

INDEPENDENT AUDITOR'S REPORT

To the Members
BLS IT Services Private Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes



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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of sub-section 2 of section 164 of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; and



- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the investor education and protection fund by company; and
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealing in specified bank notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note 26 to the financial statements.

Place: New Delhi
Date: May 12, 2017

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




Harish Gupta
Partner

Membership Number: 098336

"Annexure A" to the Independent Auditors' Report

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

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



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

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

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

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

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



Harish Gupta
Partner

Place: New Delhi
Date: May 12, 2017

Membership Number: 098336

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

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

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

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S S KOTHARI MEHTA & CO.

Chartered Accountants

Firm's Registration Number: 000756N



Harish Gupta

Partner

Membership Number: 098336

Place: New Delhi

Date: May 12, 2017

BLS IT SERVICES PRIVATE LIMITED
Balance Sheet as at 31st March, 2017

	Note	(Amounts in INR) As at 31st March, 2017
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	2	100,000
Reserves and surplus	3	7,099,491
		<u>7,199,491</u>
Non-current liabilities		
Long-term borrowings	4	175,132,512
Deferred Tax Liabilities (Net)	10	3,506,737
		<u>178,639,249</u>
Current liabilities		
Short term borrowings	5	118,872,619
Trade payables	6	
Total Outstanding dues of micro enterprises & small enterprises		28,969,351
Total Outstanding dues of creditors other than micro enterprises & small enterprises	7	95,111,381
Other current liabilities		<u>242,953,351</u>
TOTAL EQUITY AND LIABILITIES		<u><u>428,792,091</u></u>
ASSETS		
Non-current assets		
Fixed assets	8	
Property, Plant & Equipment		192,815,988
Intangible assets		52,704
Long-term loans and advances	9	375,000
		<u>193,243,692</u>
Current assets		
Trade receivables	11	157,352,666
Cash and bank balances	12	13,648,626
Short-term loans and advances	13	7,929,026
Other current assets	14	56,618,081
		<u>235,548,399</u>
TOTAL ASSETS		<u><u>428,792,091</u></u>

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

As per our report of even date attached

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

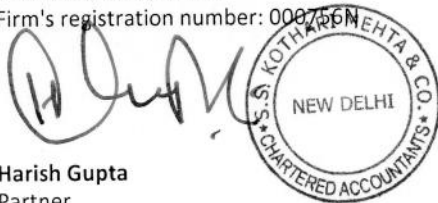
Chartered Accountants

Firm's registration number: 000726N

For BLS IT SERVICES PVT. LTD.

for and on behalf of the board of directors of

For BLS IT Services Private Limited



Harish Gupta
 Partner
 Membership number: 098336

Handwritten signature of Diwakar Aggarwal
 Director/Authorised Signatory

(Diwakar Aggarwal)
 Director
 DIN: 00144645

Handwritten signature of Vinod Aggarwal
 Director/Authorised Signatory

(Vinod Aggarwal)
 Director
 DIN: 00135390

Place : New Delhi

Date : May 12, 2017

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

	Note	(Amounts in INR) For the Year Ended 31st March, 2017
REVENUE		
Revenue from operations	15	344,082,772
Other income	16	419,512
Total Revenue		344,502,284
EXPENSES		
Cost of Services	17	171,248,406
Employee benefits expenses	18	10,370,468
Depreciation and amortisation expenses	19	73,246,455
Finance costs	20	18,991,769
Other Expenses	21	60,038,958
Total Expenses		333,896,056
Profit before tax		10,606,228
Tax expenses		
Current tax		2,162,488
MAT credit entitlement		(2,162,488)
Deferred tax	5	3,506,737
Total tax expense		3,506,737
Profit for the year		7,099,491
Earnings per equity share		
Face value per equity share	22	10
Basic & Diluted (Rs.)		710

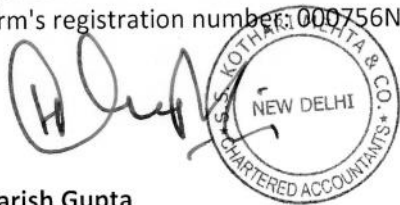
The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

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

Chartered Accountants

Firm's registration number: 000756N



Harish Gupta

Partner

Membership number: 098336

For BLS IT SERVICES PVT. LTD.

Director/Authorised Signatory

(Diwakar Aggarwal)

Director

DIN: 00144645

for and on behalf of the board of directors of

BLS IT Services Private Limited

For BLS IT SERVICES PVT. LTD.

Director/Authorised Signatory

(Vinod Aggarwal)

Director

DIN: 00135390

Place : New Delhi

Date : May 12, 2017

BLS IT SERVICES PRIVATE LIMITED

Cash Flow Statement for the Year Ended 31st March, 2017

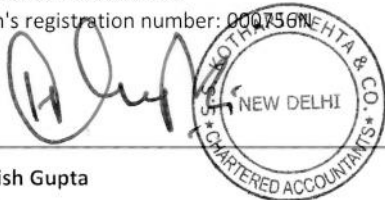
	(Amounts in INR) For the Year Ended 31st March, 2017
(A) Cash flow from operating activities:	
Profit before tax	10,606,228
Adjustments for:	
Depreciation and amortization	73,246,455
Interest income	(419,512)
Interest expense	18,974,269
Cash generated from operation before working capital changes	102,407,440
Adjustment for:	
(Increase)/ Decrease in trade receivables	(157,352,666)
(Increase)/ Decrease in loans and advances	(8,304,026)
(Increase)/ Decrease in other assets	(56,198,569)
Increase/ (Decrease) in trade payables	28,969,351
Increase/ (Decrease) in other liabilities and provisions	56,134,887
Cash flow from operations activities	(34,343,583)
Direct taxes paid (net of refunds)	-
Net cash (used in) / generated from operating activities - [a]	(34,343,583)
(B) Cash flow from investing activities:	
Purchase of fixed assets including capital work in progress	(266,115,142)
Fixed Deposits matured/ (made) during the year (having original maturity of more than three months)	(11,000,000)
Net cash (used in) / generated from investing activities - [b]	(277,115,142)
(C) Cash flow from financing activities:	
Proceeds from share capital issued	100,000
Proceeds from long term borrowings	225,089,842
Movement in short term borrowings	118,872,619
Repayment of long term borrowings	(13,107,036)
Interest paid	(16,848,074)
Net cash (used in) / generated from financing activities - [c]	314,107,351
Net increase/(decrease) in cash and cash equivalents - [a+b+c]	2,648,626
Cash and cash equivalents at beginning of the year [refer note 12]	2,648,626
Cash and cash equivalents at end of the year [refer note 12]	2,648,626
Net increase/ (decrease) in cash and cash equivalents	2,648,626
Components of cash and cash equivalents :-	
Balances with banks:	
Current accounts	90,383
Cash on hand	2,558,243
Cash and cash equivalents at end of the year [refer note 12]	2,648,626

As per our report of even date attached

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

Chartered Accountants

Firm's registration number: 000756N



Harish Gupta

Partner

Membership number: 098336

For **BLS IT SERVICES PVT. LTD.**

Director/Authorised Signatory

(Diwakar Aggarwal)

Director

DIN: 00144645

for and on behalf of the board of directors of

For **BLS IT Services Private Limited**

Director/Authorised Signatory

(Vinod Aggarwal)

Director

DIN: 00135390

Place : New Delhi

Date : May 12, 2017

BLS IT SERVICES PRIVATE LIMITED

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

Corporate information

BLS IT Services Private Limited (CINU74999DL2016PTC298498) is a private company incorporated on 26 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.

1 Summary of significant accounting policies

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

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 services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

a. Use of estimates

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

b Revenue recognition

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

i) Revenue from services

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

ii) Interest income

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

iii) Dividend income

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

c. Fixed assets

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

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

d Depreciation & Amortization

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

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

e Investments

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

f Impairment of Assets

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



g Lease

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

h Taxations

Current Tax:

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

Minimum Alternate Tax (MAT) Credit:

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

Deferred Tax:

Deferred Tax is recognized, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income & accounting income computed for the current accounting year and reversal of earlier years' timing difference.

Deferred Tax Assets are recognized and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses, which are recognized to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

i Earnings Per Share (EPS)

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

j Contingent liabilities and provisions

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

(i) possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;

(ii) present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) present obligation, where a reliable estimate cannot be made or where the possibility of outflow of resources is remote.

k Cash and cash equivalents

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

l Borrowing cost

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

m Cash Flow Statement

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



2 Share Capital

(Amounts in INR)

As at
31st March, 2017

a) Authorized		
10000 equity shares of Rs.10/- each		100,000
Issued, subscribed and fully paid-up		
10000 equity shares of Rs. 10/- each		100,000
		100,000

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

As at

31st March, 2017

	No. of shares	Amount in INR
At the beginning of the Period	-	-
Issued Equity Shares	10,000	100,000
Outstanding at the end of the Period	10,000	100,000

c) Terms/rights attached to equity shares

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

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

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

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

3 Reserve and surplus

(Amounts in INR)

As at
31st March, 2017

Surplus as per the statement of profit and loss	
Balance at beginning of the year	-
Add : Profit for the Period	7,099,491
Net surplus in the statement of profit and loss	7,099,491
Total Reserves and Surplus	7,099,491

4 Long Term Borrowings

(Amounts in INR)

As at
31st March, 2017

Secured Loan*	
From financial institution	175,132,512
*Refer note no 4.1 for other details of borrowings.	175,132,512

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

	As at March 31, 2017	Particulars of security / guarantees /default	Terms of repayment
IT Equipments financed from Hewlett Packard financial Service Private Limited			
Balance Outstanding	211,746,567	The said loan is secured by way of first charge on moveable fixed assets acquired	Interest Rate 11.74% per annum. The said loan is repayable in 20 equal quarterly installment
Current Maturity	36,614,055		
Non-Current Maturity	175,132,512		



5 Short Term Borrowing

(Amounts in INR)

As at

31st March, 2017

Secured Loans Repayable on Demand

Bank Overdraft*

118,872,619

* Credit facility available from HDFC Bank is secured by way of Fixed Deposit and commercial properties, first pari passu charge on all assets of the Borrower (Interest Rate 10.50% per annum). Interest shall be payable at monthly rests and on the last day of the month.

118,872,619

6 Trade payables

(Amounts in INR)

As at

31st March, 2017

Trade payables

Total outstanding dues of micro and small enterprises

-

Total outstanding dues of creditors other than micro and small enterprises

28,969,351

28,969,351

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

(Amounts in INR)

As at

31st March, 2017

a. Principal and interest amount remaining unpaid

-

b. Interest due thereon remaining unpaid

-

c.

Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.

-

d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act.

-

e. Interest accrued and remaining unpaid

-

f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises

-

7 Other Current Liabilities

(Amounts in INR)

As at

31st March, 2017

Current Maturity for long term borrowings (Refer note no. 4.1)

36,614,055

Interest accrued but not due on borrowings

2,362,439

Creditors for Capital Goods

1,909,600

Other Payable:

Expenses Payable

45,493,575

Government Fees Payable (Punjab State e-Governance Society)

538,800

Government Fees Payable (Punjab State Power Corporation Limited)

1,394,375

Salary and incentives payable

908,669

Statutory due Payable

5,889,868

95,111,381

9 Long Term Loans and Advances

(Amounts in INR)

As at

31st March, 2017

Security deposits (Unsecured, considered good)

375,000

375,000

10 Deferred tax liability (Net)

(Amounts in INR)

As at

31st March, 2017

Deferred tax liability on account of

Timing difference on depreciation and amortisation

7,348,641

Others

-

Total deferred tax liability (A)

7,348,641

Deferred tax asset on account of

Timing difference on carry forward losses

3,840,671

Timing difference on preliminary expenses

1,233

Total deferred tax asset (B)

3,841,904

Deferred tax liability (Net) (A-B)

3,506,737



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

8. Fixed Assets

DESCRIPTION	GROSS CARRYING VALUE			DEPRECIATION/ AMORTISATION			(Amounts in INR) NET CARRYING VALUE	
	Additions during the Period	Sales during the Period	As at March 31, 2017	For the Period	Sales during the Period	As at March 31, 2017	As at March 31, 2017	As at March 31, 2017
Property, Plant & Equipment								
Computer and data processing units	31,159,722	-	31,159,722	5,690,443	-	5,690,443	25,469,279	
Server and Networks	204,855,288	-	204,855,288	61,187,255	-	61,187,255	143,668,033	
End user device desktop, Laptop etc.	-	-	-	-	-	-	-	
Furniture and Fixtures	-	-	-	-	-	-	-	
Vehicles	906,028	-	906,028	188,377	-	188,377	717,651	
Office Equipment's	29,129,424	-	29,129,424	6,168,405	-	6,168,404	22,961,025	
Other Intangible Assets :								
Computer Software	64,680	-	64,680	11,976	-	11,976	52,704	
Total Tangible Assets (a+d)	266,115,142	-	266,115,142	73,246,456	-	73,246,455	192,868,692	



11 Trade Receivables	(Amounts in INR)
	As at
	31st March, 2017
Outstanding due for a period exceeding six months from the date they are due for payment	-
Other receivables	
Unsecured, considered good*	157,352,666
	<u>157,352,666</u>
12 Cash and Bank Balances	(Amounts in INR)
	As at
	31st March, 2017
Cash and cash equivalents	
Balances with banks:	
Current accounts	90,383
Cash on hand	2,558,243
Other Bank Balance	
Fixed Deposit having a remaining maturity period of more than three month but less than twelve Months. (Margin Money against Bank Credit facility issued to HDFC Bank)	11,000,000
	<u>13,648,626</u>
13 Short Term Loan and Advances	(Amounts in INR)
(Unsecured, considered good)	As at
	31st March, 2017
Advances against materials and services	1,254,976
Other advances	476,885
Prepaid expenses	1,267,910
Security deposits	70,000
Diesel Expenses Recoverable	2,077,120
MAT credit Entitlement	2,162,488
Balance with Statutory/ Government authorities	619,647
	<u>7,929,026</u>
14 Other Current Assets	(Amounts in INR)
	As at
	31st March, 2017
Income accrued but not due	55,917,198
Interest accrued on Fixed Deposit	419,512
Other Receivables	281,371
	<u>56,618,081</u>
15 Revenue from operations	(Amounts in INR)
	For the Year Ended
	31st March, 2017
Sale of Services	343,696,218
Sale of Government application form	386,554
	<u>344,082,772</u>
16 Other Income	(Amounts in INR)
	For the Year Ended
	31st March, 2017
Interest Income	419,512
	<u>419,512</u>
17 Cost of Services	(Amounts in INR)
	For the Year Ended
	31st March, 2017
Consumption of Government application Form	589,548
Manpower Cost	170,658,858
	<u>171,248,406</u>



18 Employee Benefits Expenses

(Amounts in INR)

For the Year Ended
31st March, 2017

Salaries and wages, bonus etc.	10,295,508
Staff welfare expenses	74,960
	<u>10,370,468</u>

19 Depreciation and Amortisation Expenses

(Amounts in INR)

For the Year Ended
31st March, 2017

Depreciation on tangible assets	73,234,479
Amortisation on intangible assets	11,976
	<u>73,246,455</u>

20 Finance Cost

(Amounts in INR)

For the Year Ended
31st March, 2017

Interest on Overdraft	6,610,074
Interest on borrowings	12,364,195
Other Borrowings cost	17,500
	<u>18,991,769</u>

21 Other Expenses

(Amounts in INR)

For the Year Ended
31st March, 2017

Management & consultancy exp.	20,385,000
Audit Expenses (Refer Note No.24)	200,000
Sewa Kendra Computer AMC Exp	7,352,564
Sewa Kendra House Keeping	10,306,571
Sewa Kendra Cash management exp	200,000
Bank Guarantee Charges	215,390
Professional Consultancy Services	2,150,984
DG Repair & Maintenance	1,102,725
Diesel distribution cost	1,395,000
Printing & Stationery	4,207,372
Sewa Kendra Expenses	1,465,640
Rent expenses	3,958,264
Swacch Bharat Expense	997,923
Bank Charges	608,416
Computer repair & maintenance	604,761
Telephone & Internet Expenses	1,635,047
Software Expenses	630,000
Registration, Rate & Taxes	8,567
Miscellaneous Expenses	2,614,734
	<u>60,038,958</u>

22 Earning per Share (EPS)

(Amounts in INR)

As at
31st March, 2017

Net Profit as per statement of Profit & Loss account	7,099,491
	<u>7,099,491</u>
Face Value of share (Rs)	10
Closing balance of shares	10,000
Weighted average number of equity shares in calculating basic & diluted EPS	10,000
Basic and diluted earning per share (Rs.)	710



23 As per Accounting Standard-18, the Company's related parties and transactions are disclosed below:

I) List of Related parties and relationship , where control exists:

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

II) Transaction with related parties during the Year

(Amounts in INR)

BLS International Service Limited	
Management Consultancy Services	20,385,000
Reimbursement of Expenses (Paid)	10,189,828
Payment during the Year	25,135,321
Performance Bank guarantee amounting to Rs.20 Crores in favour of Punjab State e-Governance Society	
Outstanding at the end	6,448,707
Mrs. Laxmi Aggarwal	
Salary for the Year	962,028

24 Payment to auditors (Excluding Service Tax)

(Amounts in INR)

For the Year Ended
31st March, 2017

Statutory audit	200,000
	<u>200,000</u>

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

Assets taken on operating lease:

Lease payments recognised in statement of profit an loss amounting Rs.39,58,264/-

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

(Amounts in INR)

For the Year Ended
31st March, 2017

Particulars	
a) Not later than one year	1,511,508
b) Later than one year and not later than five years	1,763,426
c) Later than five years	



26 Disclosure on Specified Bank Notes (SBNs)

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

Particulars	(Amounts in INR)		
	SBNs*	Other Denomination Notes	Total
Closing Cash in Hand as on November 8, 2016	954,500	59,886	1,014,386
(+) Permitted receipts	-	43,728,287	43,728,287
(-) Permitted payments	-	-	-
(-) amount Deposited in Banks	294,500	14,030,911	14,325,411
(-) Amount Deposited in Govt. Banks	660,000	28,307,444	28,967,444
Closing Cash in Hand as on December 30, 2016	-	1,449,81	1,449,81

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

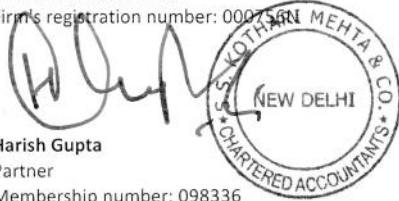
27 All amounts in the financial statements are presented in Rupees and rounded off to nearest rupee.

As per our report of even date attached

for S S Kothari Mehta & Co.

Chartered Accountants

Firm's registration number: 000756N



Harish Gupta

Partner

Membership number: 098336

Place : New Delhi

Date : May 12, 2017

For BLS IT SERVICES PVT. LTD. For BLS IT SERVICES PVT. LTD.

for and on behalf of the board of directors of

BLS IT Services Private Limited

Director/Authorised Signatory

(Diwakar Aggarwal)

Director

DIN:00144645

Director/Authorised Signatory

(Vinod Aggarwal)

Director

DIN:00135390