXPENSES		Amount in INR	
Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	
Salaries, wages and incentives	11,175,139	5,870,270	
Contribution to provident fund and other funds	201,896	126,742	
Staff welfare expenses	81,176	106,362	
Total	11,458,211	6,103,374	

26 FINANCE COSTS		Amount in INR	
Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	
Interest On:			
borrowings from banks	7,817,643	5,441,844	
borrowings from financials institution	23,421,643	8,699,118	
others	3,141,137		
Total	34,380,423	14,140,962	

27 DEPRECIATION AND AMORTISATIONS EXPENSES		Amount in INR	
Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	
Depreciation on property, plant & equipment	79,602,824	57,337,856	
Amortisation on intangible assets	16,964	5,988	
Total	79,619,788	57,343,844	



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28 OTHER EXPENSES

Particulars	Amount in (₹)	
	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Bank Charges	429,687	580,796
Bank Guarantee charges	268,093	153,257
Boarding & Lodging charges	174,397	-
Computer Repair & Maintenance expense	361,804	378,287
Conveyance expenses	2,895,201	221,951
Generator set repair & maintenance charges	1,232,114	500,250
Diesel distribution expense	3,964,183	860,000
Freight & Cartage	9,880	135,224
Management consultancy exp.	17,500,000	15,345,000
Miscellaneous expenses	1,014,606	1,935,367
Printing & Stationery expense	2,774,099	3,226,661
Professional Consultancy charges	1,400,310	472,000
Payment to auditor (refer note no. 28.1)	192,000	100,000
Rent	566,079	732,006
Sewa Kendra Computer AMC expense	5,383,616	5,800,981
Sewa Kendra Expenses	4,044,543	984,349
Sewa Kendra House Keeping expense	8,288,915	8,230,915
Sewa Kendra printer cartridge expense	2,433,402	1,120,912
Software expense	1,194,500	540,000
Telephone & Internet expenses	3,616,234	1,044,910
Loss on theft of PPE	46,630	-
Total	57,790,293	42,362,866

28.1 PAYMENT TO AUDITORS

Particulars	Amount in (₹)	
	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Statutory audit fees	100,000	100,000
Limited review fees	60,000	-
Reimbursement	32,000	-
Total	192,000	100,000

29 EARNING PER SHARE (EPS)

Particulars	Amount in (₹)	
	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Net profit after tax as per statement of profit and loss attributable to equity shareholders (Rs.)	88,290,830	22,708,151
Weighted average number of equity shares used as denominator for calculating basic EPS	100,000	100,000
Weighted average potential equity shares	-	-
Total Weighted average number of equity shares used as denominator for calculating diluted EPS	100,000	100,000
Basic EPS (Rs.)	883	227
Diluted EPS (Rs.)	883	227
Face value per equity share (Rs.)	10	10

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

Particulars	Amount in (₹)	
	2017-2018	2016-2017
Guarantees issued by the bank on behalf of the Company	41,112,600	40,213,300

31 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. 5,66,079/- (previous year Rs. 7,32,006), refer note 28



Amount in INR

32 Employee Benefits (Disclosures)

Table Showing Changes in Present Value of Obligations:

Period	2017-2018	2016-2017
Present value of the obligation at the beginning of the period	126,742	-
Interest cost	8,238	-
Current service cost	193,658	-
Benefits paid (if any)	-	-
Actuarial (gain)/loss	(17,642)	-
Present value of the obligation at the end of the period	310,996	126,742

Bifurcation of total Actuarial (gain) /loss on liabilities

Period	2017-2018	2016-2017
Actuarial gain/ losses from changes in Demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain)/ losses from changes in financial assumptions	18,964	-
Experience Adjustment (gain)/ loss for Plan liabilities	(36,606)	-
Total amount recognized in other comprehensive Income	(17,642)	-

The amount to be recognized in the Balance Sheet

Period	2017-2018	2016-2017
Present value of the obligation at the end of the period	310,996	126,742
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	310,996	126,742
Funded Status	(310,996)	(126,742)

Expense recognized in the statement of Profit and Loss

Period	2017-2018	2016-2017
Interest cost	8,238	-
Current service cost	193,658	126,742
Expected return on plan asset	-	-
Expenses to be recognized in the statement of P&L accounts	201,896	126,742

Other comprehensive (income)/expenses (Remeasurement)

Period	2017-2018	2016-2017
Actuarial (gain)/loss - obligation	(17,642)	-
Actuarial (gain)/loss - plan assets	-	-
Total Actuarial (gain)/loss	(17,642)	-

Experience Adjustment

Period	2017-2018	2016-2017
Experience Adjustment (Gain)/loss for Plan liabilities	(36,606)	-
Experience Adjustment Gain/ (loss) for Plan assets	-	-



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

Period	2017-2018	2016-2017
Number of employees	10	11
Total monthly salary	358,139	420,633
Average past Service(Years)	1.4	0.6
Average remaining working lives of employees(Years)	21.9	21.5
Average Age(years)	36.1	34.5
Weighted average duration (based on discounted cash flows) in years	17.0	18.0
Average monthly salary	35,814	38,239

The assumptions employed for calculations are tabulated:

Discount rate	6.50 % per annum	7.50 % per annum
Salary Growth Rate	6.50 % per annum	9.00 % per annum
Mortality	IAI M 2006 08 Ultimate	IAI M 2006 08 Ultimate
Expected rate of return	-	0
Withdrawal Rate (per annum)	100.00 % p.a	8.00 % p.a

The expected contribution for Defined Benefit Plan for the next financial year will be Rs. 2,06,619/-

The weighted average duration of the Defined Benefit plan is 17 years

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

Period	2017-2018	2016-2017
Current Liability (Short Term)*	622	1,319
Non Current Liability (Long Term)	310,374	126,423
Total Liability	310,996	126,742

Sensitivity Analysis :

Significant actuarial assumption for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumption may be correlated. The result of the sensitivity analysis are given below:

Period	As on 31.03.2018
Defined benefit obligation (Base)	3,10,996 @ salary increase rate : 6.5 % and discount rate : 6.5%
Liability with x % increase in Discount rate	3,08,114; x= 1.00% change (1)%
Liability with x % increase in Discount rate	3,13,940; x= 1.00% change 1%
Liability with x % increase in salary growth rate	3,13,909; x= 1.00% change 1%
Liability with x % decrease in salary growth rate	3,08,083; x= 1.00% change (1)%
Liability with x % increase in withdrawal rate	3,10,996; x= 1.00% change 0%
Liability with x % decrease in withdrawal rate	0; x= 1.00% change 100%

Maturity Profile of projected benefit obligation: from the fund

	For the year ended March 31, 2018 Gratuity (Unfunded)
1st Following Year	-
2nd Following Year	-
3rd Following Year	-
4th Following Year	300,839
5th Following Year	207,988
After 5 Years	-



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33 Ind AS 109 Financial Instruments

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values.

- 1 Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.
- 2 Financial instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

- 3 There are no transfers between Level 1, 2 and 3 financial instruments.

Financial Assets

Sl.No	Particulars	Fair value hierarchy	Amount in INR			
			As at March 31, 2018		As at March 31, 2017	
			Carrying	Fair	Carrying	Fair
			Amount	Value	Amount	Value
	Financial assets designated at amortised cost					
a)	Trade receivables	441,397,435	441,397,435	130,730,389	130,730,389	
b)	Cash and cash equivalents	25,484,878	25,484,878	2,498,776	2,498,776	
d)	Loans	165,173	165,173	131,520	131,520	
e)	Other financial assets	55,010,230	55,010,230	40,616,966	40,616,966	
		522,052,716	522,052,716	173,977,651	173,977,651	

Financial Liabilities

Sl.No	Particulars	Fair value hierarchy	Amount in INR			
			As at March 31, 2018		As at March 31, 2017	
			Carrying	Fair	Carrying	Fair
			Amount	Value	Amount	Value
	Financial liability designated at amortised cost					
a)	Borrowings - Non current	97,979,722	97,979,722	124,802,121	124,802,121	
b)	Borrowings - Current	169,773,143	169,773,143	80,871,380	80,871,380	
c)	Trade payables	50,202,728	50,202,728	8,545,932	8,545,932	
d)	Other financial current liability	89,804,274	89,804,274	60,674,886	60,674,886	
		407,759,867	407,759,867	274,894,319	274,894,319	

The fair value of cash and cash equivalents, bank balance other than cash and cash equivalents trade receivables, short term loans, current financial assets, trade payables, current financial liabilities and borrowings approximate their carrying amount, largely due to the short-term nature of these instruments. Long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

34 Financial Risk Management Objectives & Policies

Risk management framework

The Company is exposed to credit risk, liquidity risk and market risk. 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.



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a). 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 from its financing activities including cash and cash equivalents, deposits with banks, derivatives and other financial instruments. The carrying amount of financial assets represents the maximum credit exposure and is as follows:

Trade & other receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the Company's credit terms are offered. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Credit limits are established for each customer and reviewed periodically. Any sales order exceeding those limits require approval from the appropriate authority.

The concentration of credit risk is limited in domestic market due to the fact that the customer base is large and unrelated. The Company's exports are mainly carried out in countries which have stable economic conditions, where the concentration is relatively higher, however the credit risk is low as the customers have good credit ratings.

The Company computes an allowance for impairment of trade receivables based on a simplified approach, that represents its expected credit losses. The Company uses an allowance matrix to measure the expected credit loss of trade receivables. Loss rates are based on actual credit loss experienced over the past 3 years. These loss rates are adjusted by considering the available, reasonable and supportive forward looking information.

Expected credit loss under simplified approach for Trade receivables:

Ageing	Amount in INR	
	As at March 31, 2018	As at March 31, 2017
Ageing of gross carrying amount		
Not Due		
0-180 days past due	305,882,693	130,730,389
181-365 days past due	135,509,742	
More than 1 year past due		
Gross carrying amount	441,392,435	130,730,389
Expected credit loss		
Net carrying amount	441,392,435	130,730,389

Cash and cash equivalents, deposits with banks and other financial instruments:

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.

Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses recognised represent the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2018, March 31, 2017 was as follows:

Particulars	Amount in INR	
	As at March 31, 2018	As at March 31, 2017
Loans	165,173	131,520
Trade receivables	441,392,435	130,730,389
Cash & cash equivalents	25,484,878	2,498,776
Other financial assets	55,010,230	40,616,966
TOTAL	521,887,543	173,846,131

b). 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.



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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.

As at March 31, 2018	Amount in INR			Total
	Less than 1 year	1-5 years	More than 5 years	
BORROWINGS: NON -CURRENT	-	97,979,722	-	97,979,722
BORROWINGS CURRENT FINANCIAL LIABILITY	169,773,143	-	-	169,773,143
TRADE PAYABLES: CURRENT	50,202,728	-	-	50,202,728
OTHER FINANCIALS LIABILITIES: CURRENT	89,804,274	-	-	89,804,274
TOTAL	309,780,145	97,979,722	-	407,759,867

As at March 31, 2017	Amount in INR			Total
	Less than 1 year	1-5 years	More than 5 years	
BORROWINGS: NON -CURRENT	-	124,802,121	-	124,802,121
BORROWINGS CURRENT FINANCIAL LIABILITY	80,871,380	-	-	80,871,380
TRADE PAYABLES: CURRENT	8,545,932	-	-	8,545,932
OTHER FINANCIALS LIABILITIES: CURRENT	60,674,886	-	-	60,674,886
TOTAL	150,092,198	124,802,121	-	274,894,319

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.

Interest Rate Risk Exposure

Particulars	As at March 31, 2018		As at March 31, 2017	
	(Amount in Rs.)	% of Total	(Amount in Rs.)	% of Total
Fixed Rate Borrowings	134,971,877	100.00%	150,804,201	100.00%
Variable Rate Borrowings	-	0.00%	-	0.00%
Total Borrowings	134,971,877	100.00%	150,804,201	100.00%

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	Amount in INR	
	As at March 31, 2018	As at March 31, 2017
Borrowings (Non current)	134,971,877	150,804,201
Borrowings (Current)	169,773,143	80,871,380
Less: Cash and cash equivalents including bank balances	(25,484,878)	(2,498,776)
Total Debt	279,260,142	229,176,805
Total Equity	111,111,535	22,808,151
Capital and Net debt	390,371,677	251,984,956
Gearing Ratio	71.54%	90.95%

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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BLS E-SERVICES PRIVATE LIMITED (CIN: U74999DL2016PTC298207)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

35 Ind AS 24 Related Party Disclosures

- A) Holding Company**
 BLS International Service Limited India
- B) Fellow Subsidiaries**
 BLS International FZE UAF
 BLS IT- Services Private Limited India
 BLS E-Solution Private Limited India
- C) Key Management Personnel (KMP)**
 Mr Dinesh Sharma (W.e.f 23.10.2017) Director
 Mr Sanjeev Kumar (W.e.f 23.10.2017) Director
 MS Shivani Mishra Independent director
 Mr Diwakar Aggarwal (till 31.10.2017) Director
 Mr Vinod Aggarwal (till 31.10.2017) Director

ii) Transaction and balances with related parties during the Year

Name of the Party	FY 2017-18	FY 2016-17
1 BLS International Service Limited		
Management Consultancy Services	17,500,000	15,345,000
Loan Recived During the year	161,000,000	-
Loan repaid during the year	90,000,000	25,273,341
Reimbursement of Expenses (Paid)	-	10,765,702
Interest expenses	1,526,137	-
Performance Bank guarantee amounting to Rs. 20 Crores in favour of Punjab State e-Governance Society	-	-
Closing Balance		
Loan payable	71,000,000	-
Interest payable	1,373,523	-
Other payables	7,593,011	1,598,011
2 BLS IT- Services Private Limited		
Loan/ Advance given	70,000,000	-
Loan/ Advance repaid	70,000,000	-
Closing Balance		
Balance receivables	-	-



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36 First Time Adoption of Ind AS

I These financial statements of the Company for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First Time Adoption of Indian Accounting Standards, with April 01, 2016 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the standalone financial statements for the year ended March 31, 2018 and the comparative information. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2018.

II Reconciliations

The following reconciliations provide the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101:

- a Balance Sheet as at March 31, 2017
- b Statement of Profit and loss for the year ended March 31, 2017
- c Equity as at March 31, 2017

A Reconciliation of Balance Sheet and Statement of Profit & Loss account as previously reported under IGAAP to Ind AS is provided below:

Reconciliation of Balance Sheet		Amount in INR		
		Note	As at March 31, 2017	
	IGAAP		Adjustments	Ind AS
I ASSETS				
1 Non-current asset				
a	Property, plant & equipment	133,921,157	-	133,921,157
b	Intangible assets	26,352	-	26,352
c	Financial assets:			
(i)	Loans	164,250	(32,730)	131,520
d	Other non-current assets		31,678	31,678
		134,111,759	(1,052)	134,110,707
2 Current Asset				
a	Financial assets:			
(i)	Trade receivables	130,730,389	-	130,730,389
(ii)	Cash and cash equivalents	2,498,776	-	2,498,776
(iii)	Other financial assets	40,616,966	-	40,616,966
b	Other current assets	2,620,003	-	2,620,003
		176,466,134	-	176,466,134
	TOTAL	310,577,893	(1,052)	310,576,841
II EQUITY & LIABILITIES				
Equity				
a	Equity share capital	100,000	-	100,000
b	Other equity	22,835,945	(127,794)	22,708,151
	Total equity	22,935,945	(127,794)	22,808,151
Liability				
1 Non current liabilities				
a	Financial liabilities:			
(i)	Borrowings	124,802,121	-	124,802,121
b	Provisions		126,423	126,423
c	Deferred tax liability	4,326,926	-	4,326,926
		129,129,047	126,423	129,255,470
2 Current liabilities				
a	Financial liabilities:			
(i)	Loans	80,871,380	-	80,871,380
(ii)	Trade payables	8,545,932	-	8,545,932
(iii)	Other financial liabilities	60,674,886	-	60,674,886
b	Other current liabilities	3,417,172	-	3,417,172
c	Provisions		319	319
d	Current tax liabilities (net)	5,003,531	-	5,003,531
		158,512,901	319	158,513,220
	TOTAL	310,577,893	(1,052)	310,576,841

* The previous GAAP figures have been reclassified to confirm to Ind As presentation requirement for the purpose of this note.



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Reconciliation of Statement of Profit & Loss

		For the year ended March 31, 2017		
		IGAAP	Adjustments	Ind AS
	Notes			
REVENUE:				
I.	Revenue from Operations	268,302,728	-	268,302,728
II.	Other Income		8,680	8,680
III.	Total Revenue	268,302,728	8,680	268,311,408
EXPENSES:				
IV.	Cost Of Services	114,368,776		114,368,776
	Employee benefits expense	5,976,632	126,742	6,103,374
	Finance Cost	14,140,962		14,140,962
	Depreciation and amortisation expense	57,343,844		57,343,844
	Other expenses	42,353,134	9,737	42,362,866
	Total Expenses	234,183,298	136,474	234,319,772
V.	Profit/(loss) before tax (III-V)	34,119,430	(127,794)	33,991,636
VI.	Tax expense:			
	a) Current tax	6,956,559	-	6,956,559
	b) Deferred tax	(6,956,559)	-	(6,956,559)
	c) Tax for earlier years	11,283,485	-	11,283,485
	Total Tax Expenses	11,283,485	-	11,283,485
VII.	Profit/(loss) for the period (VIII-IX)	22,835,945	(127,794)	22,708,151
VIII.	OTHER COMPREHENSIVE INCOME (OCI)			
A.	(i) Items that will not be reclassified subsequently to statement of profit and loss			
	(a) Remeasurements of defined benefit plans	-	-	-
	(b) Tax on Re-measurements of defined benefit plans	-	-	-
B.	(i) Items that will be reclassified subsequently to statement of profit and loss			
	TOTAL OF OTHER COMPREHENSIVE INCOME/(LOSSES)	-	-	-
IX.	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	22,835,945	(127,794)	22,708,151

C Reconciliation of Total equity (Reserve) between Ind AS compliant results with previously reported results are given below:

Particulars	Notes	March 31, 2017
Total Equity (Reserve and Surplus) as per Previous GAAP		22,935,945
Adjustment:-		
1. Measurement of financial asset at amortised cost	a	(1,052)
2. Re-measurement of defined benefit obligation	b	(126,742)
Equity Attributable to owners of the Company		22,808,151

a Security deposits

Under the previous GAAP, security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS 109- Financial Instruments, security deposits are required to be valued at fair value and difference between cost and fair value is to be amortised over the period of security as rental expenses and consequently interest income is to be booked at Effective Interest method in Profit and Loss Account.

b Remeasurements of post-employment benefit obligations

Under Ind AS, Re-measurement i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these Re-measurement were forming part of the profit or loss for the year.

III Exemptions & exceptions availed:

Ind AS 101 mandates certain exceptions and allows first-time adopters exemptions, from the retrospective application of certain requirements under Ind AS.



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- Ind AS optional exemptions:

i. Deemed Cost:

The company has elected to avail the exemption in para D7AA, Ind AS 101 and has continued with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments

ii. Designation of previously recognized financial instruments:

Under Ind AS 109, at initial recognition of a financial asset, an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'fair value through other comprehensive income' on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

Accordingly, the Company has designated its investments (other than investments in subsidiaries, joint ventures, and associates) in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

- Ind AS mandatory exceptions:

i. Estimates

Entity's estimate in Ind AS on date of transition shall be consistent with estimate made under previous GAAP, unless there is objective evidence that those estimates were in error. Any new information shall be accounted as non-adjusting event in accordance with Ind AS 10.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at the transition date and as of March 31, 2017

ii. Classification and measurement of financial assets:

An entity shall measure its financial assets either at amortized cost or at FVTOCI or FVTPL by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing on transition date. If it is impracticable for an entity to apply effective interest method retrospectively then fair value of financial instrument shall be new gross carrying amount of financial assets or the new amortised cost of financial liability.

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

iii. Derecognition of financial assets and liabilities:

The Company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transitions occurring on or after the date of transition to Ind AS. The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS. An entity can apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 as a result of past transactions was obtained at the time of initially accounting for those transactions.

iv. Impairment of financial assets:

An entity shall determine an approximate credit risk at the date when the financial instrument were initially recognised and compare that to the credit risk at the date of transition to Ind AS. This should be based on reasonable and supportable information that is available without undue cost or effort. If the entity is unable to make this determination without undue cost or effort, it shall recognise a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognised.



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BLS E-SERVICES PRIVATE LIMITED (CIN: U74999DL2016PTC298207)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

37 Income Taxes

a. Amount recognised in Statement of Profit and Loss

Amount in INR

	For the year ended March 31, 2018	For the year ended March 31, 2017
Current Income Tax		
Current year	48,900,276	6,956,559
Adjustment in respect of current income tax for earlier year	-	-
Total	48,900,276	6,956,559
Deferred Tax	(14,211,704)	11,283,485
MAT credit entitlement	-	(6,956,559)
Total	34,688,572	11,283,485

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

	For the year ended March 31, 2018	For the year ended March 31, 2017
Deferred tax		
Re-measurements of defined benefit plans	5,088	-
Total	5,088.00	-

c. Reconciliation of Tax expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Accounting profit	122,979,402	33,991,636
Tax expense @ 28.84%*	35,467,260	
Tax expense @ 20.389%#		6,930,504
Tax effect of expenses that are not deductible for tax purpose		
Effect of expenses not deductible in determining taxable profit	13,675,341	
Effect of Other deductions allowable in determining taxable profit	(270)	
Effect of carry forward losses	(242,055)	
	13,433,016	
Tax Expense	48,900,276	6,930,504

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

PY: tax rate of 20.38885% includes MAT of 18.50%, 7% surcharge and Secondary and Higher Education Cess of 3% on the tax amount



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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 Impairment Review

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

40 The Company has incorporated during the financials year 2016-17, i.e. 29 April, 2016. As per IND AS 101 date of transition to Ind AS, The beginning of the earliest period for which an entity presents full comparative information under Ind AS in first Ind AS financial statements, hence the Date of transition of the Company is April 29, 2016.

41 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 and of the view that going concern assumption is not affected.

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

43 Notes 1 to 42 are annexed to and form an integral part of 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 14, 2018

For and on behalf of the board of directors of

BLS E-Services Private Limited

(Dinesh Sharma)

Director

DIN No. 00956860

64, VidyutNikunj,

Patparganj, Delhi

110092

(Sanjeev Kumar)

Director

DIN No. 02826773

A 205, New Friends

Colony, New Delhi

110065