

**Independent Auditors' Report**

**To the Members of BLS E- Services Private Limited**

**Report on the audit of the Ind AS Financial Statements**

**Qualified Opinion**

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, 2021, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the basis for qualified opinion paragraph below, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Qualified Opinion**

We draw attention to note 35 to the Ind AS financial statements, wherein in the previous year the Company has recognized profit on sale of fixed assets (property, plant & equipment) amounting to Rs. 800.41 lakhs.

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

Pending final acceptance/ confirmation of the sale price of fixed assets by the Authority, we cannot comment upon the correctness of the amount receivable from the Authority.

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.



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

### **Emphasis of Matter**

Without qualifying, we draw attention to

- 1) Note 39 to the Ind AS financial Statements, the Company has considered internal and external information upto the date of this report in respect of the current and estimated future global economic indicators consequent to the global health pandemic.
- 2) In earlier years, the Punjab Government has terminated the master service agreement entered with the Company vide its letter dated January 30, 2018, which was the only source of revenue of the Company. However, the management is making efforts to secure further contracts/business in the Company and is able to achieve success and is of the view that going concern assumption is not affected. We have relied upon the management's contention.
- 3) Note 36 to the Ind AS financial statements, the trade receivables from Punjab Government aggregating to Rs 1,747.69 lakhs (Including amount for reimbursement of diesel and electricity expense and sale of fixed assets) as on March 31, 2021 for which recovery is slow. Further, the Company is in the process of account/balance reconciliations with the Punjab Government. However, management is confident that there is no impairment in the value of the amount to be recovered and we have relied upon the management's contention.

Our opinion is not modified in respect of above matters.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for preparation of other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon. The above information is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **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 Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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) prescribed 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) we have sought, except for the possible effect of the matter described in the Basis of Qualified Opinion paragraph above, and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, except the effect of the matter described in the this Basis of Qualified Opinion paragraph above, 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 flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, except the effect of the matter described in the Basis of Qualified Opinion paragraph above, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder;
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) Clause (i) of Section 143(3) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, is not applicable pursuant to notification G.S.R ( E) dated June 13, 2017, as amended and hence not commented upon.
  - g) the matter described in the Basis of Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - h) In our opinion and according to the information and explanations provided to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021 and hence not commented upon;
  - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule



- j) 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 is no amount required to be transferred to the Investor Education and Protection Fund by the Company.

**For S.S. KOTHARI MEHTA & COMPANY**  
Chartered Accountants  
Firm's Registration No. 000756N



*Amit Goel*

**AMIT GOEL**  
Partner

Membership No. 500607

Place: New Delhi  
Date: June 14, 2021  
UDIN : 21500607AAAAGV4363

**Annexure A to the Independent Auditor's Report to the Members of BLS E- Services Private Limited dated June 14, 2021.**

**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.
  - (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. According to the information and explanation given to us, no discrepancies were noticed on such verification.
  - (c) The Company does not have any immovable property. Hence, clause 3(i)(c) of the Order is not applicable to the Company.
- ii. The Company is a service Company. It does not hold any inventories, Accordingly, paragraph 3 (ii) of the Order is not applicable to the Company.
- iii. According to the records and information and explanation made available to us, the Company has granted interest free unsecured loan to two Companies covered in the register maintained under section 189 of the Act;
  - a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - b. In respect of aforesaid receivable, receipts of principals are regular.
  - c. There are no amount in respect of principal which are overdue for more than ninety days.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loan, making investment and providing guarantees and securities, as applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act, and the Rules framed thereunder.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.



- vii.
- a. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable as at March 31, 2021 for a period of more than six months from the date they become payable.
  - b. According to information an explanation given to us, there are no dues in respect of, Income Tax, Goods and Service Tax, as applicable, which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and records of the Company examined by us, the Company has not taken any loan from bank or financial institution and the Government. The Company has not issued any debentures.
- ix. In our opinion, and according to the information and explanations given to us, the Company has neither raised any money way of initial public offer / further public offer nor obtained any term loans. Hence, reporting under clause (ix) of the Order is not applicable to the Company.
- x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. In our opinion, and according to the information and explanations given to, the provision of section 197 read with schedule V of the Act are not applicable to the Company for the year ended March 31, 2021. Hence, reporting under clause 3(xi) of the Order are not applicable and hence not commented upon.
- xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 188 of the Act, where ever applicable, and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable Indian accounting standards. The provisions of section 177 of the Act are not applicable to the Company and hence not commented upon.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence not commented upon.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred in section 192 of the Act.



- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For S.S. KOTHARI MEHTA & COMPANY**

Chartered Accountants

Firm's Registration No. 000756N



*Amit Goel*

**AMIT GOEL**

Partner

Membership No. 500607

Place: New Delhi

Date: June 14, 2021

UDIN : 21500607AAAAGV4363



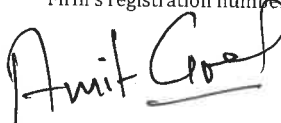
**BLS E-SERVICES PRIVATE LIMITED**  
**(CIN: U74999DL2016PTC298207)**  
**BALANCE SHEET AS AT MARCH 31, 2021**  
Amount in (lakhs) unless otherwise stated

	Note	As at March 31, 2021	As at March 31, 2020
<b>I ASSETS</b>			
<b>1 Non-current asset</b>			
a. Property, plant & equipment	3	5.12	7.17
b. Investment in subsidiaries	4	1,251.41	1,236.41
c. Financial assets :			
Loans	5	1.21	0.52
d. Deferred tax assets (Net)	6	2.16	2.13
<b>Total non-current assets</b>		<b>1,259.90</b>	<b>1,246.23</b>
<b>2 Current asset</b>			
a. Financial assets			
(i) Trade receivables	7	1,686.24	1,686.24
(ii) Cash and cash equivalents	8	29.65	0.31
(iii) Other financial assets	9	195.49	145.60
b. Other current assets	10	18.82	9.83
c. Current tax assets (net)	11	32.50	24.06
<b>Total current assets</b>		<b>1,962.70</b>	<b>1,866.04</b>
<b>TOTAL ASSETS</b>		<b>3,222.60</b>	<b>3,112.27</b>
<b>II EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
a. Equity share capital	12	1.00	1.00
b. Other equity	13	1,412.38	1,326.61
<b>Total equity</b>		<b>1,413.38</b>	<b>1,327.61</b>
<b>Liabilities</b>			
<b>1. Current liabilities</b>			
a. Financial liabilities :			
(i) Borrowings	14	1,101.57	1,231.67
(ii) Other financial liabilities	15	670.96	550.01
b. Other current liabilities	16	36.69	2.98
<b>Total current liabilities</b>		<b>1,809.22</b>	<b>1,784.66</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,222.60</b>	<b>3,112.27</b>
<b>Significant accounting policies</b>	1-2		

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

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

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

  
**Amit Goel**  
Partner  
Membership number: 500607



  
**Dinesh Sharma**  
Director  
DIN No. 00956860

  
**Sanjeev Kumar**  
Director  
DIN No. 02826773

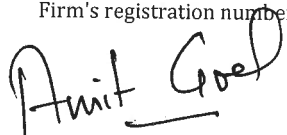
Place : New Delhi  
Date : 14th June, 2021

**BLS E-SERVICES PRIVATE LIMITED**  
**(CIN: U74999DL2016PTC298207)**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**  
Amount in (lakhs) unless otherwise stated

	Note	Year ended March 31, 2021	Year ended March 31, 2020
<b>I</b> Revenue from operations	17	170.11	94.38
<b>II</b> Other income	18	206.17	116.74
<b>TOTAL INCOME (I+II)</b>		<b>376.28</b>	<b>211.12</b>
<b>III EXPENSES:</b>			
Purchases	19	15.82	78.47
Cost of services	20	150.82	20.13
Employee benefits expense	21	6.67	74.28
Finance cost	22	97.56	180.42
Depreciation and amortisation expense	23	2.04	2.86
Other expenses	24	17.63	110.44
<b>TOTAL EXPENSES</b>		<b>290.54</b>	<b>466.60</b>
<b>IV PROFIT BEFORE TAX</b>		<b>85.74</b>	<b>(255.48)</b>
<b>V Tax expense:</b>			
a) Current tax		-	-
b) Deferred tax charge/(credit)		(0.03)	1.22
c) Tax expense for earlier years		-	0.05
<b>TOTAL TAX EXPENSE</b>		<b>(0.03)</b>	<b>1.27</b>
<b>VI PROFIT FOR THE YEAR (IV-V)</b>		<b>85.77</b>	<b>(256.75)</b>
<b>VII OTHER COMPREHENSIVE INCOME (OCI)</b>			
<b>A) Items that will not be reclassified to profit or loss</b>			
(a) Re-measurements of defined benefit plans			
(b) Less: Tax on Re-measurements of defined benefit plans			
<b>B) Items that will be reclassified to profit or loss (net of tax)</b>			
<b>TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES)</b>			
<b>VIII TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>85.77</b>	<b>(256.75)</b>
<b>IX Earnings per equity share: basic and diluted ( Rs.)</b>	25	<b>857.74</b>	<b>(2,567.52)</b>
Significant accounting policies	1-2		

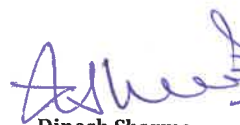
The accompanying notes referred to above formed an integral part of the financial statements

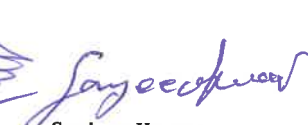
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For S S Kothari Mehta & Company  
Chartered Accountants  
Firm's registration number: 000756N

  
**Amit Goel**  
Partner  
Membership number: 500607



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

  
**Dinesh Sharma**  
Director  
DIN No. 00956860

  
**Sanjeev Kumar**  
Director  
DIN No. 02826773

Place : New Delhi  
Date :14th June, 2021

**BLS E-SERVICES PRIVATE LIMITED**  
**(CIN: U74999DL2016PTC298207)**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31 2021**  
Amount in (lakhs) unless otherwise stated

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Cash flow from operating activities</b>		
Profit before tax	85.74	(255.48)
<b>Adjustments for:</b>		
Depreciation & amortization expense	2.04	2.86
Finance costs	97.56	180.42
<b>Cash generated from operations before working capital change</b>	<b>185.34</b>	<b>(72.20)</b>
<b>Adjustments for:</b>		
(Increase)/ decrease in trade receivables	-	850.00
(Increase)/ decrease in other financial current assets	(49.89)	(53.83)
(Increase)/ decrease in other current assets	(8.99)	170.67
(increase)/ decrease in non current financial asset - long-term loans	(0.69)	0.11
(Decrease)/ increase in long term provision	-	(4.09)
(Decrease)/ increase in other financial current liabilities	34.75	48.70
(Decrease)/ increase in other current liabilities	33.72	(120.93)
(Decrease)/ increase in short term provision	-	(0.01)
<b>Cash generated from operations</b>	<b>194.25</b>	<b>818.42</b>
Direct taxes	(8.44)	(121.88)
<b>Net cash generated from operating activities [A]</b>	<b>185.81</b>	<b>696.54</b>
<b>Cash flow from investing activities</b>		
Investment in subsidiary company	(15.00)	(312.62)
<b>Net cash (used in)/ generated from investing activities [B]</b>	<b>(15.00)</b>	<b>(312.62)</b>
<b>Cash flow from financing activities</b>		
Repayment of non-current borrowings	(130.10)	(1,220.00)
Proceeds from current borrowing (Net)	-	425.00
Interest paid	(11.37)	(36.63)
<b>Net cash (used in)/ generated from financing activities [C]</b>	<b>(141.47)</b>	<b>(831.63)</b>
<b>Net increase /(decrease) in cash and cash equivalent [A+B+C]</b>	<b>29.34</b>	<b>(447.70)</b>
Cash and cash equivalent at the beginning of the year	0.31	448.01
<b>Cash and cash equivalent at the end of the year (refer note 8)</b>	<b>29.65</b>	<b>0.31</b>
<b>Components of cash and cash equivalent</b>		
Current accounts	29.65	0.31
<b>Total cash and cash equivalent</b>	<b>29.65</b>	<b>0.31</b>

**Notes:**

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

(b) Figures in bracket represents cash outflows.

	Opening Balance as at April 01,	Cash inflow/(outflows)	Closing Balance as at March 31, 2021
<b>Current borrowing</b>	1,231.67	(130.10)	1,101.57

	Opening Balance as at April 01,	Cash inflow/(outflows)	Closing Balance as at March 31, 2020
<b>Current borrowing</b>	2,026.67	(795.00)	1,231.67

**Significant accounting policies**

1-2

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

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

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

*Amit Goel*

**Amit Goel**  
Partner  
Membership number: 500607



*Dinesh Sharma*  
**Dinesh Sharma**  
Director  
DIN No. 00956860

*Sanjeev Kumar*  
**Sanjeev Kumar**  
Director  
DIN No. 02826773

Place : New Delhi  
Date :14th June, 2021

**BLS E-SERVICES PRIVATE LIMITED**

(CIN: U74999DL2016PTC298207)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

**A. Equity Share Capital**

<b>As at April 01, 2019</b>			
Changes in equity shares capital during the year			1.00
<b>As at March 31, 2020</b>			-
Changes in equity shares capital during the year			1.00
<b>As at March 31, 2021</b>			1.00

**B. Other Equity**

	Reserve & Surplus		Total
	Retained Earnings	Other Comprehensive Income	
<b>Balance as at April 01, 2019</b>	1,582.43	0.93	1,583.36
<b>Addition during the year:</b>			
Profit for the year transferred from statement of profit and loss	(256.75)	-	(256.75)
Items of OCI for the year, net of tax	-	-	-
Remeasurements benefits defined benefits plans	-	-	-
<b>Total comprehensive income for the year 2019-20</b>	<b>(256.75)</b>	<b>-</b>	<b>(256.75)</b>
<b>Balance as at March 31, 2020</b>	<b>1,325.68</b>	<b>0.93</b>	<b>1,326.61</b>
<b>Addition during the year:</b>			
Profit for the year transferred from statement of profit and loss	85.77	-	85.77
Items of OCI for the year, net of tax	-	-	-
Remeasurements benefits defined benefits plans	-	-	-
<b>Total comprehensive income for the year 2020-21</b>	<b>85.77</b>	<b>-</b>	<b>85.77</b>
<b>Balance as at March 31, 2021</b>	<b>1,411.45</b>	<b>0.93</b>	<b>1,412.38</b>

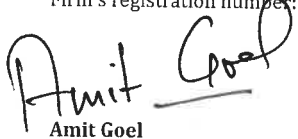
**Significant accounting policies**

1-2

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

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

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



**Amit Goel**  
 Partner  
 Firm's registration number: 000756N



**Dimesh Sharma**  
 Director  
 DIN No. 00956860

**Sanjeev Kumar**  
 Director  
 DIN No. 02826773

Place : New Delhi  
 Date :14th June, 2021

**1 Corporate information**

BLS E-Services Private Limited is a private company domiciled and incorporated in India under Indian Companies Act 2013 ("the Act"). The registered office of the company is located at G-4B-1, Extension, Mohan Co-Operative Indl. Estate Mathura Road New Delhi.

The company is engaged with the Punjab Sewa Kendra (PSK) -Which is an e-governance project- was awarded to the company by Punjab State government to provide over 200 citizen Services with the setting up of Sewa Kendras across the state. Further, the government of Punjab has terminated the master service agreement entered with the company vide its letter dated January 30, 2018. This contract was the only source of revenue for the company. However, management is making efforts to secure other contracts/business in the company. And during the financial year 2018-19 company has started new segment i.e. B2C.

The financial statements were approved and adopted by Board of Directors of the Company in their meeting held on June 14, 2021.

**I Basis of Preparation of Financial Statements**

**(i) Statement of compliance :**

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Act as amended.

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

**(ii) Basis of preparation:**

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

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

The financial statements are presentation in Indian Rupees (Rs) and all the values are rounded off to the nearest thousands, except number of shares, earning per share or wherever otherwise stated.

**(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, 2021**

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

**(a) Revenue recognition****Rendering of Services**

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

**Other Income****(i) Interest income**

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

**(ii) Dividend Income**

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

**(b) Property Plant and Equipment**

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

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

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

Class of assets	Useful life (in years)
Computers	3
Office Equipments	5
Furniture & Fixtures	10
Vehicles	8

**(c) Intangible Assets**

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

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

**(d) Impairment**

The carrying amount of Property, plant and equipment's, 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.



**(e) Financial Instruments**

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

**Financial assets**

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

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

**Financial Assets at Amortised Cost**

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

**Financial Assets at Fair value through Other Comprehensive Income**

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

**Financial Assets at Fair value through Profit or Loss**

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

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

**Investment in Equity Shares**

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

**Investments in Subsidiaries & Joint Ventures**

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

**Impairment**

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

**De-recognition**

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

If the company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

*Adhikari*

*Jayeshwar*



**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**

**i) Where the Company is the lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. 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 finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs [See note 2(b)(k)]. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payment to lessor is structured to increase in line with expected general inflation and compensate for the lessor's expected inflation cost increases.

**ii) Where the Company is the lessor**

Leases for which the Company is a lessor is classified as finance or operating lease. When the terms of the lease transfer substantially all of the risks and benefits incidental to ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of relevant lease.'

**(h) Employee Benefits**

**i. Gratuity**

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

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





**ii. Other short term benefits**

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

**(i) Earning Per Share**

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

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.

**(f) 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

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.

**(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 and which are subject to an insignificant risk of changes in value.

**(m) Provisions, Contingent Assets & Contingent Liabilities:**

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

**(n) Cash Flow Statements**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**(o) Operating Segments**

**(i) Identification of segments**

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

**(ii) Unallocated items**

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

**(iii) Segment accounting policies**

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

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

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

**a) Income taxes**

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

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**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.

**IV Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies Companies (Indian Accounting Standards Amendment Rules, 2021) vide its notification dated 18th June 2021 stating amendments to the existing standards which are applicable from the date of its notification.

The summary of amendments are as follows:-

- i) Covid 19 related concessions beyond 30th June, 2021 vis-à-vis Ind AS 116.
- ii) Some internal changes in various headings and expressions used in various Ind AS.
- iii) References have been made to "Conceptual Framework to Ind AS" issued in 2021 by substituting the same for "Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards (the Framework)"
- iv) Amendments have been made for accounting of "Expenditure on Purchasing, Developing and Operating Hardware of a Website" – Ind AS 38 and Ind AS 16

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*Jayeechandra*



3 PROPERTY, PLANT & EQUIPMENT

As at March 31, 2020 Description	Gross carrying value			Depreciation			Net Carrying Value As at March 31, 2020
	As at March 31, 2019	Additions	Disposals/ Adjustments	As at March 31, 2020	Charge for the year	Disposals/ Adjustments	
Particulars							
Computers	-	-	-	-	-	-	-
Office Equipments	-	-	-	-	-	-	-
Furniture & Fixtures	12.88	-	-	12.88	1.68	-	8.19
Vehicles	9.12	-	-	9.12	1.18	-	6.64
Total	22.00	-	-	22.00	2.86	-	14.83

As at March 31, 2021 Description	Gross carrying value			Depreciation			Net Carrying Value As at March 31, 2021
	As at March 31, 2020	Additions	Disposals/ Adjustments	As at March 31, 2021	Charge for the year	Disposals/ Adjustments	
Particulars							
Computers	-	-	-	-	-	-	-
Office Equipments	-	-	-	-	-	-	-
Furniture & Fixtures	12.88	-	-	12.88	1.24	-	9.43
Vehicles	9.12	-	-	9.12	0.80	-	7.44
Total	22.00	-	-	22.00	2.04	-	16.87

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*Jayeshwar*



**BLS E-SERVICES PRIVATE LIMITED**

(CIN: U74999DL2016PTC298207)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

**3 PROPERTY, PLANT & EQUIPMENT**

<b>Gross Block</b>	<b>Furniture &amp; Fixtures</b>	<b>Vehicles</b>	<b>Total</b>
<b>As at April 01, 2019</b>	<b>12.88</b>	<b>9.12</b>	<b>22.00</b>
Additions	-	-	-
Disposals/ Adjustments	-	-	-
<b>As at March 31, 2020</b>	<b>12.88</b>	<b>9.12</b>	<b>22.00</b>
Additions	-	-	-
Disposals/ Adjustments	-	-	-
<b>As at March 31, 2021</b>	<b>12.88</b>	<b>9.12</b>	<b>22.00</b>
<b>Accumulated Depreciation</b>			
<b>As at April 01, 2019</b>	<b>6.51</b>	<b>5.46</b>	<b>11.97</b>
Charge for the year	1.68	1.18	2.86
Disposals/ Adjustments	-	-	-
<b>As at March 31, 2020</b>	<b>8.19</b>	<b>6.64</b>	<b>14.83</b>
Charge for the year	1.24	0.80	2.04
Disposals/ Adjustments	-	-	-
<b>As at March 31, 2021</b>	<b>9.43</b>	<b>7.44</b>	<b>16.87</b>
<b>Net Block as at March 31, 2020</b>	<b>4.69</b>	<b>2.48</b>	<b>7.17</b>
<b>Net Block as at March 31, 2021</b>	<b>3.45</b>	<b>1.68</b>	<b>5.12</b>

*Adhikari*

*Jayeechmar*



**BLS E-SERVICES PRIVATE LIMITED**  
(CIN: U74999DL2016PTC298207)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

	As at March 31 2021	As at March 31 2020	
<b>4 Investment in subsidiary</b>			
<b>Un-quoted: non trade</b>			
Starfin India Private Limited 5,00,000 (March 31, 2020 -3,50,000) fully paid up equity shares of Rs.10 each	1,251.41	1,236.41	
<b>Total</b>	<b>1,251.41</b>	<b>1,236.41</b>	
Aggregate amount of unquoted investments	1,251.41	1,236.41	
<b>Information about Subsidiary</b>			
	Proportion (%) of Equity interest		
Name of Company	Country of Incorporation	As at March 31 2021	As at March 31 2020
Starfin India Private Limited	India	100%	100%
<b>5 Loans: Non-Current</b>			
<b>Carried at amortised cost</b>			
Security deposits	1.21	0.52	
<b>Total</b>	<b>1.21</b>	<b>0.52</b>	
<b>6 Deferred tax assets &amp; (Liabilities) (Net)</b>			
<b>Deferred tax assets on:</b>	As at March 31 2021	Charge for the year	As at March 31 2020
Difference between book value of depreciable assets as per books of accounts and written down value as per income tax	2.16	0.03	2.13
Provision for employee benefit	-	-	-
Timing difference on preliminary expenses	0.00	-	0.00
Others	-	-	-
<b>Total deferred tax assets/(Liability)(net)</b>	<b>2.16</b>	<b>0.03</b>	<b>2.13</b>
<b>7 Trade receivables: Current</b>			
<b>Unsecured</b>			
Considered good	1,686.24		1,686.24
Less: Allowances for expected credit loss	-		-
<b>Total</b>	<b>1,686.24</b>		<b>1,686.24</b>
<b>8 Cash and cash equivalents</b>			
<b>Balance with banks</b>			
Current account	29.65		0.31
<b>Total</b>	<b>29.65</b>		<b>0.31</b>
<b>9 Other Financial Assets</b>			
<b>Unsecured, considered good</b>			
-Receivables from Punjab Govt (Punjab State e Governance Society)*	61.45		61.45
-Income accrued but not due	-		0.05
-Advance to employees	-		3.00
-Advance to others	4.61		-
-Loan & Advance#	46.83		40.60
Wallet Assets**	82.60		40.50
<b>Total</b>	<b>195.49</b>		<b>145.60</b>
* Reimbursement of diesel & electricity expenses			
<b>#Balance with related parties (refer note 30)</b>			
BLS IT Services Limited	41.85		40.60
BLS E Solutions Private Limited	4.98		-
<b>** includes Balance with related parties (refer note 29)</b>			
BLS Kendras Private Limited	49.62		-

*Adhish*

*Sangeet Kumar*



**BLS E-SERVICES PRIVATE LIMITED**  
**(CIN: U74999DL2016PTC298207)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (Lakhs) unless otherwise stated

	As at March 31 2021	As at March 31 2020
<b>10 Other Current Assets</b>		
<b>Others</b>		
Advances to suppliers	0.83	1.64
Balance with statutory/ government authorities	3.76	8.12
Other receivable	14.23	0.07
<b>Total</b>	<b>18.82</b>	<b>9.83</b>
<b>11 Current Tax Assets (Net)</b>		
Advance tax (net of tax paid)	32.50	24.06
<b>Total</b>	<b>32.50</b>	<b>24.06</b>
<b>13 Other equity</b>		
Balance of retained earnings at the beginning of reporting period	1,326.61	1,583.36
Add : Profit transferred from statement of profit & loss.	85.77	(256.75)
<b>Total (a)</b>	<b>1,412.38</b>	<b>1,326.61</b>
<b>Other comprehensive income (OCI) (b)</b>	-	-
<b>Balance of retained earnings at the end of reporting period (a+b)</b>	<b>1,412.38</b>	<b>1,326.61</b>

**Description of nature and purpose of reserve**

**Retained Earning**

Retained earning are the profits that the Company has earned till date less dividends (if any) and distribution paid to shareholders. Retained earning is a free reserve available to the Company.

**14 Borrowings**

	As at March 31 2021	As at March 31 2020
<b>Unsecured</b>		
Loans from holding company*	1,101.57	1,231.67
<b>Total</b>	<b>1,101.57</b>	<b>1,231.67</b>
<b>* Balance with related parties (refer note 29)</b>		
BLS International Services Limited	1,101.57	1,231.67
loan taken for business activities which is unsecured & repayable on demand bearing 7.00% to 12% p.a. interest.		

**15 Other financial liabilities**

	As at March 31 2021	As at March 31 2020
<b>Interest accrued but not due</b>		
on borrowing from holding company#	428.29	342.10
<b>Others</b>		
- Expenses payable*	21.25	98.89
- Employees dues payables	1.47	0.25
Wallet top up liability**	46.59	108.77
Other Liabilities- UP	173.36	-
<b>Total</b>	<b>670.96</b>	<b>550.01</b>
<b># Interest accrued with related party (refer note 29)</b>		
BLS International Services Limited	428.29	342.10
<b>* other payable to related party (refer note 29)</b>		
BLS International Services Limited	0.89	79.17
<b>** Wallet balance with related party (refer note 29)</b>		
BLS Kendras Private Limited	-	51.29
Starfin India Private Limited	46.59	50.00
<b>16 Other Current Liabilities</b>		
Other statutory due payable	2.14	2.98
GST payable	34.44	-
Other Liabilities- UP project	0.11	-
<b>Total</b>	<b>36.69</b>	<b>2.98</b>

*Adhish*

*Jayee Kumar*



**12 EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorized Share Capital</b>		
10,000 (March 31, 2020: 10,000) equity shares of Re. 10/- each	1.00	1.00
<b>Issued, subscribed and fully paid-up</b>		
10,000 (March 31, 2020: 10,000) equity shares of Re. 10/- each	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>

**a.) Reconciliation of shares outstanding at the beginning and at the end of the year**

EQUITY SHARES	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	10,000	1.00	10,000	1.00
Add: Changes in capital during the year	-	-	-	-
<b>Balance at the closing of the year</b>	<b>10,000</b>	<b>1.00</b>	<b>10,000</b>	<b>1.00</b>

**b) Rights, preferences and restrictions attached to shares**

**Equity shares:** The Company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion of the number of equity shares held by the shareholders. The dividend proposed, if any, by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend.

**c.) Number of shares held by holding company**

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
BLS International Services Limited	10,000	100.00%	10,000	100.00%

**d.) 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, 2021		As at March 31, 2020	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
BLS International Services Limited*	10,000	100.00%	10,000	100.00%

\* one share hold by nominee share holder

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

*Ashtu...*

*Jayee...*





**BLS E SERVICES PRIVATE LIMITED****(CIN: U74999DL2016PTC298207)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

	Year ended March 31, 2021	Year ended March 31, 2020
<b>17 Revenue from operations</b>		
<b>Sale of service</b>		
Sale of services to customer	15.71	58.72
Commission income	154.40	35.66
<b>Total</b>	<b>170.11</b>	<b>94.38</b>
<b>Contract balance</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Trade Receivable	1,686.24	1,686.24
Advance from the customers	-	-
<b>Reconciliation of revenue recognition with the Contracted price is as follows:</b>		
	Year ended March 31, 2021	Year ended March 31, 2020
Contract price	170.11	94.38
Reduction towards variable consideration components	-	-
<b>Revenue recognised</b>	<b>170.11</b>	<b>94.38</b>
<b>18 Other income</b>		
Balances written off - creditors	-	48.60
Master Franchisee fee*	110.00	65.00
Registration fee	89.62	-
Branding Income	4.54	-
Miscellaneous income	2.01	3.14
<b>Total</b>	<b>206.17</b>	<b>116.74</b>
<b>*Transaction with related parties (refer note 29)</b>		
BLS Kendras Private Limited	110.00	65.00
<b>19 Purchases</b>		
Purchase of E-Coupons	15.82	78.47
<b>Total</b>	<b>15.82</b>	<b>78.47</b>
<b>20 Cost of services</b>		
Manpower cost	0.28	5.71
Commission expenses	150.54	14.42
<b>Total</b>	<b>150.82</b>	<b>20.13</b>
<b>21 Employee benefits expenses</b>		
Salaries, wages and incentives	6.67	74.28
<b>Total</b>	<b>6.67</b>	<b>74.28</b>
<b>22 Finance Cost</b>		
Interest on borrowings*	95.77	162.98
Interest others	1.79	2.44
Other financial charges	-	15.00
<b>Total</b>	<b>97.56</b>	<b>180.42</b>
<b>*Transaction with related parties (refer note 29)</b>		
BLS International Services Limited	95.77	159.77
<b>23 Depreciation and amortization expenses</b>		
Depreciation on property, plant & equipment	2.04	2.86
<b>Total</b>	<b>2.04</b>	<b>2.86</b>



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**BLS E SERVICES PRIVATE LIMITED**  
**(CIN: U74999DL2016PTC298207)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

<b>24 Other Expenses</b>		
Management consultancy expense*	-	58.31
Bank charges	1.92	8.15
Printing & stationery expense	-	0.01
Telephone & internet expenses	0.83	-
Conveyance expenses	-	1.31
Software expense	1.92	7.59
Professional consultancy charges	0.54	8.18
Rent expense	-	0.15
Payment to auditors	1.00	2.50
Boarding & lodging	-	0.01
Bad Debts	0.14	3.31
Refund of Registration fee	-	0.92
CSR expense	11.00	15.00
Miscellaneous expenses	0.28	5.00
<b>Total</b>	<b>17.63</b>	<b>110.44</b>
<b>*Transaction with related parties (refer note 29)</b>		
BLS International Services Limited	-	58.31

<b>24.1 Auditors Remuneration</b>		
Statutory audit fees	1.00	0.50
<b>Total</b>	<b>1.00</b>	<b>0.50</b>

<b>25 EARNING PER SHARE (EPS)</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Net profit after tax as per statement of profit and loss attributable to equity shareholders (Rs in lakhs)	85.77	(256.75)
Weighted average number of equity shares used as denominator for calculating basic EPS (Nos.)	10,000	10,000
Weighted average potential equity shares	-	-
<b>total Weighted average number of equity shares used as denominator for calculating diluted EPS</b>	<b>10,000</b>	<b>10,000</b>
Basic EPS ( Rs.)	857.74	(2,567.52)
Diluted EPS (Rs.)	857.74	(2,567.52)
face value per equity share (Rs.)	10	10.00

<b>26 Contingent liabilities and commitments ( to the extent not provided for)</b>		
<b>Particulars</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Guarantees issued by the bank on behalf of the Company	2,000.00	2,000.00

**27 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 and rent payments recognised in statement of profit an loss amounting Rs. NIL (Previous year Rs. 0.15)



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**BLS E SERVICES PRIVATE LIMITED****(CIN: U74999DL2016PTC298207)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

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

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid at the end of the year*	-	-
Interest due thereon remaining unpaid at the end of the year	-	-
Delayed payment of Principal amount paid beyond appointed date during the entire financial year	-	-
Interest actually paid under Section 16 of the Act during the entire accounting year	-	-
Amount of Interest due and payable for the period of delay in making the payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under this Act.	-	-
Amount of Interest due and payable for the period (where principal has been paid but interest under the MSMED Act not paid)	-	-
Interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the Micro and Small Enterprises for the purpose of disallowances as deductible expenditure under Section 23 of this Act	-	-

\* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by management. This has been relied upon by the auditors



**BLS E-SERVICES PRIVATE LIMITED**

(CIN: U74999DL2016PTC298207)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

**29 Related Party Disclosures**

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

**A) Holding Company**

BLS International Services Limited

**Country of incorporation**

India

**B) Subsidiary Company**

Starfin India Private Limited

India

**C) Fellow Subsidiaries**

BLS IT- Services Private Limited

India

BLS Kendras Private Limited

India

BLS E- Solution Private Limited

India

Reired BLS International Private Limited

India

BLS International FZE

UAE

BLS International Services Canada INC.^

Canada

BLS International Services Norway AS^

Norway

BLS International Services Singapore PTE LTD.^

Singapore

BLS VAS Singapore Pte. Limited^

Singapore

BLS International Services Malaysia SDN BHD^

Malaysia

BLS International Services, UAE^

UAE

BLS International Services, UK^

UK

Consular Outsourcing BLS Services Inc.^

US

BLS International Vize Hizmetleri Ltd. Sti.^

Turkey

BLS International Services Limited^

Hong Kong

BLS International (pty) Limited^

South Africa

BLS International Employees Welfare Trust

India

^ Subsidiary companies of BLS International FZE

**D) Key Management Personnel (KMP)**

Mr. Dinesh Sharma

**Designation**

Director

Mr. Sanjeev Kumar

Director

MS. Shivani Mishra

Director

**Related Party Disclosures**

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

Particulars	Nature of Transaction	2020-21	2019-20
1 BLS International Service Limited	Management Consultancy services	-	58.31
	Interest expense	95.77	159.77
	Loan received during the year	-	425.00
	Loan repaid during the year	130.10	1,220.00
	Reimbursement of Expenses (Paid)	15.00	15.00
	<b>Closing Balances:</b>		
	Loan payable	1,101.57	1,231.67
	Interest payable	428.29	342.10
	Other payables	0.89	79.17
	<b>Off balance sheet items</b>		
Corporate guarantee taken	2,000.00	2,000.00	
2 BLS IT Service Private Limited	Loan/ Advance given	3.50	48.60
	Loan/ Advance repaid	2.25	8.00
	<b>Closing Balances:</b>		
	Balance receivables	41.85	40.60
3 BLS E Solutions Private Limited	Loan/ Advance given	4.98	22.00
	Loan/ Advance repaid	-	22.00
	<b>Closing Balances:</b>		
	Balance receivables	4.98	-



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**BLS E-SERVICES PRIVATE LIMITED**

(CIN: U74999DL2016PTC298207)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

Particulars	Nature of Transaction	2020-21	2019-20	
4 BLS Kendras Private Limited	E-wallet top up	(442.32)	(2,129.36)	
	E-wallet redeemed	-	211.30	
	Commission paid	(1.95)	(14.24)	
	Commission received	0.04	0.45	
	E-wallet transaction done	435.60	1,815.56	
	Franchisee fee received	110.00	65.00	
	<b>Closing Balance</b>	<b>50.08</b>	<b>(51.29)</b>	
	UP E-wallet top up	3.00	-	
	Commission Income	0.29	-	
	E-wallet transaction done	2.89	-	
	<b>Closing Balance</b>	<b>0.45</b>	-	
	5 Starfin India Private Limited	Sale of wallet top up	1.07	-
		Loan & Advances	0.50	-
		Legal and Professional expenses	-	-
<b>Closing Balance</b>		-	-	
Wallet Top up liability		46.59	50.00	
Loan & Advances		0.50	-	



## 30 FINANCIAL INSTRUMENTS

## 31(A) CATERGORY-WISE CLASSIFICATION OF FINANCIALS INSTRUMENTS

	Financial assets/financial liabilities	Refer note	Non-current		Current	
			As at	As at	As at	As at
			March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>A.</b>	<b>Financial assets measured at amortised cost</b>					
(i)	Security deposits	5	1.21	0.52	-	-
(ii)	Cash & cash equivalents	8	-	-	29.65	0.31
(iii)	Trade receivables	7	-	-	1,686.24	1,686.24
(iv)	Other financial current assets	9	-	-	195.49	145.60
			<b>1.21</b>	<b>0.52</b>	<b>1,911.38</b>	<b>1,832.15</b>
<b>B.</b>	<b>Financial liabilities measured at amortised cost</b>					
(i)	Loan from related party	14	-	-	1,101.57	1,231.67
(ii)	Other financial liabilities	15	-	-	670.96	550.01
			-	-	<b>1,772.53</b>	<b>1,781.68</b>

## 31(B) FAIR VALUE MEASUREMENTS

## (i) Financial instrument measured at Amortised Cost

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

## 31(C) FINANCIAL RISK MANAGEMENT- OBJECTIVES AND POLICIES

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

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

- Credit risk
- Liquidity risk; and
- Market risk

## a) Risk management framework

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

## b) Credit Risk

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

## (i) Trade &amp; other receivables:

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

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

## Expected Credit loss under simplified approach for Trade receivables:

Ageing	As at	As at
	March 31, 2021	March 31, 2020
Ageing of gross carrying amount		
0-6 months	-	-
More than 6 months	1,686.24	1,686.24
<b>Gross Carrying amount</b>	<b>1,686.24</b>	<b>1,686.24</b>
Expected Credit loss	-	-
<b>Net carrying amount</b>	<b>1,686.24</b>	<b>1,686.24</b>

## (ii) Financial instruments and cash deposits :

Credit risk from balances with banks and other financial instruments is managed by Company in accordance with its policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the management, and may be updated throughout the year. Impairment on cash and cash equivalents, deposits and other financial instruments has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of counterparties. Based on the assessment there is no impairment in the above financial assets.



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*Jayeshwar*

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

**c) Liquidity Risk**

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

**Maturity profile of financial liabilities**

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

	Amount in (INR)		
	Less than 1 year	1-5 years	Total
<b>As at March 31, 2021</b>			
Loan from related party	1,101.57	-	1,101.57
Other financial liabilities*	670.96	-	670.96
<b>As at March 31, 2020</b>			
Loan from related party	1,231.67	-	1,231.67
Other financial liabilities*	550.01	-	550.01

\*excluding current maturities

**d) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate, interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

**i) 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.

**31(D) Capital Management**

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

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

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Borrowings (Current)	1,101.57	1,231.67
Less: Cash and cash equivalents including bank balances	(29.65)	(0.31)
Total Debt (A)	<u>1,071.92</u>	<u>1,231.36</u>
Total Equity (B)	1,413.38	1,327.61
<b>Capital and Net debt (C=A+B)</b>	<u>2,485.29</u>	<u>2,558.97</u>
<b>Gearing ratio A/C</b>	<b>43.13%</b>	<b>48.12%</b>

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**BLS E-SERVICES PRIVATE LIMITED**

(CIN: U74999DL2016PTC298207)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

**31 Income Taxes**

**a. Amount recognised in Statement of Profit and Loss**

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Current Income Tax</b>		
Current year	-	-
Adjustment in respect of current income tax for earlier year	-	-
<b>Total</b>	-	-
Deferred Tax	(0.03)	1.22
Tax expense for earlier years	-	0.05
<b>Total</b>	<b>(0.03)</b>	<b>1.27</b>

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

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Deferred tax</b>		
Re-measurements of defined benefit plans	-	-
<b>Total</b>	-	-

**c. Reconciliation of Tax expense**

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Reconciliation of effective tax rate</b>		
Profit before tax	85.74	(255.48)
Enacted income tax rate*	25.17%	25.17%
Tax amount on enacted income tax rate in India	21.58	(64.30)
<b>Add/(deduct) impact of:</b>		
Expenses not allowable in income tax	2.77	3.81
Expenses allowable in income tax	(0.00)	(0.00)
Change in tax rate	-	0.32
Effect of carried forward losses	-	-
Tax Expense of earlier years	-	0.05
Others	-	1.07
Effect of income tax that is exempt for tax	(24.38)	(60.32)
<b>Tax Expense</b>	<b>(0.03)</b>	<b>1.27</b>

\*tax rate of 25.17% includes corporate tax of 22%, 10% surcharge and Secondary and Higher Education Cess of 4% on the tax amount).

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**BLS E-SERVICES PRIVATE LIMITED**

**(CIN: U74999DL2016PTC298207)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

**32 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'.

**33 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

**34 CORPORATE SOCIAL RESPONSIBILITY**

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

a) Gross amount required to be spent by the company during the year is Rs. 10.92 (March 31, 2020: Rs 14.90)

b) Amount spent during the year on: Rs. 11.00 (March 31, 2020: Rs 15.00)

**35** The Punjab State E-Governance Society ("Punjab Government or the authority or PSEG's") has terminated master service agreement with BLS E-Services Private Limited vide its letter dated in January 30, 2018. As per the terms of contract, the Company has to transfer the property plant and equipment (hardware infrastructure) at the net block (Procurement price less depreciation as per provision of the Company's Act 2013) of the assets. The Company has accordingly handed over major part of the hardware infrastructure to the authority and transferred these at the net block based on their understanding of the master service agreement by taking the life of property, plant and equipment of 5 years and has accounted profit of Rs. 800.41 on such transfer. The company has communicated the basis of arriving at the net block to the authority which is pending final acceptance by them.

**36** 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. Accordingly these financial Statements have been prepared on a going concern basis.

The amount receivable by the Company from the Government of Punjab aggregating to Rs 1,747.69 (including reimbursement of deisel and electricity expenses) as on March 31, 2021 for which recovery is slow, However, the management is confident that there is no impairment in the value of the amount to be recovered.

**37** Starfin India Private Limited is wholly owned subsidiary of the Company. As per the provisions of Section 129(3) of the Companies Act, 2013 the company is required to prepare the Consolidated balance sheet. However, As per the proviso of Section 129 of the Act, Company is not required to prepare the Consolidated balance sheet subject to fulfilling the conditions of such proviso, which has been complied by the Company. Hence, the company has not prepared the consolidated financial statements for the year ended March 31, 2021.



**BLS E-SERVICES PRIVATE LIMITED**

**(CIN: U74999DL2016PTC298207)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Amount in (lakhs) unless otherwise stated

39 The Company has made assessment of impact of COVID-19 related lockdown on carrying value of fixed assets, receivables and cash flow as at the balance sheet date and has concluded that there is no material adjustments required in these financial statement. The Company will continue to monitor any material changes to future economic conditions.

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

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



*Amit Goel*

**Amit Goel**  
Partner  
Membership number: 500607

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

*Dinesh Sharma* *Sanjeev Kumar*

**(Dinesh Sharma)**  
Director  
DIN No. 00956860

**(Sanjeev Kumar)**  
Director  
DIN No. 02826773

Place : New Delhi  
Date :14th June, 2021