

1<sup>st</sup> October 2018

National Stock Exchange of India Ltd.,  
Exchange Plaza, C-1 Block G,  
BandraKurla Complex Bandra [E],  
Mumbai – 400 051

BSE Ltd.,  
PhirozeJeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400001

Metropolitan Stock Exchange of  
India Ltd., Vibgyor Towers,  
4<sup>th</sup> Floor, Plot No. C62,  
G - Block, Opp. Trident Hotel,  
BandraKurla, Complex, Bandra (E),  
Mumbai – 400 098

**Scrip Code: Reference:** NSE Scrip Symbol: BLS; BSE Scrip Code: 540073; MSEI Scrip Symbol: BLS

**Subject:**Submission of Annual Report for the year 2017-2018 Pursuant to Regulation 34 of SEBI (LODR)

Dear Sir / Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the Company for the Financial Year 2017-18 duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

The aforesaid Annual Report is also uploaded on Company's website.

You are requested to take the same on your records.

For BLS International Services Limited



Bala Ji

Company Secretary

M. No. A33952



*Vire*

Encl.: Annual Report-2017-18



**To touch lives of a billion people by**

**2023**

The story of how BLS International intends to retain its position as one of the fastest growing players in the global Government-to-Consumer sector



# BLS International: 'To touch lives

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# of a billion people by 2023'

**To touch:**  
Directly or indirectly;  
influence or impact

**Lives of a billion people:**  
A seventh of humanity

**By 2023:**  
With speed, sensitivity  
and impact

# 8 things you need to know about BLS International

## 01 Group background

BLS International Services Limited (established in 2005) is a part of the Delhi-based BLS Group that offers diversified services in the areas of polymers and petrochemicals, education, visa processing and management consulting. The company was promoted by the Delhi-based Aggarwal family that continues to play a strategic cum hands-on role in driving the company ahead. The Founder-Promoter of the company is Mr Diwakar Aggarwal while the Joint Managing Director is Mr Shikhar Aggarwal from the promoter's family.

## 02 Core expertise

We are a leader in Government to Citizen (G-to-C) services partnering 36 client governments in delivering focused technology-backed innovative and targeted services in the visa processing domain. Our Company received its first contract in visa processing services from the Portuguese Embassy in New Delhi in 2005. In a little over a decade, the Company has scaled operations across 62 nations.

## 03 What we do

BLS International has created global benchmarks through the delivery of outsourced visa and passport, front-end and citizen, consular services, verification and attestation and e-visa services.

The company also manages administrative and non-judgmental tasks related to these services for diplomatic missions, enabling them to focus on visa application assessment.

The Company expanded operations to provide front-end and citizen services to State governments in India, facilitating transparent and accountable e-governance. We effectively support state governments in empowering their citizens through digitally-delivered government services (more than 200) through a single window.

## 04 Our global footprint

Abu Dhabi | Afghanistan | Ajman | Algeria | Armenia | Austria | Azerbaijan | Bahrain | Bangladesh | Bolivia | Belarus | Cameroon | Canada | China | Dominican Republic | Dubai | Ecuador | Egypt | Equatorial Guinea | Fujairah | Ghana | Hong Kong | India | Indonesia | Iran | Iraq | Ireland | Ivory Coast | Jordan | Kazakhstan | Kenya | Kuwait | Lebanon | Lithuania | Malaysia | Mauritania | Morocco | Nepal | Nigeria | Norway | Oman | Pakistan | Palestine Territory | Philippines | Poland | Qatar | Ras Al Khaimah | Russia | Saudi Arabia | Senegal | Sharjah | Singapore | South Africa | Thailand | Tunisia | Turkey | Ukraine | Umm Al Quwain | UK | USA | Uzbekistan | Vietnam



## 05 Our listing

BLS International Services Limited is listed on the Bombay Stock Exchange (BSE) Limited and National Stock Exchange (NSE) Limited.

## 06 Our awards and accolades

- India's Best Visa Outsourcing Services Company Award 2017, Mumbai
- Recognised by Media Research Group (MRG) as per the Companies Research Report 2017 at India's Best Company of the Year Awards in March 2018
- Most Ethical Company in Visa Outsourcing Award 2017, Mumbai
- Recognised by World CSR Congress in November 2017
- Best Visa Service Provider Award 2017, Dubai
- Recognised by The Middle East Travel and Tourism Leadership Awards 2017 organised by Gulf Cooperation Council Africa Leadership Excellence in October 2017

- Best Workplace Practices Award 2017, Singapore Recognised by CMO
- Asia Best CSR Practices Award for Best Workplace Practices in August 2017
- Best Visa Service Provider Award 2017, New Delhi
- Recognised by Today's Traveller Award in July 2017

## 07 Our values

**Vision:** Touch the lives of a billion people globally by creating a differentiated service experience using innovation and technology.

## Mission:

Provide easy, innovative and agile solutions to citizens across the world.

## Values:

- Passion
- Customer Orientation
- Entrepreneurship
- Result Orientation
- Integrity & Respect
- Process Driven

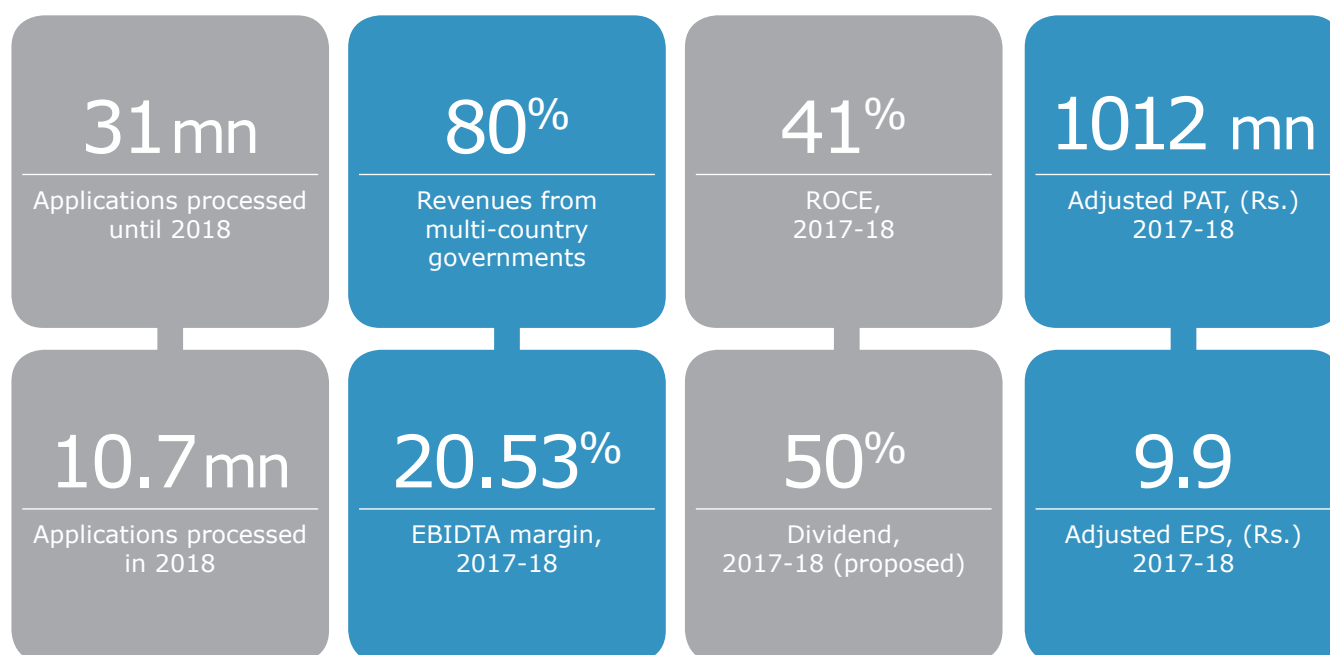
## 08 What we have achieved over the years

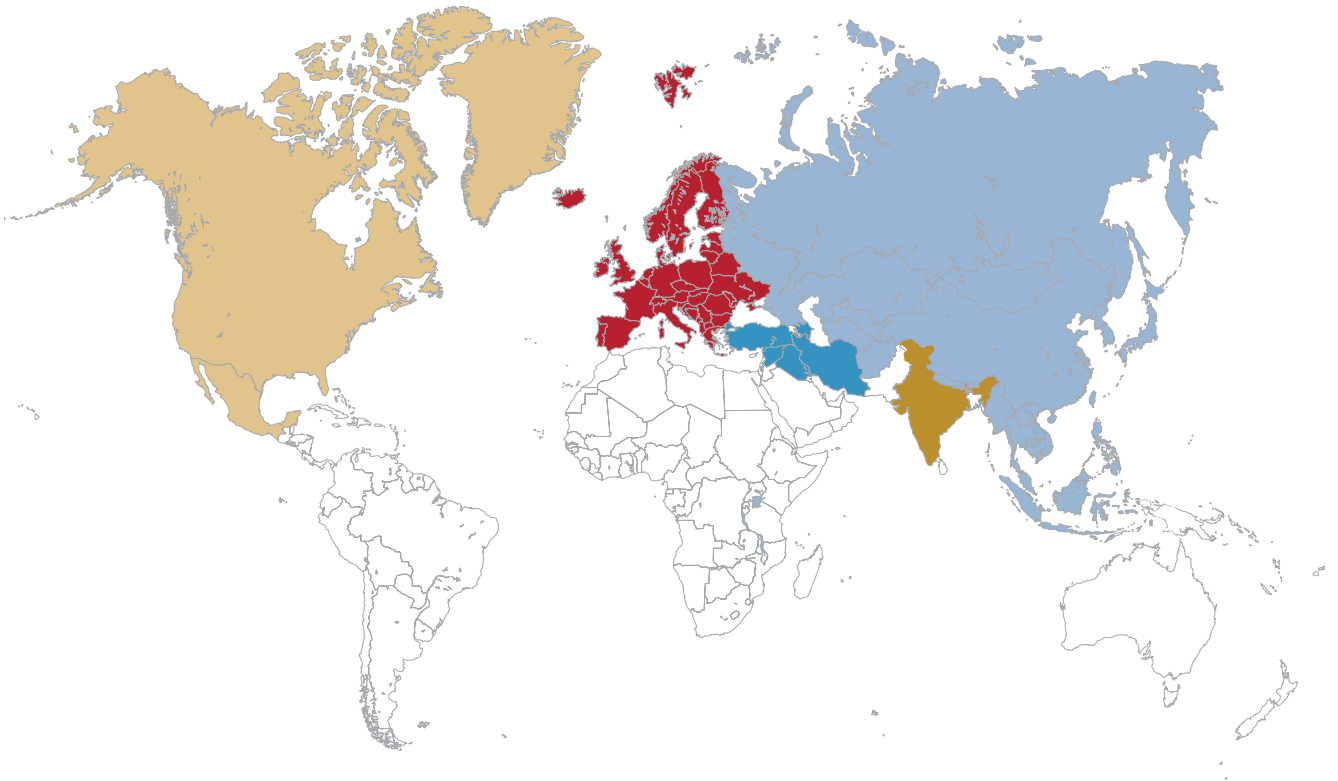
- 2005:** Received first visa application processing order from the Portuguese Embassy in New Delhi (India)
- 2006-2007:** Commenced operations for the embassies of Austria, Belgium, Greece, Romania and Tunisia in India
- 2008-2010:** Started operations for Indian Embassy in Spain, Kuwait, Sudan and Russia
- 2011:** Started VACs for Indian embassy in UAE along with other Indian Missions, VACs in South Asian countries
- 2012:** Commenced operations for Indian Embassy in Saudi Arabia and Singapore
- 2013-2014:** Initiated foreign missions abroad (4 missions for an EU country); added 7 Indian missions abroad, including high volume locations of US and Canada
- 2015:** Initiated missions for Consulate General of India in Hong Kong, High Commission of India in Kuala Lumpur (Malaysia), Embassy of Hungary Baku (Azerbaijan), UAE Manpower Contract Embassy of Bangladesh; Turnover of 75.90 Million USD for 2015-16
- 2016:** Listed on National Stock Exchange and Bombay Stock Exchange; Awarded Punjab e-Governance project; won first global visa contract for Spain
- 2017:** Commencement of Consular Services (ROSC) in Abuja (Nigeria) and Beirut (Lebanon) Citizen Services Contract from the Embassy of Afghanistan. Added a new contract for UAE Consular Section Services for Dakar, Senegal



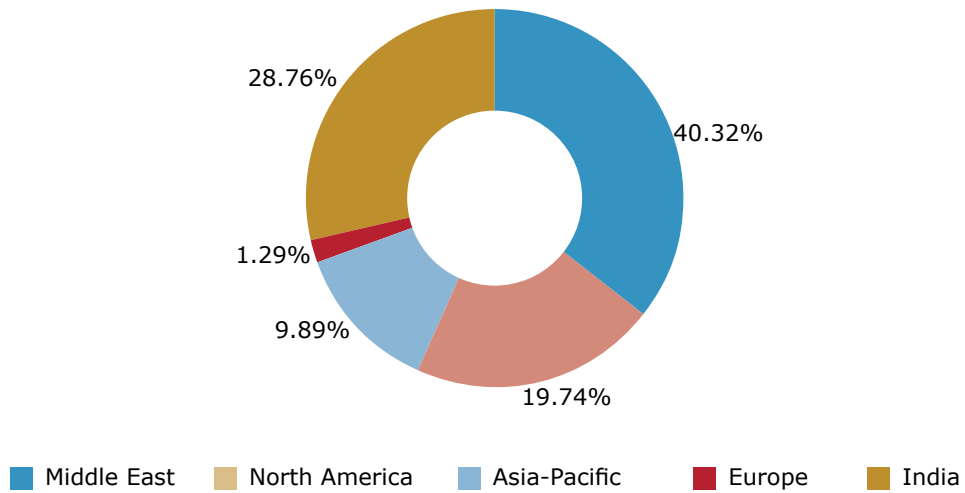
## Highlights for 2017-18

BLS' rich experience in consular services has laid the foundation for extending into adjacent business spaces, marked by a range of G2C services. The Company's outperformance in consular services showcases its unique skills. **This has resulted in the Company growing rapidly in the last few years and being on track to sustain or accelerate growth in the future.**





2017-18 Overall Revenues (Region-wise)



**62**  
Countries of operations

**~9000+**  
Employee strength (on-roll + associates)

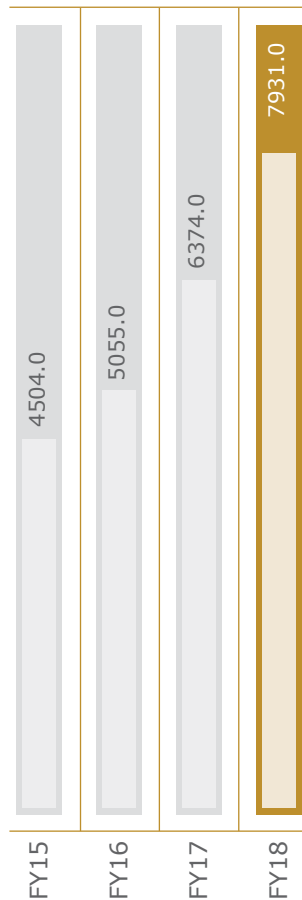
**2325**  
Global offices working for governments / diplomatic missions

**~31 mn**  
Estimated applications processed till now



# How BLS International has enhanced value across the years

## Higher revenues + 1557.0 (Rs. mn)



### Definition

Sales growth without taxes & duties.

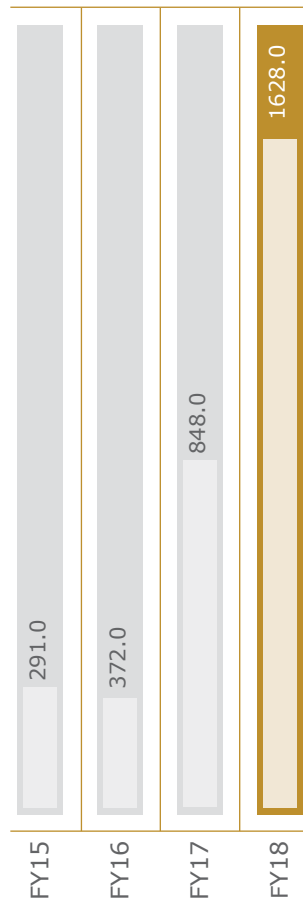
### Why we measure

This measure reflects the result of our ability to understand market trends and service customers with corresponding products, superior technologies and competent supply chain management.

### Performance

Our aggregate sales increased 24 per cent to Rs. 7931.0 mn in FY 18, which compared favorably with the growth of the sector.

## Growing profits + 780.0 (Rs. mn)



### Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

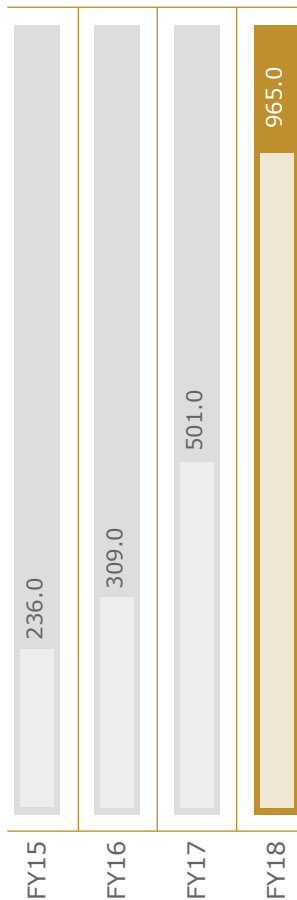
### Why we measure

It is an index that showcases the company's ability to optimize operating costs despite inflationary pressures, which can be easily compared with the retrospective average and sectoral peers.

### Performance

The company reported a 92 per cent increase in EBIDTA in FY 18 – an outcome of painstaking efforts of its team in improving operational efficiency.

## Net profit + 464.0 (Rs. mn)



### Definition

Profit earned during the year after deducting all expenses and provisions.

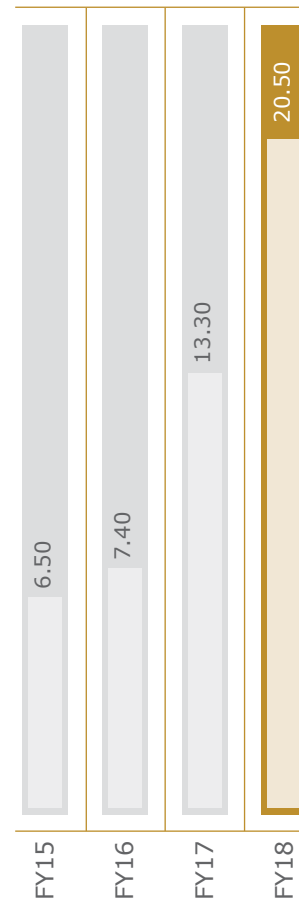
### Why we measure

It highlights the strength of the business model in generating value for its shareholders.

### Performance

The Company's net profit grew every single year through the last 6 years. The Company reported a 93 per cent increase in its Net Profit in FY18 – reflecting the robustness and resilience of the business model in growing shareholder value despite external challenges.

## EBIDTA margin + 720 bps



### Definition

EBIDTA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency. Higher the operating margin, better for the company.

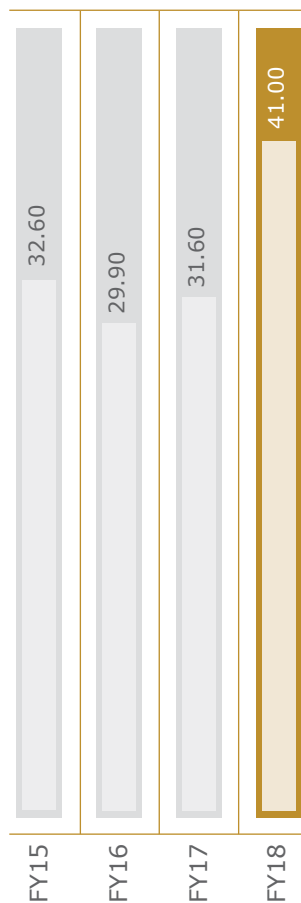
### Why we measure

The EBIDTA margin provides an idea of how much a company earns (before accounting for interest, depreciation and taxes) on each rupee of sales.

### Performance

The company reported a 720 bps increase in EBIDTA margin in FY 18. This was the result of an enriched service basket comprising value-added services and higher operating efficiency.

**ROCE**  
+ 940 bps



**Definition**

This financial ratio measures a company's profitability and the efficiency with which its capital is employed in the business.

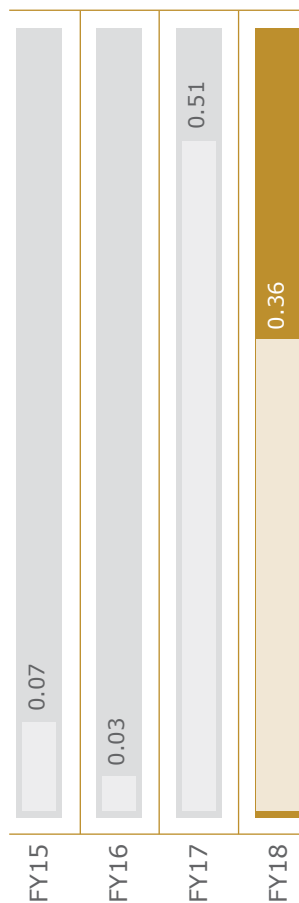
**Why we measure**

ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use.

**Performance**

The company reported a 940 bps increase in ROCE in FY 18 – a showcase of prudently investing every rupee in profitable spaces that generate higher returns for shareholders.

**Gearing**  
-0.15x



**Definition**

This is derived through the ratio of debt to net worth (less revaluation reserves).

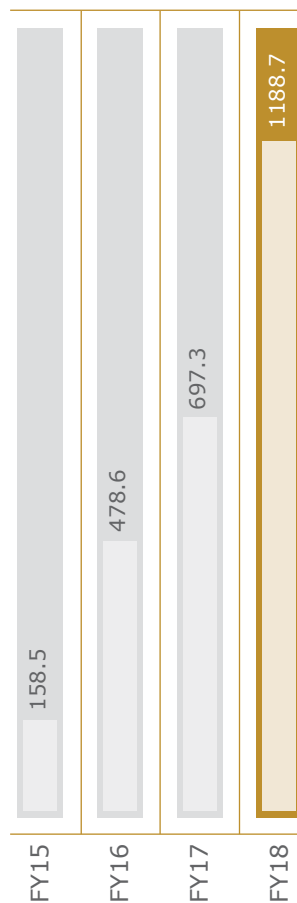
**Why we measure**

This is one of the defining measures of a company's financial health, indicating the ability to remunerate shareholders over debt providers (the lower the gearing the better). In turn, it indicates the ability of the company to sustain growth in profit, margins and shareholder value.

**Performance**

The Company's gearing moderated on account of the cash-accretive nature of business through growing operating profits.

**Liquidity cash position**  
+491.4 mn



**Definition**

This is derived through actual cash generation during the year, indicating whether liquidity is adequate to cover debt.

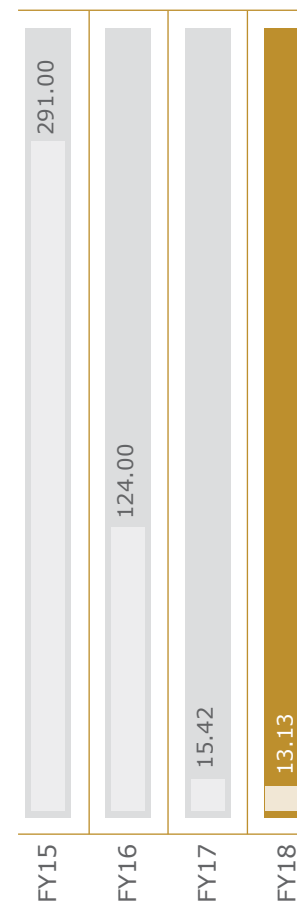
**Why we measure**

This indicates our ability in convincing bankers and other debt providers of the robustness of our business model, translating into a progressively lower debt cost (potentially leading to higher margins).

**Performance**

The company generally follows an asset-light model and debt taken has been used for fund assets which generate incremental operating margins. We recommend that this ratio be read in conjunction with our rising interest cover (rising, indicating higher liquidity).

**Interest cover**  
-2.29x



**Definition**

This is derived through the division of EBIDTA by interest outflow.

**Why we measure**

Interest cover indicates the company's comfort in servicing interest, the higher the better.

**Performance**

The company continued to maintain a healthy interest cover ratio of 13.13 in 2017-18.

## When BLS International re-engineered a longstanding visa blocker – in days

A few years ago, there was a challenge in getting a visa to a prominent North African country.

**The usual waiting time:** six to nine months.

The result was that leisure and business tourism was affected.

**The government of that country took a decisive call:** it selected to outsource its visa service.

Following competitive bidding, the company that it selected to outsource from was BLS International.

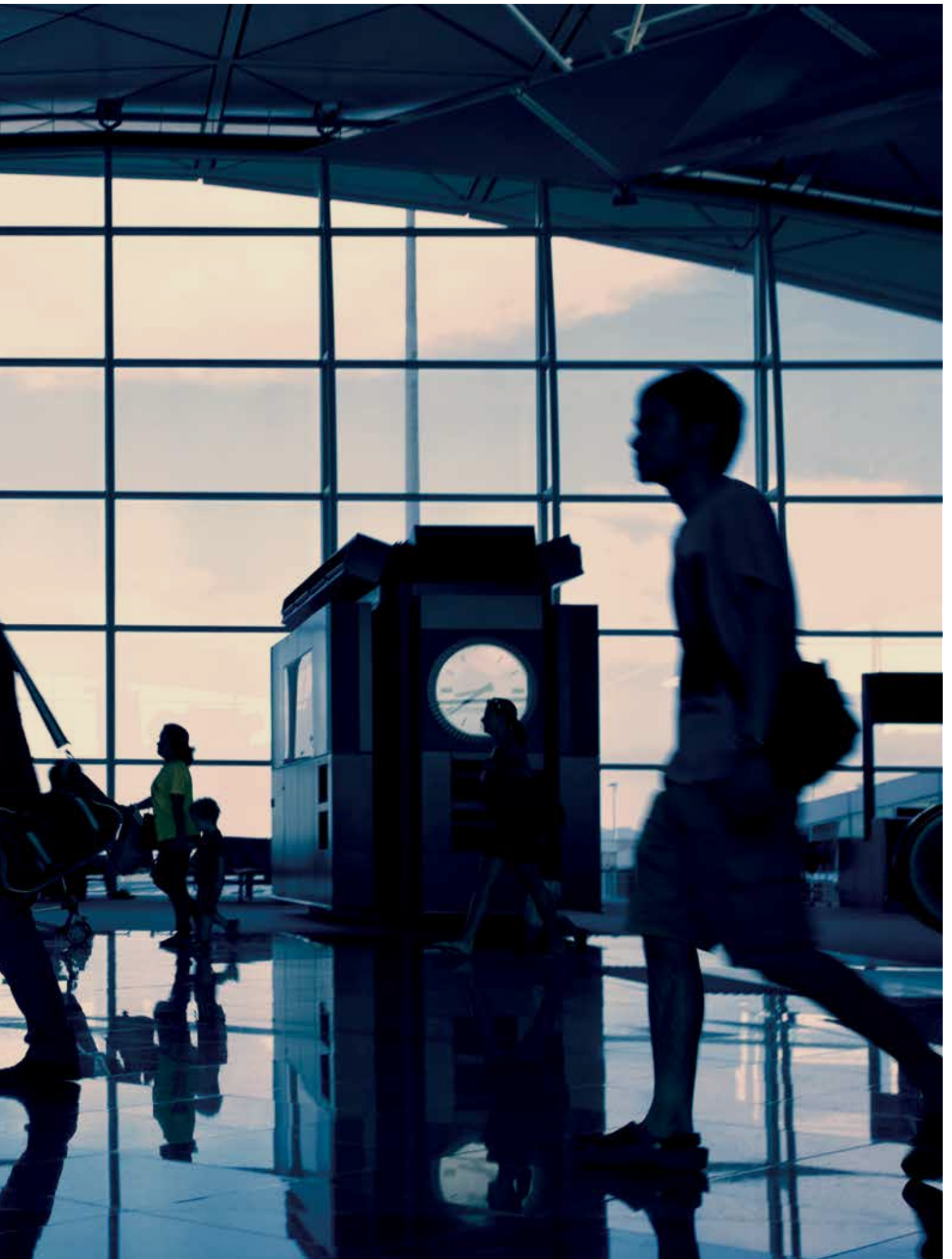
BLS International reviewed, analysed, assessed and re-engineered.

Within 15 days, BLS International moderated the visa processing time to just three days.

Within a couple of months, flights into this North African country started getting full again.

*BLS International's agility made it happen.*









## When Spain said 'We only have seven days'... BLS International said 'We will do it.'



In December 2016, BLS International entered into discussions for providing outsourced consular services to Spain.

**There was just one blocker:** the tourism-driven European country laid down a stiff challenge – it needed a service provider who could commission the consular service in seven days across 53 centres in 37 countries.

Most said this would be virtually impossible. BLS International said it could make this impossible deadline workable.

The BLS International team went into a huddle. Created a team to address this project. Sent out word for recruitment. Activated the back-end technology team.

Within seven days, BLS International had assumed control of Spain's front-office visa operations across 53 centres in 37 countries.

Within a few months, tourism to Spain increased.

Spain provided BLS International a five-year contract. The value of this year contract is EURO 175 mn (approximately Rs. 14040.25 mn best on the currency conversion value as on 31/03/2018).

*BLS International's agility made it happen.*



## When we were awarded the prestigious e-governance contract in Punjab, **we were excited to make a social impact**

BLS International was provided one of the most prestigious contracts by the Punjab government in late 2016.



**The objective in a single line:** Enhance convenience in the delivery of government services to every single citizen of the state.

The project was as challenging as it was historic.

A comprehensive single-point contract of this nature had never earlier been given in India. On the other hand, the company needed to provide services across more than 2000 points in the state; the company was required to make a sizable upfront investment; it was required to recruit more than 7000 individuals and launch the project within four months.

Faced with this unprecedented challenge of needing to work across diverse terrains (some where no roads existed) in a compressed time-frame, a number of observers pronounced judgement: 'BLS will fail.'

BLS responded with passion instead. The company engaged a team of project managers. Invested in surveillance technology. Created SOPs for every function. Strengthened its daily reporting discipline. Made

random quality checks. Plugged service gaps with speed. Measured engagement turnaround times. Sought customer feedback.

The results have been transformative. Citizens needing to travel to cities for something as basic as a birth certificate now receive this in their village. Citizens can now avail of 168 different government services without hours of commuting inconvenience. Most engagements usually take minutes.

Frowns have been replaced with smiles. Impatience has yielded to peace of mind. BLS International's centres have emerged as community hubs across a number of villages and small towns.

**The impact has been staggering:** the Punjab e-governance service managed by BLS International has helped save an estimated 240 million person-hours in just 18 months - extending from citizen service to strengthening the local economy.

*BLS International's customer orientation made the difference.*







# The Magic of Dreaming Big



Nikhil Gupta, Managing Director

This is an inflection moment related to the largest potential delivery of outsourcing services across the world.

A number of people may believe that this comprises the delivery of business to business outsourcing services. The opportunity extends beyond business-to-business: it extends to the outsourcing of services by governments for the benefit of consumers and citizens.

At BLS International, we believe that this G2C space represents the last frontier. Even as the last few decades comprised the delivery of information technology-based services between companies, we believe that the time has come for the game to be raised decisively to government services.

**An idea whose time has come**  
There are number of reasons why the delivery of services from government to consumers is an idea whose time has come. Most services offered by governments to consumers are still manual in a number of countries or at the low end of the automation curve. Since a large proportion of these interventions need to pass through people, there is a corresponding danger of the full value of these services not reaching anywhere near their desired potential. The result is virtually the same across most countries: bureaucracy, red tape, manual errors and corruption. The result is that citizens carry one expectation when they work with private companies and a completely different expectation when they engage with governments.

The last decade has been decisive in the area of G2C engagement for

an important reason. The rapid growth of smartphones the world over is fundamentally transforming the world. The communication revolution had put smartphones in the hands of approximately 2.3 billion people in 2017, estimated at around 29% of the global population. The smartphone is not just a communication tool (in fact the proportion of use related to voice services is declining); it is a weapon with which users are accessing services quicker and decisively eliminating delays. The smartphone is their passport to a new world.

The smartphone experience of the last decade has unleashed something latent: the need for better customer service. In every country where smartphone presence has deepened, customer service standards have risen. In every country where the smartphone-driven social media is active, we are seeing a greater willingness of vendors to graduate service delivery

to the best standards in the world.

The result is that more people are asking of their government representatives a question that they may or may not have asked in the past: 'If a simple phone can do so much, why can't you?' This single question represents the starting point of what could soon become a full-fledged services revolution. The government provides the largest range of services to the citizen in any country. If the standard of these services could even be moderately improved, processes would move faster, the customer experience would improve, pride in national causes would be greater, resource velocity could increase, time would be liberated from processes and the time saved would be allocated to more productive engagements. In short, improved processes and experience would translate into an enhanced ease of citizen engagement and doing business in a country.

#### Taking countries from one level to another

In a world where capital investments generally gravitate to countries marked by easier processes and lesser bureaucracy, the benefits of this transformation cannot be over-emphasised. The implication then is that enhancing value from G2C engagement is not just another process-strengthening opportunity; it represents the decisive frontier in taking a nation from one level to another – across hundreds of engagement levels translating into millions of transactions. The full impact of this reality cannot even be imagined: superior G2C engagement will enhance equity among citizens, empower the weak and strengthen the national fabric.

For decades, the G2C engagement was insourced by governments. A new alternative has emerged in the last couple of decades. There is a greater willingness of governments to outsource some of their citizen-



Improved processes and experience would translate into an enhanced ease of citizen engagement and doing business in a country.



centric engagements. This willingness has been derived from a growing recognition that superior across-the-counter service is not as simple as it appears: it requires a deep understanding of process flows, the capability to manage people across diverse geographies, the ability to measure, control and enhance service standards and the ability to infuse relevant technologies that automate processes to the extent possible.

An increasing number of governments recognise that they just do not possess the resources to provide a world-class standard and that if they outsourced some of their functions to specialised external companies, they would be able to reduce costs on the one hand and enhance respect – a compelling win-win.

This recognition has created an opportunity for those companies that can provide this specialised service. In recent years, specialists (BLS International is one) have been providing unprecedented value to

government organisations. This value has translated into governments scaling / widening their outsourcing; it has helped widen the market by encouraging other governments to outsource as well. The evidence of the seriousness of governments is evident in that Governments are seeking sectoral specialists over generalists in addressing this critical G2C space; they are engaging vendors on the basis of the service offering and quality of delivery (over the conventional L-1 approach).

The addressable G2C opportunity is placed at \$100 bn a year. By a rough indication, there are 500-1000 outsourcable services in each country. Now multiply that by 150 potential countries servicing the needs of a \$7 bn global population. This is the kind of market that is coming into view, the dimensions of which should be visible across the foreseeable future. Clearly, the world is at the bottom-end of a long J-curve in G2C services.

#### Right company, right time

At BLS International, we are the right company at the right time.

We possess an early-mover's advantage in the consular services niche of the G2C space. Even within this single space, the scope is ever-widening. Some 1235 mn people travelled from one country to another in 2016, up by 3.9% (46 million) from 2015; this number is expected to increase to an estimated 1.8 billion travellers by 2030. This long-term increase in cross-border travel will be driven by leisure on the one hand and business opportunities on the other. As more governments recognise that a superior travel experience commences from the point of visa access, the outsourcing of consular services will increase. In view of this, BLS International is present in a G2C niche expected to become progressively larger.

At BLS International, we are attractively placed in the global consular services space. For one, we have selected to specialise in this niche until this point, translating into a distinctive competitive advantage on the one hand and a strong recall across governments the world over. We are recognised among the three largest in the world in this G2C segment; we are arguably the fastest growing large company in global consular services; we account for a disproportionately large share of global contract wins.

This outperformance is the result of a demonstrated positive impact in terms of service and throughput. Every single of our government clients has reported that our association reduced the service turnaround time and enhanced visa-seeker satisfaction, resulting in contract extensions.



Besides, we widened our customer spread: from 8 governments in 2015 to 36 at the close of 2017-18; from a presence in 67 centres across the world to 2325 centres during the period; from the recruitment of employees from across 20 nationalities to 60+ today. The big message that I wish to communicate is that BLS International has successfully evolved its personality in line with the dynamic character of the business: the company is a multicultural company of Indian origin.

#### Touching a billion lives

At BLS International, it would have been easy to become complacent with our ongoing success. To prevent that, we have proactively raised the bar. The company has enunciated its objective: we expect to touch the lives of a billion people by 2023.

At BLS International, touching the lives of a billion people will be as exciting as it will be challenging.

The company had serviced 10.7 mn people in 2017-18 through its consumer service; if we are to 12 fold our influence in just five years, it would mean a complete reinvention of the company.

At BLS International, we are reinventing the company in various ways: we are deepening our presence within our consular services niche by attempting to reach more governments; we are extending horizontally into contiguous G2C spaces within the governments we work with, attempting to capture a larger share of the customer's wallet; we intend to create markets even as we continue to address existing markets; we expect to carve out a disproportionately large share of the markets being created; we intend to provide services that enhance the customer's value proposition through hassle-free service and a quick turnaround time.

#### Strengthening the moat

We believe we would be able to do all this if we continue to strengthen our moat. This should translate into aggressive topline growth, moderated costs, higher profits, increased reinvestment and a sustainable increase in stakeholder value.

We are at a rare moment in our existence when even as we are faced with unprecedented prospects in our core business, we need to diversify our presence and explore other synergic spaces with as much potential.

I can assure that the management at BLS International will address these opportunities with responsibility that does not in any way compromise the integrity of the Balance Sheet to generate attractive returns across the foreseeable future.

**Nikhil Gupta,**  
*Managing Director*



We widened our customer spread: from 8 governments in 2015 to 36 at the close of 2017-18; from a presence in 67 centres across the world to 2325 centres

#### How we enhance the customer's value proposition

- Provide a superior service quality
- Graduate from vendor to partner
- Liberate the customer's bandwidth
- Reduce costs for the customer



# At BLS International, we believe that large goals warrant disruption and agility.



At BLS International, we are perceived as a disruptive G2C services company.

During the last few years, we fused our domain and technology competence to create one of the fastest growing companies in the consular services niche of the global G2C sector.

At a time when it would have been reasonable for Indian-grown companies to moderately extend beyond India, we have built a full-blown multi-cultural global company in the last few years.

At a time when most observers would have advised us to consolidate, we are drawing out a blueprint to grow faster than ever.

At a time when most would have feared that aggressive growth would stretch our financials, we have created a sustainable platform that could help us grow faster.

### Challenge-embracing culture

I have often been asked: 'What kind of a company is BLS International?'

My consistent answer has been: 'BLS is not the usual kind of company.'

Permit me to explain.

In the face of a big and audacious goal, it would have been usual to shrink. At BLS International, we are excited by challenges.

When confronted with the imprecise, it would have been reasonable to be hesitant. At BLS International, such a scenario only makes us factor in a Plan B and Plan C for every possibility.

In the absence of markets, it would have been normal

to go easy on pace. At BLS International, we invest ahead of the curve and create markets where necessary.

In the face of the unprecedented, it would have been usual to ask 'Why?' At BLS International, we have a lateral approach to estimating the future where we are usually provoked to respond with 'Why not?'

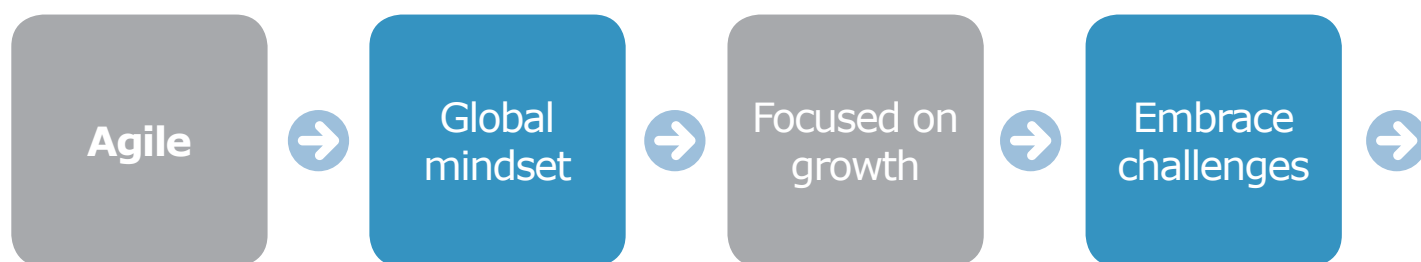
### The results of our differentiation

By questioning the usual and seeking to displace the status quo, we have created an outperformance culture.

Consider the evidence: We are among the largest multi-cultural employers (62 countries, 9000 people) for companies of our size in India today. Our non-Indian employees account for 20 per cent of our workforce.

We are possibly the most widely dispersed Indian company of our size (2325 locations, 62 countries).

## The essentials of our culture



Our non-Indian locations accounted for 8 per cent of the company's locations at the close of 2017-18.

We are commissioning consular service centres with unprecedented speed in the global sector, emerging as a benchmark.

We are growing faster than could be envisaged – from 1.5 mn transactions in 2015-16 to 10.7 mn in 2017-18.

We demonstrated that it is possible to substantially scale the consular services business while remaining cash-rich and negative-working capital-driven at the same time.

We demonstrated that it was possible to seven-fold our visa processing throughput while moderating service turnaround time (TAT).

#### The operative culture is of 'agility'

At BLS International, we believe that the ability to consistently outperform needs to be derived from an ongoing culture.

The distinctive culture at our company is one of agility.

The attribute needs to be explained: in today's volatile world where realities transform with speed and often with suddenness, there is a premium on the need to be agile.

At our company, agility has made it possible to respond to opportunities, market and roll services out with speed, transforming our responsiveness into a competitive advantage.

Agility is the ability to create back-up systems that make it possible to ramp capacity and capability within the shortest sectoral tenures, transforming what others perceive as a blocker into an opportunity.

Agility is the ability to move into new and diverse countries, transforming what others see as a cultural stumbling block into a launching pad.

Agility is the ability to comprehend the diverse

needs of governments and customise solutions with speed, transforming what could have been an obstruction into organisational flexibility.

Agility is the ability to invest ahead of the curve (technology, training, people and consulting and service delivery), transforming what could otherwise have been a hesitation in addressing the future into prepared readiness.

Agility is the ability to fuse domain knowledge with technology flexibility, transforming a probable gestation into immediate responsiveness.



We are growing faster than could be envisaged – from 1.5 mn transactions in 2015-16 to 10.7 mn in 2017-18.





We engaged Ernst & Young as a consultant to strengthen our directional clarity, team structure, data management and overall process competence.

**Agility** is the ability to extend into adjacent and complementary business spaces, transforming what could have been a vacation of opportunity into a widening presence.

**Agility** is the ability to stay asset-light and opex-driven, transforming what could have been an extended payback into an attractively brief one.

#### How BLS is placed

Interestingly, the biggest achievement at BLS International is not reflected in its financial numbers.

Our biggest achievement lies in the deep trust of some of the most demanding governments. Over the years, the biggest validation of our competence has come from the fact that a number of our government customers extended their contracts with us; a number of them increased the number of centres to be covered during the tenure of the contract when they recognised the superior value that we brought to their table.

To assume that our challenge lies in growing the consular service

business would be to miss the broader ramifications of this exciting outsourcing story. The opportunity of the day is to leverage the respect that we enjoy from this one business and extend horizontally across a wider range of outsourcing opportunities within government customers. As governments recognise that outsourcing represents a vastly superior proposition, new opportunities will emerge.

At BLS International, we are attractively placed to capitalise. We possess a rich body of knowledge and experience in how to engage with governments. We possess a robust outsourcing model marked by a multi-geographic understanding of costs and cultures. We are attractively placed to adapt services and interface diversely between governments and their citizens. We are equipped to provide a range and hierarchy of services. We possess robust pre-qualification credentials. We possess

a credible track record of entering geographies (Europe, December 2016) and scaling rapidly thereafter.

#### Highlights, 2017-18

I am pleased to report that we strengthened our business during the year under review.

We engaged Ernst & Young as a consultant to strengthen our directional clarity, team structure, data management and overall process competence.

We engaged with partners across countries for an enhanced understanding of terrain opportunities coupled with the ability to generate business

We renewed contracts with seven countries in the area of visa processing; we tendered for new business coming out of Europe and Africa; we made presentations to various ministries

across countries, seeding concepts on how our service could generate a win-win proposition.

We completed the first full year of our Spain operations, processing 10% more applications than the previous year.

We entered into an attractive contract with the government of United Arab Emirates to place trained cadre in their consular segment.

#### Outlook

The company intends to sustain its focus on enhancing the visibility of its service by engaging with a wider cross-section of customers. The company intends to participate in a larger number of global projects across a wider G2C footprint. The company will continue to examine areas of engagement under-delivery or pain

From a conservative perspective, we should be able to sustain our retrospective growth average, enhancing value for all stakeholders associated with our company.



points experienced by governments in the area of visa processing to create win-win propositions. It will continue to deepen its engagement with customers with the objective of carving out a larger share of their wallet. It will make timely upfront investments to facilitate the launch of new project wins. It will continue to enhance back-end operational flexibility with the objective to shrink mind-to-market and enhance customer delight.

#### Overview

The future is exciting at our company.

Every month throws up interesting opportunities and possibilities. The challenge at our company then is not how much business we can generate but how well we may manage our existing business.

From a conservative perspective, we should be able to sustain our past growth average, enhancing value for all stakeholders associated with our company. The future is indeed positive and optimistic.

**Shikhar Aggarwal,**  
*Joint Managing Director*

#### The culture at BLS International

- "If it is a new idea then it is welcome!"
- "Embrace the challenge"
- "Get any project and we will deliver"
- "Even a small project is welcome"
- "We have often been described as a company regularly punching above its weight"
- "It is a matter of pride for an Indian company to work with governments the world over"
- "The fact that we work with governments indicates a high level of trust and governance"
- "We are British in Britain and Spanish in Spain"
- "Just tell someone at BLS that it cannot be done – and then see the difference"





# Agility: How we have transformed in the last few years

We were an Indian company in different countries  
*We are a multi-cultural company in diverse countries today*

We derived 80% of our revenues from the Indian government (pre-2015)  
*We derived approximately 80% of our revenues from multi-country governments in 2017-18*

We were a 50-employee organisation in 2005-2006  
*We were a 9000-employee organisation in 2017-18*

A majority of our engagements were earlier derived from Indian missions  
*A majority of our revenues are derived from non-Indian missions today*

We provided non-biometric engagements in the past  
*We have made a large bio-metric leap as part of our offerings today*

We provided a focused consular service approach earlier  
*We have graduated our consular service to e-governance today*

We bid independently for global contracts earlier  
*We have graduated to bidding collaboratively (selectively) for global contracts today*

We were promoter-driven for years  
*We are a corporatised and professional-driven company today*

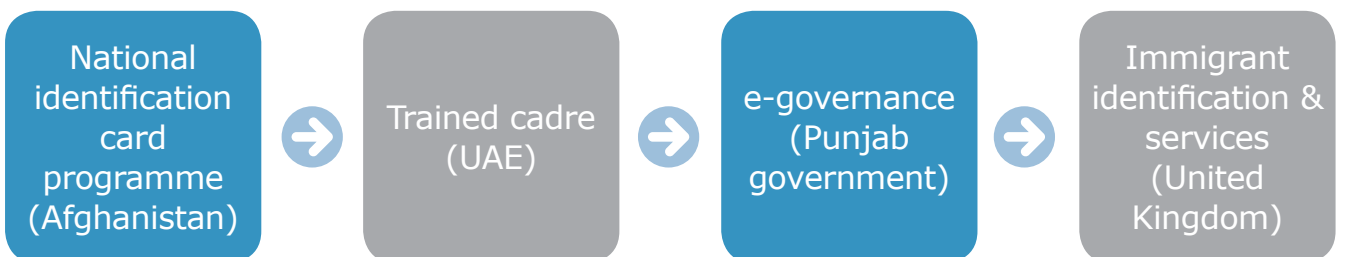


How we progressively extended our G2C business from one to contiguous spaces



Visa processing  
(36 government clients)





# The health of our consular services business

## More people are travelling the world now than ever.

Incomes and aspirations have increased on the one hand coupled with a growing ease in accessing visa clearances.

The major factor that is expected to drive cross-border movement is an increase in the number of people travelling for business or leisure.

From the perspective of cross-border security, visas will continue to be the only effective screen by governments against unrestricted entry.

### The outsourcing opportunity

For decades, governments controlled visa processing. The result was that the number of visa processing centres remained limited on account of a paucity of government funds and managerial bandwidth. Besides, the service was seen as a distraction from the government's core focus on visa judgement (whether it should be granted or not). There was also a growing consensus that consular visa

services were marked by a condescending attitude and flat service quality.

One of the biggest transformations to have found growing traction over the last decade in this space has been related to the outsourcing of visa processing services. The outsourcing proposition is finding increasing acceptance across countries for good reasons:

- Companies to whom the services are being outsourced are offering comprehensive data integrity, the prime consideration for any government seeking to work with an external vendor
- The outsourcing has helped raise the service excellence benchmark in the sector through enhanced customer orientation
- The outsourcing proposition has helped governments reduce costs and focus completely on document judgement while outsourcing the non-core functions
- The outsourcing proposition has helped governments reverse their traditional geographic concentration approach with a geographic dispersal strategy, widening footprint and reaching customers deeper across regions

### Growing outsourcing preference

The result of the services complement is that over the last decade there has been an increased preference to outsource as private players have raised

their service standards far beyond the usual and governments have recognised the depth of an asset-light model. In view of this, the outsourcing of visa processing services is a phenomenon that is here to stay and grow.

Over the years, the outsourcing of visa processing services has graduated from the basic wage arbitrage approach to an SLA-driven service standard, reflected in a tourism-enhancing and respect-growing model for the concerned governments. The upside of this service has extended to an increase in the Global Ease of Doing Business Index and increased business investments into countries – an economy driver.

The bottomline is that as a result of this timely intervention, superior travel experience starts from the visa processing counter.

### Strengths of the model

The strengths of the model from the perspective of the service provider comprise the following:

- Annuity revenues, enhancing revenue visibility
- Incentive of contracts being extended
- Large headroom in terms of nearly 200 countries to whom this service can be extended; large headroom in terms of spokes (centres) and services per spoke
- Low proportion of global population holding passports indicates a progressively widening market



■ Restricted number of visa processing centres of some countries affecting their globalisation – an evident opportunity where enhanced visa processing services can liberate demand

**BLS outperformer**

BLS International has grown rapidly into among the three largest visa processing companies in the world. The company more than trebled the

number of visas processed in the last three years; the company grew revenues from Rs. 5055 mn in 2015-16 to Rs. 6,373 mn in 2016-17 and Rs. 7,931 mn in 2017-18.

BLS International worked with 36 global missions across multi-year contracts as on 31 March 2018.

This rapid growth was derived from responsiveness to transforming marketplace realities, a complement

of customised solutions, the highest standards of data integrity, the ability to manage and grow relationships with governments and global partners as well as operational agility.

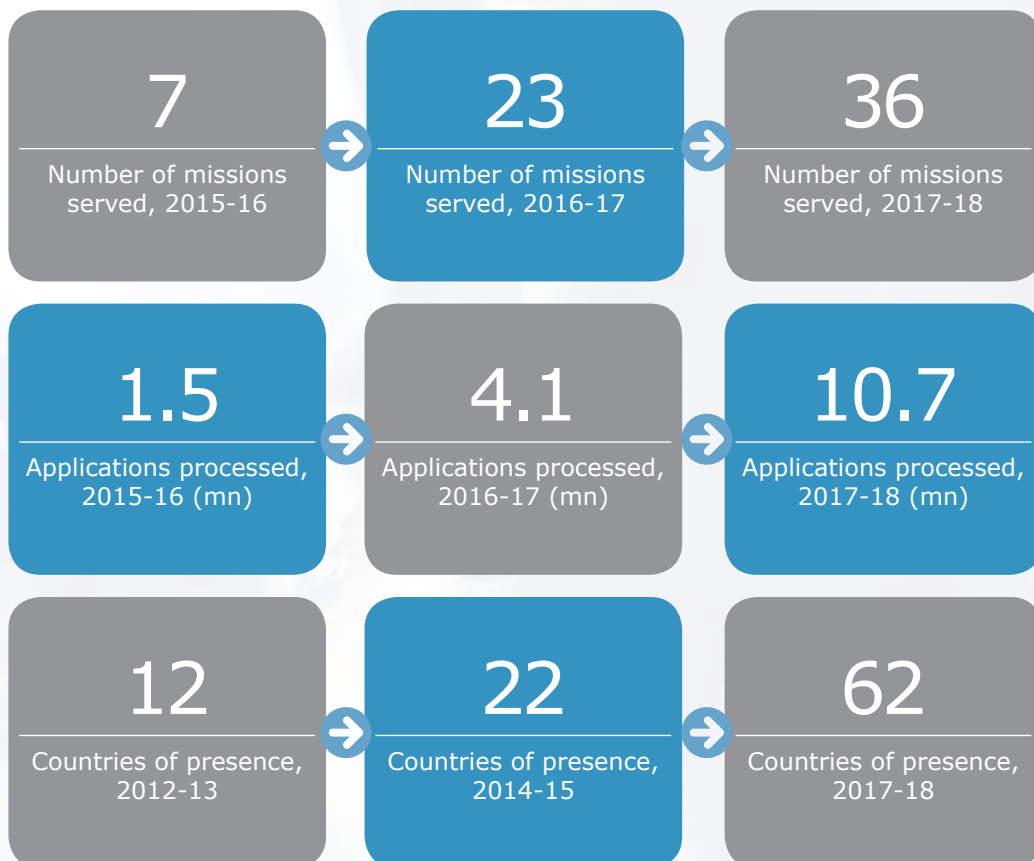
The company is also perceived as entrepreneurial and yet professional-driven, combining the best of both attributes.



The bottomline is that as a result of this timely intervention, superior travel experience starts from the visa processing counter.



## How we have grown over the years





700

Employees,  
2012-13



1200

Employees,  
2014-15



9000

Employees,  
2017-18

40

Centres of presence,  
2012-13



44

Centres of presence,  
2014-15



2325

Centres of presence,  
2017-18

Best Visa Service  
Provider Award Gulf  
Cooperation Council  
Africa Leadership  
Excellence

12th October,  
2017



India's Most Ethical  
Company by World CSR  
Congress

23rd November,  
2017



India's Best Company  
of the Year Award 2017  
for "India's Best Visa  
Outsourcing Services  
Company

10th March,  
2018

# Working with different governments – and enhancing their value

## The Spanish government and BLS: What we are doing for them

The company was required to scale operations across more than 120 centres in 47 countries.

### Overview

The consular services contract with the government of Spain represented the largest and most prestigious contract for the company in 2017-18. More than the linear increase in the number of centres, the engagement with the government Spain validated the company's capabilities in rolling out services with speed, extending from one country to another and transforming the company's brand into a multi-cultural identity.

### Challenges

The challenges related to this contract were considerable: the need to cover 57 centres across 37 countries within only seven days. Besides, the company was required to scale operations across

more than 120 centres in 47 countries. There was a need to graduate the service from static bio-metrics to mobile bio-metrics. There was an ongoing need to adapt and graduate technologies in response to evolving environments. The company needed to address the demanding compliance requirements of this country.

### Counter-challenges

The company provided a variety of services adapted around the diverse needs of customers.

### Achievements, 2017-18

The company reported the following achievements during the year under review (the first full year of its visa processing contract with Spain):

- The company grew its presence from 38

countries and 100 centres at year-start to 47 countries and 124 centres by year-close

- The company increased visa processing throughput by 10%

- The company helped generate a positive customer response ('I never knew the experience could be so quick')

- The company launched mobile bio-metrics

- The company moderated the turnaround time by 20 per cent

- The share of Spain in the overall Schengen visa pool increased

- The superior visa experience enhanced Spain's tourism inflows.



#### Our diverse service bouquet

**Visa application centre:** The conventional service marked by a physical visit to the visa processing office

**High net worth individuals:** 'Go to customer' service where the visa processing office executive visits individuals at their home or office to complete formalities

**Large group:** Enhance convenience for large travelling groups by helping them complete formalities at a single location (office)

**Offline convenience:** Convenience to facilitate visa processing in locations where a direct centre has not been commissioned

**Value-added services:** Provision of various support services comprising courier, photographs, photo-copying, premium lounge, prime time servicing, information availability and SIM cards

# 47

Number of countries of presence related to visa processing contract for the Spanish government, 2017-18



#### Spain: Our largest G2C contract

- Contract covering 47 countries
- Grown visa processing by 10%
- Grown presence from 100 centres to 124 centres
- Provided customised services for diverse visa-seeking customers
- Low turnaround time; high customer satisfaction

# 124

Number of centres of presence related to the visa processing contract for the Spanish government, 2017-18





# What we are doing in Dubai



**250**  
Number of employees in Dubai

**20**  
Number of offices in Dubai

## Overview

Dubai is a cosmopolitan hub, combining the best of both worlds.

It attracts a large number of foreign nationals who seek work there.

It is a major services hub for the Middle East.

Dubai also has a large Indian diaspora.

BLS carved out a presence in the region by bagging

the largest contract in UAE in 2010.

BLS now has 20 offices and 250 employees in Dubai.

BLS has also established a training centre in Dubai.

Going forward, BLS will consolidate its financials through services in the region.

# What we are doing with UAE MoFA



BLS International is fully equipped to rapidly scale up its operations and customise its solution for specific client government. The company works closely with UAE MoFA and

provides such customised solutions for their seven centres in -

- Embassy of UAE in Dhaka, Bangladesh
- Embassy of UAE in Delhi, India

- Embassy of UAE in Kerala, India
- Embassy of UAE in Cairo, Egypt
- Embassy of UAE in Tunis, Tunisia

- Embassy of UAE in Beirut, Lebanon
  - Embassy of UAE in Dakar, Senegal
- More centres are to be added in this fiscal year

# The Indian government and BLS: What we are doing for them

3

Number of years of contract renewal

52

BLS' share (%) of consular services outsourced by Indian government



## Overview

BLS International is addressing major share of consular services outsourced by the Indian government. The Company operates 25 centres in 8 countries currently, and is a trusted partner for Indian visa processing for over a decade now. BLS provides visa, passport and consular outsourcing services to the Indian Diplomatic Mission in these countries and Ministry

of External Affairs, New Delhi for outsourcing of services of attestation of documents and handling over 1.3 million applications annually.

BLS has developed the entire system into a seamless progression including automation of processes, application submission, appointments, help lines, collection and remittance of fees on applicant's behalf, biometric enrolment and

a host of value added services.

Over the years, our technology-driven innovative solutions have revolutionised the way visa & passport services are managed at our Indian Visa Application Centres. The company offers a broad suite of service offerings designed to securely manage visa applications, e-visas and resident permits.

BLS, on behalf of the Indian MoFA, ensures identity assessment, information verification, and biometric and biographic information collection as per the Governments' specification. The company also collects additional information from the applicant in case the provided documentation is insufficient or incorrect.

# The UK government and BLS: What we will do for them



## Overview

United Kingdom Visas & Immigration, (UKVI), a division of the UK Home Office, is responsible for deciding who can visit and stay within the UK.

The UK government has awarded a contract to enable visa renewals for those individuals who are already in the UK, which will be managed by a strategic partnership

of Sopra Steria & BLS, providing a number of key contract deliverables and a suite of value-added services.

This is a significant milestone for BLS International, which will assist in the processing of applications for permission to immigrants to remain in the UK on behalf of the Home Office, starting 2018-19.

110

(Without VAS)  
Contract value in pounds sterling

3+1+1

Number of years of contract

# The Punjab government and BLS: What we are doing for them



## Overview

BLS International was awarded the Punjab e-governance project, India's largest citizen services project under the Right to Service (RTS) Act in 2015-16.

The contract was secured from the Punjab e-Governance Society following competitive bidding.

The engagement comprises the provision that all government services be provided

through a single window system.

BLS commissioned 2,147 Citizen Service Centres and delivered 168 services to the people of Punjab across 22 districts as on 31 March 2018.

BLS collects government fee and service charges upfront along with applications. The physical infrastructure is provided by PSeGS; IT infrastructure and manpower is provided by BLS.

**2,147**

Number of Citizen Service Centres commissioned

**168**

Number of services delivered

**10.6**

Million applications processed until 31 March 2018

**8.1**

Million applications processed in FY2017-18

# How our e-governance project transformed realities in Punjab

### Conventional context

In the past, the delivery of government services to citizens was marked by extensive inequity: the provision of these services in urban locations posed a logistical challenge for rural and semi-urban citizens. Besides, in a country where a number of citizens are elderly and even illiterate, there was a premium in being able to assist citizens to access the full range of government services.

### Timely rollout

BLS International implemented the project under challenging circumstances: within the space of four months in late 2016, the company identified and trained 7000 young adults. Besides, the company indented, procured and commissioned Rs. 80 cr worth of equipment with the objective to service a state with a population of 33 mn.

### Historic project

BLS International was awarded the Punjab e-governance project,

India's largest citizen services project under the Right to Service (RTS) Act. The engagement required BLS International to provide convenient access to citizens in availing various services conventional services delivered through urban government offices.

The project was unprecedented in scope and scale for some good reasons.

**One**, the project reversed a longstanding standing paradigm that required citizens to travel and go to distant government offices by making it possible for the government to go to citizens instead.

**Two**, the project widened its footprint across 2147 centres of Punjab (22 districts), making it possible for citizens to commute no more than 2-4 kms to avail of government services.

**Three**, the project fulfilled the Digital India dream of the government by providing digital services to Indian citizens at the grassroots.

**Four**, the project delivered 168 services at the close

of 2017-18 (with the possibility to increase to 300 at full-scale).

**Five**, the project provided a paperless process comprising scanning and digitising documents, resulting in document security.

**Six**, the project proved to be an employment creator, providing pan-Punjab technology-based engagements to more than 7000 individuals (average age 24).

**Seven**, the project proved socially inclusive – 23 per cent of the employees were women and 1 per cent comprised the physical challenged individuals.

**Eight**, the project conclusively demonstrated that the technology-enabled delivery of government services were equitable without any prejudice.

**Nine**, the decentralised nature of the service helped decongest traffic flow into cities, moderate carbon footprint, reduce corruption and help citizens save considerable unproductive travelling time.

The project fulfilled the Digital India dream of the government by providing digital services to Indian citizens at the grassroots.

## BLS International. Touching citizens. Enriching lives

*Pre-contract*

Citizens needed to go to different offices for diverse services



Most offices were at a considerable distance



Distances warranted long commutes





Commutes necessitated leave from work



Leave from work resulted in income loss



Most citizens needed to address long delays



Income loss + inconvenience + long delays = Poor citizen experience



**Ten**, the e-governance centres gradually evolved into community hubs with a sense of community ownership that helped a number extend to socially responsible engagement during the non-peak months.

**Strengths**

By 31 March 2018, BLS International had processed 10.6 mn applications, touching virtually every family in the state. The company delivered this sizable throughput in a compressed time frame by leveraging distinctive strengths.

- Investment in a robust technology platform that tracked applications throughput in virtually real-time.
- Investment in electronic surveillance resulting in a high standard of service delivery
- Tracking of an ongoing gap analysis with the

objective to implement correctives and enhance service delivery

- Investment in a back-end team dedicated to strengthen service quality standards and providing a uniform delivery across centres

- Investment in measurable standards that provided an available index for prospective improvement

- Investment in ongoing employee training – online and offline (classroom) – resulting in competent awareness of different services, compliances and customer-orientation

The result was a high and continuously improving service standard: as against a budgeted error rate of 2 per cent, the error rate declined to 0.1% of all applications processed. The system delivered a 99.9% uptime, strengthening citizen confidence. The

turnaround time (token to receipt) for various services declined. Employee retention was high 97 per cent in 2017-18.

**Highlights, 2017-18**

- The company monitored and maintained service delivery across more than 2147 centres across 22 districts

- The company entered into extensive discussions to explain the project scope to the new state government

- The company scaled rollout across 168 services

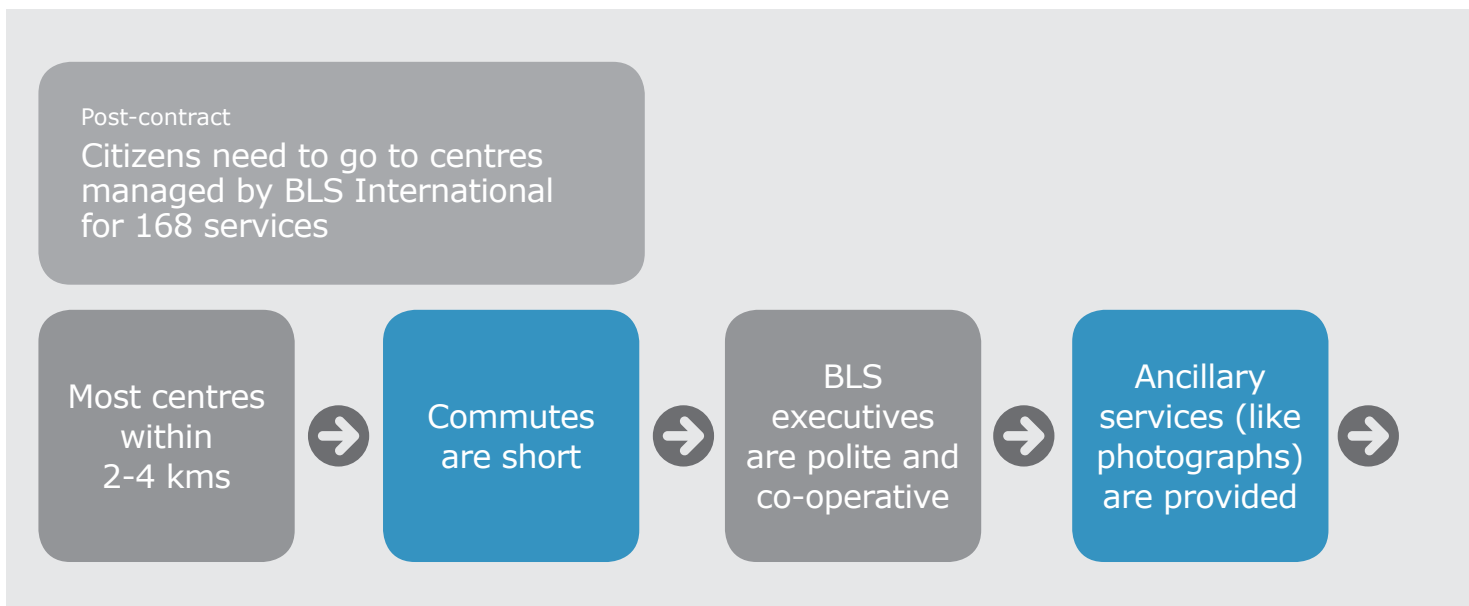
- The company strengthened reporting protocols and SOPs, strengthening service delivery

- The company was certified for ISO 9000 in March 2018, validating process consistency

**288**  
mn person hours (estimated) of citizen time saved by the project by 31 March 2018

**10.6**  
mn applications processed by 31 March 2018

**8.1**  
mn applications processed in 2017-18





What our citizen customers had to say

"The best part of my visit to the centre that someone like me was treated with equal respect at the centre. The whole process was so efficient. Very unlike a regular *sarkari daftar*"

"The fear was that if any document would be missing one would have to go back to one's village seven hours away. With the centre now coming up in our village, one could go home in 15 minutes and return to the centre again."

"I am a daily wage labourer. I was required to produce my birth certificate to be able to become eligible for a government scheme. Normally I would have had to take leave for two days, miss my wages and go to the city office. Because the service was now available in our village, I spent only 90 minutes – and earned my two days of wages as well"

"The best thing about this centre is that it made it possible for an illiterate like me in getting my marriage certificate – without *jhanjhat*."

Turnaround time for most services is a few minutes



Delays have been eliminated



Citizens save considerable time



Time saving + convenience + respectful engagement = Superior citizen experience



# BLS International's business positioning

## Strategic

**Focus:** The company has selected to largely focus on the consular services niche of the growing government to customer (G2C) sector the world over, capitalising on increased global travel

**Scalability:** The company has selected to focus on G2C segments marked by high multi-year scalability, offering prospects of deepening competence on the one hand and

sustainable growth on the other

**Competence:** The company has brought to this space a complement of domain knowledge and technology capability, widening the moat

**Credibility:** The company has increasingly selected to work with developed countries, an engagement marked by enhanced credibility, throughput and

being a reference for peer countries

**Integrity:** The company has demonstrated the highest levels of data integrity marked by high standards of data confidentiality and audit preparedness

**Multi-cultural:** The company is Indian in origin but multi-cultural in character, its employees drawn from 60+

nationalities in 2017-18

**High promoter stake:** The company has selected to grow its business with a high undiluted equity ownership of the promoter (74.24% as on 31 March 2018), indicating commitment. The promoters are engaged in other business such as polymers & petrochemicals, education

## Engagement nature

**Contract nature:** The company focuses on a complement of low investment inputs across an extended contract tenure marked by a low break even point per customer (making it cost-effective for the mission) coupled with a high throughput leading to a superior return on employed capital

**Exclusive:** All visa processing contracts with missions are exclusive in

nature, making it easier to estimate the total impact of the company's services on tourism and investment inflows

**Mass management:** The company focuses on the mass management of service delivery, creating the economies of scale to generate a superior win-win proposition

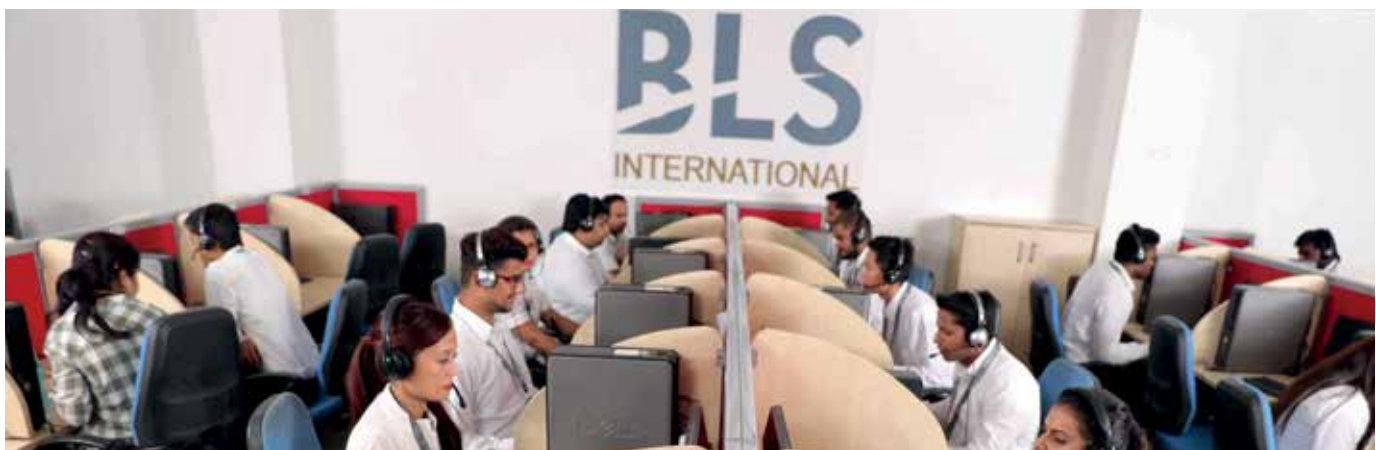
**Front-ending:** The company has selected to specialise in businesses that warrant a front-

ending with the customer's customer (across 96% of all employees, indicating managerial leanness and customer-centricity)

**Technology:** The company invested in proprietary technology management capabilities, making it possible to customise services around the specific needs of missions with speed and effectiveness



The company was required to scale operations across more than 120 centres in 47 countries.



### Customer focus

**Market expansion:**  
The company's business model is influenced by deepening its presence in the growing segment of visa processing, extending presence to contiguous

G2C segments where the concept of outsourcing is relatively nascent and marked by most of the business model characteristics enunciated earlier

**Collaborative:** The company possesses the domain experience to bid independently for most projects. When bidding for large outsourcing contracts of developed countries,

the company bids jointly with complementary partners

### Financial impact

**Multi-year engagement (extendable):** The company selects to enter into multi-year contracts that provide an extensive opportunity to showcase benefits for missions, creating the possibility of contract extension (and revenue visibility)

company has selected to grow its presence in G2C spaces marked by low one-time capital expenditure followed by subsequent profitability derived out of extended operating expenditure efficiency resulting in a cash-accretive business

The company's consular servicing business has been marked by direct revenue collection from the end customer with a back-to-back revenue sharing arrangement with the principal (government), virtually eliminating the receivables cycle and making the

business as working capital-negative as possible

**Asset-lightness:** The company's business is woven around asset-lightness where it works out of leased/rented centres related to visa processing

**Profitability:** The

**Cash flow management:**

### The outcome of its competitive business model

**Growth**  
The company is arguably the fastest growing large G2C company in the world

**Scale**  
The company has emerged among the three largest G2C companies in the world

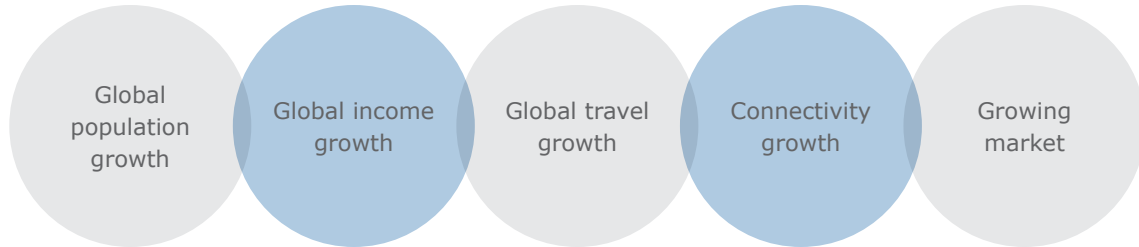
**Brand**  
The company is respected for practicing the highest standards of data integrity as well as business transparency with customers

**Benchmark**  
The company's service cum quality delivery is recognised as a global benchmark within the consular services segment of the G2C sector

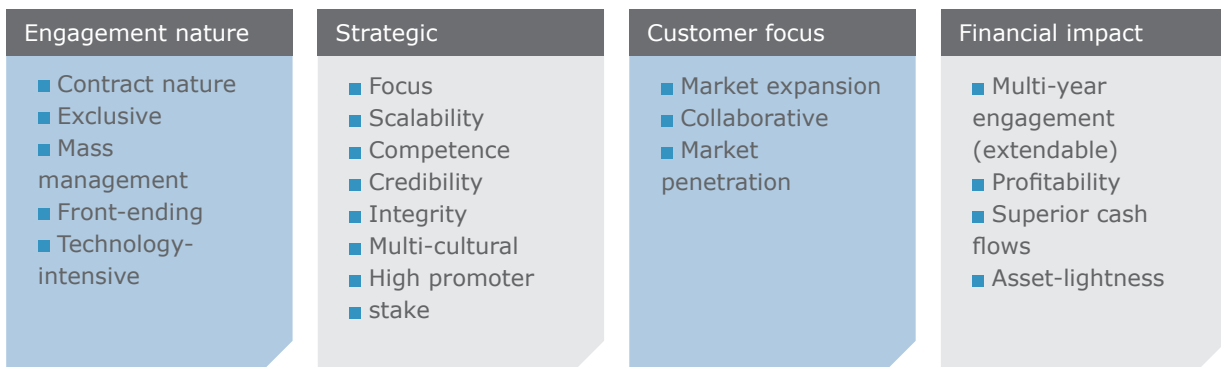
**Recognition**  
The company's data centre was acknowledged as Leading 1 Data Centre by Gartner in 2017 (for network security and adherence to demanding EU benchmarks)



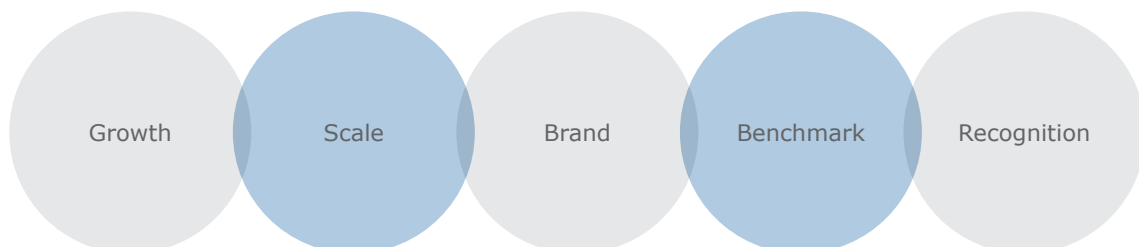
## Sectoral context



## BLS International's business positioning



## Impact



One of the top three G2C Companies in the world

ENABLER

## Our technology edge

### Competence

The company developed proprietary technology capabilities

The company invested in multiple global data centres (7)

The company's competence reconciled deep G2C domain knowledge and cutting-edge technology

A focus on asset lightness was reflected in open source (MySequel database and PHP application) + Cloud + centralised server

Confidence-enhancing certifications (ISO 9008, ISMS 27001, ISO 23026) enhanced customer assurance

A state of audit-preparedness across every location

### Result

The company delivered an end-to-end visa application management system

The technology competence enhanced a culture of agile responsiveness (rolled out Spain service in seven days)

The technology competence enhanced corporate flexibility and enhanced client data integrity

The company achieved GDPR-standard compliance even before GDPR

### Pride

The company's data centre was acknowledged as Leading 1 Data Centre by Gartner in 2017 (for network security and adherence to demanding EU benchmarks)

### Our proprietary end-to-end visa application management system

- Bio-metric integrated solution
- Employee Communication Management System (ECMS)
- Document repository
- Development of attestation software
- Visa printing option

ENABLER

## Our Balance Sheet robustness

BLS International's cash-accretive business has translated into a profitable and liquid Balance Sheet, the foundation of its business sustainability.

This foundation has been secured through the upfront receipt of fees from the secondary customer, which is then passed on to the primary customer.

The combination of low receivables and attractive margins translated into attractive liquidity. The company possessed Rs. 1188.7 mn in cash and equivalents on its Balance Sheet as on 31 March 2018; the company added 57 per cent of this corpus during the financial year under review.

The result of this liquidity helped the company reflect a net debt of Rs. 255.6 mn as on 31 March 2018. The debt-equity ratio was 0.36x at the close of the financial year under review.

The company reported attractive margins: EBIDTA margin strengthened from 7.4% in 2015-16 to 13.3% in 2016-17 to 20.5% in 2017-18.

The company reported a return on capital employed in the business of 41% in 2017-18, which was 940 bps higher than in the previous year.

- **Rs. 1188.7 mn**  
Cash on books, 31 March 2018
- **20.50%**  
EBIDTA margin, 2017-18
- **0.36x**  
Debt-equity ratio, 31 March 2018
- **24%**  
Revenues earned from businesses launched in the last 3 years

ENABLER

## Our knowledge capital

### Overview

BLS International is a truly global company by presence, business revenues – and employment.

The company is a multi-cultural employer; 20% of the company's 9000 employees were non-Indian; employees were aggregated from more than 60+ nationalities as on 31 March 2018.

### Strengths

**Passion:** The principal strength of the company is the passion of its people, reflected in a culture of outperformance derived from the ability to excel outside the comfort zone and agility in the face of challenges.

**Core competence:** The passion of the people at BLS is derived from an established core competence in a high volume of front-end customer engagement transactions back-ended by diverse applications supported by a complemented of business processes.

**Youthful cum experienced:** The company reconciles the enthusiasm of youth and the wisdom of experience, reflected in an average age of 38 across the company. This mix provides the company with a pipeline of the next generation of business leaders. Retention (voluntary) was a high 95% during the year under review.

**Balance:** The company reconciles the entrepreneurial spirit of the promoters with the systems-orientation of the professionals, representing the basis of its business sustainability

**Reorientation:** The company strengthened its business orientation through a Business Transformation exercise conducted by EY, the prominent global consultancy firm. This exercise covered the enunciation of the company's values, roadmap and structure.

Our  
growth in  
numbers

80

% of non-Indian  
employees (including  
NRIs), 2014-15

20

% of non-Indian  
employees (including  
NRIs), 2017-18

1200

Number of employees,  
2014-15

6200

Number of employees,  
2016-17

9000

Number of employees,  
2017-18

20

Number of nationalities  
to which employees  
belonged, 2014-15

45-50

Number of nationalities  
to which employees  
belonged, 2016-17

60-65

Number of nationalities  
to which employees  
belonged, 2017-18

# Board of Directors

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## **Mr. Nikhil Gupta** **Managing Director**

Mr. Nikhil Gupta is a chartered accountant with over 35 years of experience in audit, consulting, finance and leadership roles for both MNCs and Indian conglomerates. Prior to joining BLS, he served as the Managing Director and CEO of a manufacturing company for over a decade, where he was instrumental in turning it around and subsequently growing it multifold to become an industry leader. He has also been associated with PricewaterhouseCoopers, Novartis India, Raychem RPG and RPG Cables. He has travelled around the globe and brings an international perspective to the Company. He holds a degree in economics (honours) from Delhi University and is an associate member of the Institute of Chartered Accountants of India (merit list).

## **Mr. Shikhar Aggarwal** **Joint Managing Director**

Mr. Shikhar Aggarwal has been associated with the Company since 2014 and looks after various verticals of the Company. A young, vibrant and dynamic professional, he holds a bachelor's degree from Delhi University. In a very short span of time, his proactive strategies have helped take the business to a new level.

## **Mr. Karan Aggarwal** **Executive Director**

Mr. Karan Aggarwal joined the board of the Company during FY2016-17. His decade-long experience spans across diverse fields including finance, management, administration and human resources. He has spearheaded various organisations including BLS Polymers, BLS Ecotech, BLS International and was instrumental in setting up three greenfield textile projects for group companies of BLS. Furthermore, he has played a significant role in successfully bidding for the Punjab e-governance project. He is also a keen golfer and a marathon runner. He graduated in finance and management from University of Bradford and has completed a specialisation course in finance from Harvard University.

## **Mr. Sarthak Behuria** **Independent Director**

Mr. Sarthak Behuria has been a superannuated from the chairmanship of Indian Oil Corporation, India's largest commercial enterprise. Prior to joining Indian Oil, he was Chairman and Managing Director of Bharat Petroleum Corporation Ltd (2002-2005). He was also Chairman (part-time) of Chennai Petroleum Corporation and Bongaigaon Refinery & Petrochemicals. He has also headed Indian

Oiltanking Ltd., a joint venture for building and operating terminalling services for petroleum products. He is currently associated with the Adani Group, heading their LNG and LPG businesses. He has been conferred honorary fellowship of Energy Institute of the United Kingdom. An alumnus of St. Stephen's College, Delhi University and the Indian Institute of Management, Ahmedabad.

## **Mr. Ram Prakash Bajpai** **Independent Director**

Mr. Ram Prakash Bajpai is currently the Chancellor of Vel Tech Technical University, Chennai. He has been a director/distinguished scientist at the Central Scientific Instrument Organisation, Chandigarh. His experience spans more than five decades in the realms of electronics, microelectronics, material science, nanoelectronics and optoelectronics and has held several high-profile governmental positions in the past. He holds a doctorate degree from Indian Institute of Technology, Delhi and D.Sc. from Hokkaido University, Japan

## **Ms. Shivani Mishra** **Independent Director**

Ms. Shivani Mishra has amassed more than seven years of experience in the fields of finance and accounts and she holds master's degrees in

commerce and business administration.

## **Mr. Surinder Singh Kohli** **Independent Director**

Mr. Surinder Singh Kohli is a highly experienced and accredited position-holder in various organisations of repute. He holds a bachelor's degree in mechanical engineering from Banaras Hindu University, CAIIB and diploma in industrial finance from Indian Institute of Bankers. Throughout his career, Mr. Kohli has excelled in various fields and has been awarded with various honours, including:

- Ranked 22<sup>nd</sup> in the list of India's Best CEOs rankings over the period 1995 to 2011, by the *Harvard Business Review*.
- Awarded the Wharton-Infosys Limited's 'Enterprises Transaction Award of Technology'.
- Received the 'Best Bank Award' for excellence on promotion of Kishan Credit Card scheme (IBA) for 2002.
- Received the 'Golden Peacock Award' for excellence in corporate governance for 2001-02.
- Conferred with Banaras Hindu University's distinguished alumnus award in 2003.

# Engagement at BLS

THE COMPANY STRIVES TO MAINTAIN A CULTURE OF LEARNING AND DEVELOPMENT. ALIGNED WITH BLS' VISION, THIS CULTURE ENABLES ACQUIRING, NURTURING AND RETAINING TALENT. ALONG WITH LEARNING, GOOD PERFORMANCE IS REWARDED THROUGH PROGRAMS SUCH AS MONTHLY REWARDS AND RECOGNITIONS. THE HUMAN RESOURCES TEAM AT BLS CONDUCTS AND MANAGES VARIOUS PROGRAMS SUCH AS INDUCTION, REFERRAL SCHEMES, TRAINING, TEAM BUILDING AND TALENT DEVELOPMENT. A FEW KEY INITIATIVES UNDERTAKEN DURING THE YEAR UNDER REVIEW ARE:

## **Empowering disabled personnel**

BLS believes in being an equal opportunity employer. The Company has been consistently hiring specially-abled employees as a part of its workforce. These employees bring talent, innovation, commitment and a zeal to deliver the best possible customer experience. This diversity enabled innovation enables team-work and a culture of inclusion at BLS.

## **Digital India**

The Digital India programme was launched by India's Prime Minister Narendra Modi on July 1st 2015. Digital India is an umbrella programme based on technology with a vision to transform India into a digitally empowered

society and a knowledge economy. To realize the objectives, the programme established an ecosystem comprising several Ministries and government departments, initiatives which are coordinated by the Department of Electronics and Information Technology (DeitY). The three key areas of preparation for the knowledge economy under Digital India: digital infrastructure, governance and services on demand and digital literacy. Delivery of public services through the use of information technology is an important part of Digital India resulting in a technology-led programme for citizens. In line with the same, the Company's e-citizen project in Punjab merged the convenience

of digital access towards citizen services, offering a host of services online, without the need for customers to visit the outlet or stand in queues.

## **Skill India**

The PMKVY (2016-20), launched in November 2016 with an outlay of Rs. 12,000 crores, is the biggest training and certification program of the Government of India. It aims to skill one crore youth by 2020. Embarking on the Skill India Mission, the endeavour has been to provide superlative training in industry relevant job roles. The Skill India Mission also promotes entrepreneurship, which is supported by Mudra Loans and other financial provisions. In line with

the Skill India initiative, BLS international runs a number of training programmes across multiple locations to hone skills hired locally where the Company has offices. The initiatives cover topics such as interpersonal skill training, induction training, soft skill training, safety training and managerial training to ensure complete and all-round development.

# Corporate Information

## Board of Directors – BLS International Services Ltd.

1. Mr. Sarthak Behuria *Independent Director*
2. Mr. Surinder Singh Kohli *Independent Director*
3. Mr. Ram Prakash Bajpai *Independent Director*
4. Ms. Shivani Mishra *Independent Director*
5. Mr. Nikhil Gupta *Managing Director*
6. Mr. Shikhar Aggarwal *Joint Managing Director*
7. Mr. Karan Aggarwal *Executive Director*

## Board Committee:

### Audit Committee

1. Mr. Ram Prakash Bajpai *Chairman (Independent Director)*
2. Mr. Sarthak Behuria *Member (Independent Director)*
3. Mr. Nikhil Gupta *Member (Managing Director)*

### Nomination and remuneration committee

1. Mr. Ram Prakash Bajpai *Chairman (Independent Director)*
2. Mr. Sarthak Behuria *Member (Independent Director)*
3. Ms. Shivani Mishra *Member (Independent Director)*

### Stakeholders relationship committee

1. Mr. Ram Prakash Bajpai *Chairman (Independent Director)*
2. Ms. Shivani Mishra *Member (Independent Director)*
3. Mr. Shikhar Aggarwal *Member (Executive Director)*

### Corporate Social Responsibility Committee

1. Mr. Ram Prakash Bajpai *Chairman (Independent Director)*
2. Mr. Sarthak Behuria *Member (Independent Director)*
3. Mr. Nikhil Gupta *Member (Managing Director)*

## Company Secretary

Mr. Bala Ji  
912, Indraprakash Building  
17, Barakhamba Road, New Delhi – 110001  
Ph: +91-11-46990006  
Email: compliance@blsinternational.net

## Chief Financial Officer

Mr. Ajay Milhotra  
912, Indraprakash Building  
17, Barakhamba Road, New Delhi – 110001  
Ph: +91-11-46990006  
Email: ajay.m@blsinternational.net

## Statutory Auditors

**M/s. S.S. Kothari Mehta & Co.,**  
146-148, Tribhuvan Complex,  
Mathura Road, Ishwar Nagar,  
Delhi 110065  
Phone: +91 11 4670 8888  
Fax: +91 11 6662 8889

## Internal Auditors

**Nangia & Co. LLP**  
A-109, sector 136, Noida 201301  
Phone: +91 120 2598000  
Email: query@nangia.com  
Fax: +91 120 2598010

## Solicitor and Advocates Khaitan & Co.

## Registered Office of Company

G-4B-1, Extension,  
Mohan Co-operative Indl. Estate,  
Mathura Road, New Delhi – 110044  
Ph: +91-11-26972484

## Corporate office

912, Indraprakash Building,  
21, Barakhamba Road, New Delhi – 110001  
Ph: +91-11-23716531  
Fax: +91-11-23755264

## Registrar and Share Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd.  
Registered & Adm. Office  
Beetal House, 3rd Floor  
99 Madangir, Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir,  
New Delhi- 110062

## Our Bankers:

HDFC Bank Limited  
Indusind Bank Limited



# Management Discussion and Analysis

## Company Profile

BLS International Services Limited is one of the global leaders of Government to Citizen (G-to-C) services and has amassed a reputation over the past twelve years of being a partner of choice for client governments worldwide. From its first contract in 2005, the Company has scaled its operations, spanning across the globe with a presence across 62 nations.

Presently, BLS International partners with thirty six client Governments and provides outsourced visa and passport services, front end and citizen support, consular, passport verification, attestation and E-Visa services. The Company also helps in administrative and non-judgmental tasks related to these services for diplomatic missions, enabling its clients to focus on other key aspects of assessment of visa applications.

## Our Spectrum of Consular Services Include:

- Visa Processing Services
- Client and Front End Services
- Consular Services
- E-Visas
- Biometrics and Identity Management Services
- Verification and Attestation Services
- Value Added Services
- Passport Services
- B2C services

BLS International has a longstanding history of forging and maintaining relationships with its clients through efficient and a diverse service back up. The Company partners with leading technology providers to leverage modern day tools and gain a competitive advantage. BLS International currently services 36 client governments through a global network of 2325 offices, with an impressive record of having processed over 31 million applications till date.

## Global economic overview

In 2017, a decade after the global economy collapsed, a revival manifested wherein major economy expanded: ongoing Euro-zone growth, modest growth in Japan, late revival in China and improving realities in Russia and Brazil. The result was an estimated 3.7% global economic growth in 2017, some 60 bps higher than the previous year. Crude oil prices increased in 2017 from ₹54.13 per barrel at year-start to a low of ₹46.78 per barrel in June 2017 and year-close at ₹61.02 per barrel, the highest since 2013.

## Global economic growth for 6 years

Year	2014	2015	2016	2017 (e)	2018 (f)	2019 (f)
Real GDP Growth (%)	3.5	3.2	3.1	3.7	3.9	3.0

[Source: World Economic Outlook, January 2018] e: estimated f: forecasted

A review of the various national economies is provided below:

- **The US:** The world's largest economy entered its ninth straight year of growth in 2017 (2.3% compared to 1.6% in 2016) catalysed by the spillover arising out of government spending by the previous administration coupled with US\$ 1.5 trillion worth of tax cuts stimulating investments.
- **Euro zone:** This region experienced the upside arising out of cheap money provided by the central bank. In

2017 and is estimated to grow 2.4% compared with 1.8% in 2016. (Source: WEO January 2018, focus economics).

- **China:** The Chinese economy grew faster than expected in the fourth quarter (October to December) of 2017 at 6.8%, aided by a recovery in exports. This helped China celebrate its first annual growth in seven years. For the full year, China's growth is estimated at 6.9%, its highest since 2010. (Source: WEO, NBS data)
- **Emerging Asia:** Emerging Asia GDP was estimated at 6.5% in 2017, the region driven by infrastructure spending and stable economies.
- **GCC:** These countries were affected by the oil price decline (~60% since 2013), resulting in macro-economic instability that affected job creation and growth. GDP growth remained subdued at 1.8% in 2017 despite efforts to boost the non-oil private sector economy.
- **Russia:** In 2017, Russia was estimated to grow 1.9% following negative growth of 0.6% in 2016 (WEO) and a projected GDP growth of 1.8% in 2018. (Source: MOMR)
- **Brazil:** In 2017, Brazil grew at 1.1% following a deceleration of 3.5% in 2016. The recovery in the GDP was boosted mainly by the agricultural sector which grew by 13%.

### Outlook

Global growth forecasts for 2018 and 2019 were revised upward by 20 bps to 3.9%. (Source: WEO, IMF)

### Indian economic overview

After registering GDP growth of over 7% for the third year in succession in 2016-17, the Indian economy headed for slower growth estimated at 6.7% in 2017-18. Even with this lower growth for 2017-18, GDP growth averaged 7.3% for the period 2014-15 to 2017-18.

The year under review was marked by structural reforms by the Government. In addition to GST introduction, the year witnessed significant resolution of problems associated with bank non-performing assets, FDI liberalization, bank recapitalization and privatization of coal mines. After remaining in negative territory for a couple of years, export growth rebounded in 2016-17 and strengthened in 2017-18; foreign exchange reserves rose to US\$ 414 billion as on January 2018. (Source: CSO, economic survey 2017-18)

### Outlook

World Bank projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20. Strong private consumption and services are expected to continue to support economic activity. Private investment is expected to revive as soon as the corporate sector adjusts to the GST. (Source: IMF, World Bank)

### Estimation for the FY2017-18 Vs FY 2016-17

	2017-18*	2016-17
GDP growth	6.6%	7.1%
GVA growth	6.4%	9.0%
Farm growth	3%	9.0%
Manufacturing growth	5.1%	9.3%
Power and gas growth	7.3%	6.5%
Mining growth	3%	1.9%
Construction growth	4.3%	3.5%
Trade, hotel, transport, telecom growth	8.3%	9.8%
Financials, realty growth	7.2%	9.8%
Public, admin, Defence growth	10.1%	16.6%
Per capita income growth	8.3%	9.7%

\*Estimated

[Source: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=163287>]

### International tourism, expenditures (current US\$)

International tourism expenditures are expenditures of international outbound visitors in other countries, including payments to foreign carriers for international transport.

World	International tourism, expenditures (current US\$)
1995	462.338 billion
1996	485.235 billion
1997	484.46 billion
1998	490.116 billion
1999	511.16 billion
2000	536.476 billion
2001	526.853 billion
2002	552.125 billion
2003	607.942 billion
2004	710.518 billion
2005	772.048 billion
2006	822.211 billion
2007	949.84 billion
2008	1.028 trillion
2009	914.411 billion
2010	996.713 billion
2011	1.11 trillion
2012	1.175 trillion
2013	1.254 trillion
2014	1.406 trillion
2015	1.339 trillion
2016	1.362 trillion

[Source: World Tourism Organization, Yearbook of Tourism Statistics, Compendium of Tourism Statistics and data files.]

## Consular Industry Overview

The global travel industry gross bookings reached US\$ 1.6 trillion in 2017, making it one of the largest and fastest growing sectors in the world. Accounting for the indirect contributions, tourism accounts for a significant 10.2% of global GDP, spurred by a strengthening global economy. Consumers of global travel and tourism are on the rise, with many first-time travelers originating from emerging economies. Over the past two decades the number of international travelers across the globe has more than doubled, from approximately 600 million to 1.3 billion. The sector is poised for further growth through 2018 and beyond.

The year 2017 witnessed a significant increase in outbound traffic from the East, especially from the Arabic and the Indian market. By 2020, estimates indicate that the Arabic market will grow by 50% and UNWTO estimates indicate that approximately 50 million Indians will take a trip abroad. Trends indicate that 3 out of 4 trips made from the Arabic market are for leisure, with travel spending estimated to reach approximately US\$ 50 billion by 2027. Increasing travel demands requires streamlining of services related to visa applications and processing, spurring an increasing number of governments seeking to outsource their services. According to estimates, of the total global consular industry, approximately 31% is outsourced and managed by specialised service providers.

Security is a major concern for governments worldwide and threats such as illegal immigration are on the rise. Governments around the world are seeking non-judgmental consular support to tackle the inflow of tourism, while they address the security and screening of applications. These conditions are ideal for governments across the globe to privatise consular services and strengthen the visa outsource industry and allied services. In line with the same, BLS International has a longstanding history of partnering with client governments and also procures technologies from leading providers to ensure robust systems and data security.

The Indian consular industry is growing at a healthy pace and the recent front-end and citizen service project in Punjab marked the beginning of further growth. BLS continuously looks for alternative delivery mechanisms for various non-Govt. services for other States, on the back of the Indian Government's focus on tourism and foreign direct investments. India moved up 25 places in the Travel & Tourism Competitiveness Index (TTCI), 2017 over its 2013 ranking to rank 40<sup>th</sup> globally. Going forward, higher inbound tourism is expected to present attractive opportunities for the consular business.

## Strengths and Opportunities

### Strengths:

BLS International has been in the industry for over 12 years and this rich experience in serving client governments ensures client fulfillment and garners trust. The Company's commitment to excellence is derived through an understanding of client requirements and consistently meeting their expectations. BLS International has a team of experienced professionals who deliver unsurpassed service quality and client satisfaction. The Company leveraged the strengths of digital technologies well in advance to gain an edge and enhance service levels. Right from scanning documents till verifying biometrics, the Company deploys a range of technology solutions to offer unmatched service quality across 58 locations globally. BLS' standards are stringently enforced across all locations to ensure consistent and quality service.

The Company has established a standardised set of processes and then benchmarked them to reduce inefficiencies and errors. Transparency is more than a keyword, with all services and solutions offering complete transparency with client partners. Processes are also reviewed and upgraded as per client requirements. BLS ensures that its personnel undergo appropriate trainings and modules to ensure complete knowledge and compliance. These core people and process strengths deliver streamlined and high-quality solutions to all our clients.

Security is also one of our core strengths. The Company implements three major security controls based on architectural, technical and operational realities. Numerous tools and initiatives such as fire protection, intrusion detection systems (IDS), closed-circuit television (CCTV) surveillance, integrated access control, personal emergency response, training, periodic security review, regulatory compliance and physical security

procedures ensure physical security across all our centers. BLS International adheres to ISO 27001 Information Security Management System (ISMS) which mandates that all applicable statutory, regulatory and contractual requirements shall be notified using the local statutory and regulatory requirements of the host country where its centres are located.

### Opportunities

**Expansion:** With years of experience in various G2C services, BLS International has the capability of expanding into newer geographies. The Company strives to offer the gamut of its services across the world, as demonstrated by the recent contract win from Spain. With a longstanding reputation of credibility, trust and efficiency, BLS is positioned to capitalise on newer opportunities to expand in current and new markets and reach potentially untapped markets over the short and long term.

**The Middle East and other locations:** Fresh off the contract win from the Middle East, BLS is proud of its association with the Dubai government and foresees further opportunities in this highly dynamic market. The Company is also keen on entering the eastern markets such as Korea, China and Thailand, to become one of the top service specialists in the world.

**Expertise in Visa Consultancy:** Over the years, BLS has gained experience and expertise in the Visa consultancy segment and is providing the service to various consulates. This integration is indicative of future growth opportunities as BLS seeks to leverage its existing client base to move higher in the value chain and to offer standalone services to new clients.

**Knowledge of Front End and Citizen Services:** The knowledge from the Punjab project has further enhanced our offerings in the front end and citizen services domain. The fact that the e-governance solution was deployed well in advance of the deadline also highlights BLS' capabilities. The Company is also offering citizen services to the Embassy of Afghanistan, as it looks forward to further domestic and international opportunities.

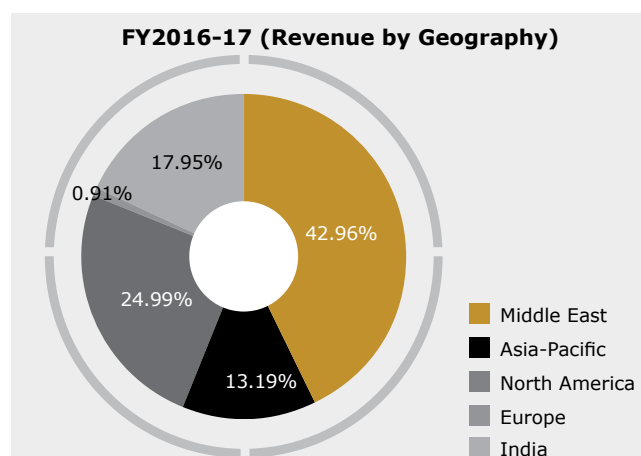
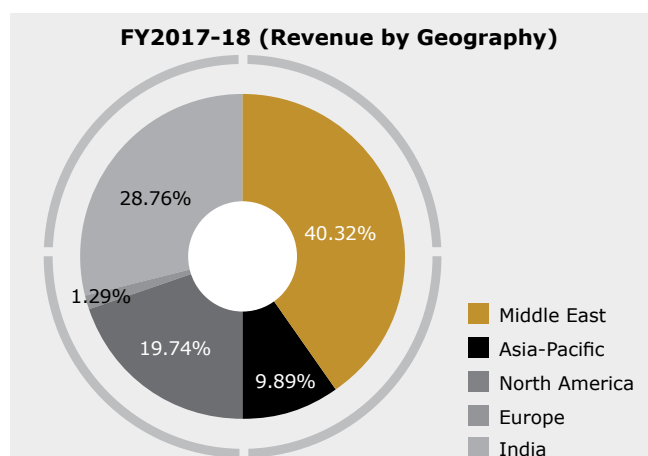
## Business Performance

### 1. Segment Overview

The Company's operations are spread across the globe in 62 countries the G2C services segment, servicing 36 client governments. These centres are situated as per client requirements and in convenient locations and accept visa applications either through agents or directly. The documentation is then checked and if found in order, is processed and passed on to the respective client government.

BLS' model is primarily based on revenues from applicants in addition to visa fees which are remitted to the diplomatic mission. In some locations, BLS also operates with a Facility Management Partner (FMP) due to specific regulations or cultural requirements. These strategic business alliances operate under the brand name of BLS International with some staff being employed by them, while certain key positions are filled by employees of BLS International. The infrastructure is provided by the FMC but BLS is in control and responsible for the operations of the centre.

### 2. Geography-wise performance



The Middle East has consistently been the highest contributors to the Company's revenues, and during FY2017-18, it contributed 40.32% to revenues. North America contributed 19.74% of the revenues. Asia-Pacific contributed 9.89% of the revenues. Europe contributed 1.29% of the revenues. Indian operations contributed 28.76% of the revenues.

The Punjab e-governance project is being negotiated at a lower scale and BLS remains optimistic of a resolution. The government's increased focus on driving tourism in the country and the advance deployment of the Punjab e-governance project showcases our capabilities is expected to present more opportunities.

### 3. Financial Review of the Company during FY2017-18

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Revenue (Rs. Million)	7931.04	6374.35	469.53	258.50
PAT (Rs. Million)	965.39	501.14	105.58	31.40

#### Consolidated

In 2017-18 the total revenue increased by 24.42% to Rs. 7931.04 million, as against Rs. 6374.35 million in the previous year. Profit after tax grew by 92.63% to Rs. 965.39 million as compared to Rs. 501.14 million in FY 2016-17.

#### Standalone

During the year under review, total revenue increased by 81.64% Y-o-Y and stood at Rs. 469.53 million, as against Rs. 258.50 million in the previous year. Profit after tax grew by 236.03% to Rs. 105.58 million as compared to Rs. 31.40 million in FY 2016-17.

### Risk and Concerns

Risks are an unavoidable aspect of doing business, and BLS International operates across various nations, thereby increasing its exposure to a greater number of variable factors. In line with the same, the Company has a robust risk management framework which identifies and prepares mitigation strategies effectively. Risks are identified through market developments and through audits. Some potential risks for the business are:

**Economic risk:** Global economic fluctuations could cause potential impacts to our business, as the Company depends on client Governments for partnerships and unfavourable economic conditions could impact the possibility of winning contracts.

**Brand risk:** As one of the leading companies in the G2C business, BLS has garnered significant brand equity. The Company's reputation could be affected by the inability to deliver quality services which could impact the brand and the Company's position as a services provider. The Company has a consistent quality focus which is maintained through audits and also focuses on business development to make processes more efficient and error free.

**Security risk:** Being in the consular industry, BLS regularly handles sensitive and confidential data for its partners. This poses a threat to both physical as well as digital security of highly sensitive national data. The Company leverages robust systems and technologies from various vendors and has received ISO certifications for the same.

**Attrition risk:** The consular business depends on efficient systems, robust security and a well-trained team. As such, the Company actively focuses on retention and drives personal and professional growth for each employee.

### Internal Control Systems and their Adequacy

The business that the Company is engaged in requires a robust framework control systems which ensure consistent operations and information security. The Company has implemented a series of checks and controls since its inception to ensure the assets and interests are well protected and all financial data is accurate and reliable. The highly sensitive nature of the business places emphasis on security and the Company has invested

in robust data security tools and a state-of-the-art monitoring system. BLS' global operations are certified with the ISO 9001:2008 quality management standard and the ISO 27001:2005 information security standard. The control framework is also periodically reviewed to ensure the audit systems, policies, procedures and financial controls are adequate and efficient. A committee reviews audit findings on a regular basis to ensure compliance, control and risk mitigation.

### **Human Resources Overview**

People are the pillars of our organisation. To support the development and growth of our people, BLS has an established human resource team which engages employees and supports the business by improving the organisational efficiency. The human resources function is focused on developing talent and building capacities for further growth.

BLS encourages innovation and maintains a culture of efficiency and productivity. It also hires talent and provides them with opportunities for growth and development. These are carried out through core initiatives.

### **Training**

BLS ensures that all of its personnel has clarity about their job responsibilities and are also apprised of the duties expected from them. This is done through extensive trainings and through making manuals available for use by VSCs. The two-tier framework of regional training and the adequate manuals ensures efficiency, comprehensive knowledge and improved customer service. Training management personnel help BLS to induct new employees into the system and develop them to ensure quality service and customer satisfaction resulting in VSCs that are more confident and productive.

### **Personnel**

BLS builds staff levels at VSCs with local hires, beginning with VSC managers. BLS personnel focus on customer service knowing that the technical components on which the visa processing services are based require little or no local technical expertise. Our staffing philosophy for global operations pursues a polycentric staffing approach, where local (host country) managers are hired first to fill key positions. Hiring host country managers and staff contributes to a successful VSC by virtually eliminating the need to assimilate staff in order to operate in a VSC. It also:

- Encourages cultural empathy and flexibility, increasing the centre's ability to adapt and prosper within the local culture and working environment.
- Increases the centre's productivity by establishing situational comfort for both personnel and applicants.
- Using local managers proves helpful in hiring new personnel, as they can efficiently be made aware of the service responsibilities, role and expectations of the position before they are hired.

### **Business Outlook**

The year under review was one of the most significant for the Company, characterised by robust outperformance and through many award wins. At BLS International, we believe that we are at the right place at the right time. As per estimates, approximately 1235 mn people travelled from one country to another in 2016 and this number is expected to reach 1.8 billion by 2030, indicating a significant opportunity in G2C services. BLS is attractively placed in the global consular services space with a distinctive competitive advantage and a strong recall across governments, the world over.

In the near future, growth is likely to be driven by factors such as:

- Increasing number of travelers globally
- Greater outsourcing of consular services
- The visa outsourcing market remains largely untapped
- BLS has significantly its credibility through many successful G2C contracts
- Comprehensive service offerings and technology backed highly secure processes

# Directors Report

To  
The Members  
BLS International Services Limited

Your Directors take pleasure in presenting the 34th Annual Report on the business and operations of the Company for the financial year ended March 31, 2018. This report is being presented along with the audited financial statements for the year.

## 1. FINANCIAL HIGHLIGHTS

(Amount In Rs. Millions)

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operations	7890.52	6348.93	408.83	240.95
Other Income	40.52	25.42	60.70	17.55
Total Revenue	7931.04	6374.35	469.53	258.50
Earnings before Interest, Depreciation, Taxation & Exceptional Item(EBIDTA)	1627.85	848.09	155.20	62.85
Less: Interest cost	-123.76	-55.01	-4.06	-2.63
Depreciation	-396.00	-259.72	-24.06	-16.01
Profit before Tax & Minority Interest	1108.09	533.37	127.08	44.21
Less: Provision for Tax	142.70	32.23	21.50	12.81
- Current	-193.52	-26.33	28.58	14.65
- Deferred	50.82	-17.87	-7.08	-1.84
MAT Credit		11.97		
Profit after Tax	965.39	501.14	105.58	31.40

## 2. REVIEW OF OPERATIONS (FY 2017-18)

### Consolidated

During the year under review, total revenue increased by 24.42% y-o-y at ₹ 7931.04 million as compared to ₹ 6374.35 million in the previous year. Earnings before Interest, Depreciation, Taxation & Exceptional Item ("EBIDTA") was at ₹ 1627.85 million, registering a growth of 91.94% y-o-y, as compared to ₹ 848.09 million in the previous year. Profit after tax ("PAT") for the year stood at ₹ 965.39 million, up by 92.63 % y-o-y, as compared to ₹ 501.14 million in the previous year.

### Standalone

Total revenue increased by 81.63% y-o-y at ₹ 469.53 million as compared to ₹ 258.50 million in the previous year. EBIDTA was at ₹ 155.20 million, registering a growth of 146.93% y-o-y, as compared to ₹ 62.85 million in the previous year. PAT for the year stood at ₹ 105.58 million, up by 236.24% y-o-y, as compared to ₹ 31.40 million in the previous year.

## 3. DIVIDEND

During the year under review the Company's has given strong and growing financial performance, considering the performance of the company, the directors are pleased to recommend for the approval of the members a Final Dividend of ₹ 0.50 per equity share for the FY 2017-18. The total dividend for the year will stand at ₹ 0.50 per share which is 50% dividend for the FY 2017-18. The final dividend shall be payable post Shareholder's approval in the 34th Annual General Meeting.

Particulars of Dividend	Par Value (in Rs.)	Dividend Declared (as % of Par Value)	Dividend Amount (in Rs.)	Record Date
Final Dividend	1.00	50%	0.50	12th September, 2018

#### 4. SHARE CAPITAL

During the year under review, there was no change in the Company's issued, subscribed and paid-up equity share capital. On March 31<sup>st</sup>, 2018, Paid Up share capital stood at ₹ 10,24,50,000/-, divided into 10,24,50,000 equity shares of ₹ 1/- each.

#### 5. LISTING AT STOCK EXCHANGE

The shares of the company are listed on the National Stock Exchange, Bombay Stock Exchange and the Metropolitan Stock Exchange and traded on the exchanges under the scrip code given below:

- i) NSE Scrip: BLS
- ii) BSE Scrip Code: 540073
- iii) MSEI Scrip: BLS

The annual listing fees for the current year have been paid to the exchanges.

#### 6. SUBSIDIARY DETAILS

The consolidated financial statements of the company & its subsidiaries which form part of Annual Report have been prepared in accordance with section 129(3) of the Companies Act, 2013. Further, a statement containing the salient features of the Financial Statements of Subsidiary and Associate Companies in prescribed Format AOC – 1\* is annexed herewith as "Annexure - I".

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the company and its Subsidiaries are available on the website of the Company. These documents will also be available for inspection during the business hours at the Registered Office of the Company. Any member desirous of obtaining a copy of the said Financial Statements may write to the Company.

*\*The information provided for Associate Companies in Form AOC-1 are based on Figures as provided from 1st January, 2017 to 31st December, 2017. Further there were no significant transaction made by associates during the period under review with the Company.*

The details of the subsidiary as on March 31<sup>st</sup>, 2018 are as follows:

Name of Subsidiary	Ownership Status	Date of Incorporation / Acquisition	Country	Line of Business
M/S. BLS INTERNATIONAL FZE	Wholly Owned (100.0%)	07th September 2011	United Arab Emirates	Outsourcing Services
M/S. BLS E-SERVICES PRIVATE LIMITED	Wholly Owned (100.0%)	12th April 2016	India	E-Governance
M/S. BLS IT SERVICES PRIVATE LIMITED	Wholly Owned (100.0%)	26th April 2016	India	E-Governance
M/S. BLS E-SOLUTIONS PRIVATE LIMITED	Wholly Owned (100.0%)	29th April 2016	India	E-Governance
M/S. BLS KENDRAS PRIVATE LIMITED	Wholly Owned (100.0%)	19th March 2018	India	Citizen Services

The performance of the subsidiaries has been discussed in detail in the Management Discussion and Analysis Report, attached separately.



## **7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Discussion upon the Company's state of business affairs is provided in the Management Discussion and Analysis Report, which has been attached separately in this Annual Report. It has been prepared, inter-alia, in compliance with the terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **8. LITIGATION**

There are no new or outstanding litigation against the Company, as on March 31st, 2018. There has been no impact of any litigation on the financial position of the Company during the year under review.

## **9. AUDITORS**

### **Statutory Auditors**

M/s SS Kothari Mehta & Co. Chartered Accountants, (FRN – 000468N), New Delhi, were appointed as the Statutory Auditors of the Company by the Shareholders in their meeting held on 21st September, 2017 and are eligible for re-appointment as per Section 139 of the Companies Act, 2013.

### **Secretarial Auditors**

In terms of Section 204 of Companies Act, 2013 and Rules made thereunder, M/s Hemnani Ipsa & Associates, Company Secretaries were appointed as Secretarial Auditors of the Company for the financial year 2017-18. The report of Secretarial Auditor has been enclosed in Form MR 3 as Annexure – II.

The Secretarial Auditor does not have any qualification, is self-explanatory, and does not call for any comment from the Board.

## **10. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT UNDER SECTION 186**

Particulars of loan given, investments made, guarantees given and securities provided along with the purpose for which loan, guarantee or security is proposed to be utilized by the recipient are provided in Consolidated financial statements (please refer note no. 5 & 6 of the consolidated financial statements).

## **11. EXTRACT OF ANNUAL RETURN**

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return in prescribed Form MGT-9 is Annexed as Annexure III.

## **12. AWARD & RECOGNITION**

BLS International Services Ltd. has been awarded following Awards and Recognitions during the year 2017-18:

- Best Visa Service Provider at the 11th edition of 'Today's Traveller Awards 2017' in July 2017.
- Best Workplace Practices at 'CMO Asia Best CSR Practices Award 2017' in August 2017.
- Best Visa Service Provider Award at 'The Middle East Travel and Tourism Leadership Awards 2017' in October 2017.
- Most Ethical Company in Visa Outsourcing in 'India's Most Ethical Companies Awards 2017' in November 2017.
- India's Best Visa Outsourcing Services Company in 'India's Best Company of the Year Award 2017' in March 2018.

## **13. DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statement in terms of sub section (5) of section 134 of the Companies Act, 2013:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along

- with proper explanation relating to material departures;
- (b) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
  - (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
  - (d) the directors had prepared the annual accounts on a going concern basis;
  - (e) laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
  - (f) proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
  - (g) The Audit Committee meets periodically with the Internal Auditors and the Statutory Auditors to review the way the Auditors are discharging their responsibilities and to discuss audit, internal control and financial reporting issues.
  - (h) To ensure complete independence, the Statutory Auditors and the Internal Auditors have full and free access to the Members of the Audit Committee to discuss any matter of substance.

#### **14. DIRECTORS AND KEY MANAGERIAL PERSON**

##### **i. Inductions, Re-appointments, Retirements & Resignations**

During the year under review, Mr. Karan Aggarwal who has been appointed on the Board as Additional Director in the meeting of Board of Director held on 13th June, 2016, was regularized for a period of 5 (Five) Years at the AGM held on 21st September, 2017.

During the year under review Mr. Mukul Harmilapi resigned from the position of Chief Financial Officer of the company on 25th July 2017. The Board appointed Mr. Ajay Milhotra as the Chief Financial Officer of the Company in the Board Meeting held on 09th August, 2017.

##### **ii. Declaration by Independent Directors**

The Company has received Certificate of Independence (declaration) from all Independent Directors that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and regulation 25 of the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements), Regulations 2015 (hereinafter referred as the "Listing Regulations").

The Company keeps a policy of transparency and arm's length while dealing with its Independent Directors.

##### **iii. Familiarization Programme for the Board of Directors**

The Company conducts induction programme for every new director to provide them an opportunity to familiarize with the Company and its policies. The Company makes presentations to the new directors including but not limited to the Company's strategy, operations, product and service offering, market, organization structure, finance, human resources, technology, quality, facilities, risk management and insider trading laws.

#### **15. BOARD MEETINGS**

##### **a) Number of Board Meetings:**

The Board of Directors met 7 (Seven) times during the financial year 2017-18. The details of the Board Meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report, appearing elsewhere as a separate section in this Annual Report.

**b) Composition of Audit Committee:**

Audit Committee comprises of Two Independent Directors and One Executive Director. The Chairman of the Audit Committee is an Independent Director. The Independent Director(s) are accomplished professional(s) having diverse knowledge across various fields in wide areas. The Company Secretary is the secretary of the Committee.

During the year ended 31st March, 2018 the Committee met 5 (Five) times.

At the beginning of the Financial Year 2017-18 the composition of Audit Committee consisted of:

S. No	Name of Director	Designation
1	Mr. Sarthak Behuria	Independent Director
2	Mr. Ram Prakash Bajpai	Independent Director
3	Mr. Nikhil Gupta	Managing Director

There was no change in the composition of Audit Committee during the year 2017-18.

The attendance of the members attended the meeting are as under:

Name of the Member	Designation	No. of Meetings attended
Mr. Sarthak Behuria	Independent Director	4
Mr. Ram Prakash Bajpai	Independent Director	4
Mr. Nikhil Gupta	Managing Director	5

The other details of the Audit Committee are given in the Corporate Governance Report, appearing as a separate section in this Annual Report.

**c) Audit Committee Recommendations**

During the year FY 2017-18, all recommendations of the Audit Committee were accepted by the Board.

**16. PARTICULARS OF REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES**

Pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015, it is necessary to disclose the ratio of remuneration of each director to the median employees' remuneration.

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

S. No	Name	Designation	Ratio of Remuneration of each director of the Median Remuneration of Employees
1	Mr. Sarthak Behuria	Independent Director	NA
2	Mr. Surinder Singh Kohli	Independent Director	NA
3	Mr. Ram Prakash Bajpai	Independent Director	NA
4	Ms. Shivani Mishra	Independent Director	NA
5	Mr. Nikhil Gupta	Managing Director	4.00
6	Mr. Shikhar Aggarwal	Joint Managing Director	3.00
7	Mr. Karan Aggarwal	Executive Director	10.00
8	Mr. Ajay Milhotra	Chief Financial Officer	16.66
9	Mr. BalaJi	Company Secretary	3.36
10	Ms. Vaishali Sharma	Key Managerial Person	5.33

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

S. No	Name of Key Managerial Person	Designation	% increase in Remuneration
1	Mr. Nikhil Gupta	Managing Director	-
2	Mr. Shikhar Aggarwal	Joint Managing Director	-
3	Mr. Ajay Milhotra	CFO	No change
4	Ms. Vaishali Sharma	KMP	No change
5	Mr. Bala Ji	Company Secretary	20%

3. The percentage increase in the median remuneration of employees in the financial year is 8.69%.
4. The numbers of permanent employees on the rolls of company were 204 as on 31st March, 2018.
5. It is hereby affirmed that the remuneration paid during FY 2018 is as per the remuneration policy of the company.
6. The Net Worth of the Company as on 31st March, 2018 and previous financial year are as follows:

**Standalone** (Rs. In Millions)

S. No	Particulars	As on March 31st 2018	As on March 31st 2017	Variation	%
1	Net Worth	252.71	180.00	72.71	40.39

**Consolidated** (Rs. In Millions)

S. No	Particulars	As on March 31st 2018	As on March 31st 2017	Variation	%
1	Net Worth	2,605.43	1,656.71	948.72	57.26

7. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company;

S. No	Name of Key Managerial Person	Designation	% increase in Remuneration
1	Mr. Nikhil Gupta	Managing Director	Nil
2	Mr. Shikhar Aggarwal	Joint Managing Director	Nil
3	Mr. Karan Aggarwal	Executive Director	Nil
4	Mr. Ajay Milhotra	CFO	Nil
5	Mr. Bala Ji	Company Secretary	20
6	Ms. Vaishali Sharma	KMP-Investor Relations	Nil

8. The key parameters for any variable component of remuneration availed by the directors;  
There is no variable component in the remuneration of KMP's.
9. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

During the year under review, the average ratio of remuneration of the employees receiving remuneration compared to highest paid director is 1.37:1.

## 17. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In Compliance with the Companies Act, 2013 and Listing Obligations, the performance evaluation of the Board as a whole and of the Individual Directors was carried out during the year under review. Evaluation was based

on the criteria and framework adopted by the Board and as explained in the Corporate Governance Report. The Board of Directors expressed their satisfaction with the evaluation process.

The process entailed a structured questionnaire, which was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

## **18. MANAGEMENT OF RISK OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES**

### **Whistle Blower Policy/Vigil Mechanism**

In compliance with the requirement of the Companies Act, 2013 and Listing Regulation, the Company has established Whistle Blower Policy / Vigil mechanism policy to ensure that complaints are resolved quickly in an informal and conciliatory manner, confidentiality is maintained and both the complainant and the person against whom the complaint is made are protected. The same is placed on the website of the Company. (<http://www.blsinternational.com>).

The employees of the Company are made aware of the said policy at the time of joining the Company.

## **19. RISK MANAGEMENT**

Risk management is embedded in BLS's operating framework. Your Company has an elaborate Risk Management procedure and adopted systematic approach to mitigate risk associated with accomplishment of objectives, operations, revenues and regulations. To this effect, there is a robust process in place to identify key risks across the Group and prioritize relevant action plans to mitigate these risks. The Risk Management spectrum of the Company encompasses key focus on Risk Assessment, Risk Management and Risk Monitoring.

## **20. DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

BLS as an organization is committed to provide a safe and healthy environment to all the employees and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place a policy on prevention of sexual harassment and has put in place a redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices. As per the provisions of sections 21 and 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the report on the details of the number of cases filed under sexual harassment and their disposal is as under:

Number of cases pending as on the beginning of the financial year:	NIL
Number of complaints filed during the year:	NIL
Number of cases pending as on the end of the financial year:	NIL

The more details on the same is given in the Sexual Harassment Policy and uploaded on our website (<http://www.blsinternational.com>).

## **21. NOMINATION AND REMUNERATION POLICY**

The overall limits of remuneration of the Board members including Executive Board Members are governed by the provisions of Section 197 of the Companies Act, 2013, rules as prepared by the Company and shall be subject to availability of profits of the Company.

In terms of provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company had been formulated by the Nomination and Remuneration Committee of the Company. This policy was approved by the Nomination & Remuneration Committee of the Board.

## **22. CORPORATE SOCIAL RESPONSIBILITY**

The Corporate Social Responsibility Committee (CSR Committee) of the Company has been formulated on 22.05.2018 and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the CSR activities to be undertaken by the Company, which has been approved by the Board.

Since the company has formed the CSR committee during the FY 2018-19, the company will undertake the CSR activities during the financial year 2018-19. The CSR Policy is available on the website of the Company. Also the composition of the CSR Committee is disclosed in the Corporate Governance Report.

## **23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

As per the Listing Regulations, all related party transactions have been placed before the Audit Committee for their approval. Further omnibus approval of the Audit Committee has been obtained for the transactions which are of foreseen and repetitive nature.

The particulars of contracts or arrangement with related parties referred to in Section 188(1) of the Companies Act, 2013, as prescribed in form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of the Companies under the Companies Act, 2013 is appended as Annexure- IV

## **24. ACCOUNTS OF SUBSIDIARY COMPANIES**

Section 129 along with 136 of the Companies Act, 2013, which has exempted Companies from attaching the Annual Reports and other particulars of subsidiary companies along with the Annual report of the Company.

However, a statement giving certain information as required is being placed along with the Consolidated Accounts for the following Companies.

1. M/S. BLS INTERNATIONAL FZE
2. M/S. BLS E-SERVICES PRIVATE LIMITED
3. M/S. BLS E-SOLUTIONS PRIVATE LIMITED
4. M/S. BLS IT SERVICES PRIVATE LIMITED

The financial statements of the subsidiary are kept for inspection by the shareholders at the Corporate Office of the Company.

## **25. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company believes in growth with a strong governance system. The Company has a proper and adequate system of internal controls, commensurate with its size and business operation to ensure timely and accurate financial reporting in accordance with applicable accounting standards, safeguarding of assets against unauthorized use or disposition and compliance with all applicable regulatory laws and Company policies.

The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

## **26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company always endeavors to reduce energy consumption and achieve conservation of resources. However, since your Company does not own any manufacturing facility / production plants and is not engaged in the real estate activities, the requirements pertaining to disclosure of particulars, relating to Conservation of

Energy, Research & Development and Technology Absorption, as prescribed under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, are not applicable.

During the year under review; the total foreign exchange used was Rs. 4.28 million and the total foreign exchange earned was Rs. 276.45 million.

## **27. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

The company has incorporated its wholly owned subsidiary by the name BLS Kendras Private Limited on 19th March 2018.

Further the company has no other material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

## **28. CORPORATE GOVERNANCE REPORT**

In compliance with the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V to the said Regulations, the Corporate Governance Report of your Company along with a Certificate on Corporate Governance received from the Ipsa Hemnani, Company Secretary in Practice, having their office at C-19, Vishwakarma Park, Kishan Kunj, Laxmi Nagar, New Delhi 110092, confirming compliance with the conditions of corporate governance, is attached to Corporate Governance Report.

## **29. ACKNOWLEDGEMENT**

Your Board acknowledges the support and co-operation received from all its stakeholders including our dear shareholders as well as regulatory authorities of the Central Government and all State Governments in India as they endeavor to create an enabling environment for industry and commerce to prosper.

Your Board appreciates the relentless effort of the Management Team lead by the Managing Director who steers the Company in achieving better performances year-on-year. Our employees are our biggest strength and we gratefully acknowledge their contribution to the Company in achieving its objectives to serve our customers.

Your Directors also take this opportunity to express their gratitude for the valuable assistance and the trust placed by the bankers, vendors, customers, advisors and the general public towards the Company.

**For and on behalf of the Board  
BLS International Services Limited**

**Nikhil Gupta**  
*Managing Director*  
DIN:00195694

**Shikhar Aggarwal**  
*Joint Managing Director*  
DIN: 06975729

## Annexure – I

### FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries or associate companies/joint ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S. No.	Particulars	Details			
		BLS International FZE	BLS E-Services Pvt. Ltd.	BLS IT Services Pvt. Ltd.	BLS E-Solutions Pvt. Ltd.
1	Name of the Subsidiary	BLS International FZE	BLS E-Services Pvt. Ltd.	BLS IT Services Pvt. Ltd.	BLS E-Solutions Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	From 01-04-2017 to 31-03-2018	From 01-04-2017 to 31-03-2018	From 01-04-2017 to 31-03-2018	From 01-04-2017 to 31-03-2018
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in case of foreign subsidiaries	AED Rs. 17.5499/1 AED as on 31st March 2018	INR	INR	INR
4	Share Capital	3,68,650	1,00,000	1,00,000	1,00,000
5	Reserve & Surplus	2,01,35,34,011	11,10,11,534	11,24,12,773	11,72,45,683
6	Total Assets	2,19,12,03,781	58,11,47,904	85,80,69,346	90,52,08,177
7	Total Liabilities	2,19,12,03,781	58,11,47,904	85,80,69,346	90,52,08,177
8	Investments	24,13,23,609	-	-	-
9	Turnover	5,71,23,29,762	49,80,29,433	71,29,89,973	71,70,85,504
10	Profit before taxation	60,95,94,637	12,29,79,402	14,83,97,645	15,16,56,784
11	Provision for taxation	Nil	3,46,88,572	4,28,95,953	4,36,24,563
12	Profit after taxation	60,95,94,637	8,82,90,830	10,55,01,692	10,80,32,221
13	Proposed dividend	-	-	-	-
14	% of shareholding	100	100	100	100

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: **BLS Kendras Private Limited**
- Names of subsidiaries which have been liquidated or sold during the year. **NONE**



## Part "B": Associates

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Information in respect of each Associate to be presented with amount in Rs.)

Name of Associates or Joint Ventures	BLS International Visa Services - Austria	BLS International Visa-Services – Baltic -Lithuania	BLS International Visa Services – Poland SP.Z.O.O.
1. Latest audited Balance Sheet Date	NA	NA	NA
2. Shares of Associate / Joint Ventures held by the company on the year end (number)	10 shares	50 shares	25 shares
Amount of Investment in Associates / Joint Venture	6,214	91,343	19,496
Extent of Holding %	25%	50%	25%
3. Description of how there is significant influence	Strategic Alliance	Strategic Alliance	Strategic Alliance
4. Reason why the associate/joint venture is not consolidated	N/A	N/A	N/A
5. Net worth attributable to shareholding as per latest audited Balance Sheet 31/12/2017	35,31,180	-13,09,474	1,44,431
6. Profit or Loss for the year	1,92,370	7,19,684	-22,44,489
i. Considered in Consolidation	-	-	-
ii. Not Considered in Consolidation	1,92,370	7,19,684	-22,44,489

1. Names of associates or joint ventures which are yet to commence operations. **NONE**
2. Names of associates or joint ventures which have been liquidated or sold during the year. **NONE**

#### For S.S.Kothari Mehta & Co.

Chartered Accountants

Firm's Registration Number: 000756N

#### For and on behalf of the Board BLS International Services Limited

#### Harish Gupta

Partner

Membership Number: 098336

#### Nikhil Gupta

Managing Director

DIN:00195694

#### Shikhar Aggarwal

Joint Managing Director

DIN: 06975729

## Annexure – II

### FORM NO. MGT-9

#### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L51909DL1983PLC016907
2.	Registration Date	07/11/1983
3.	Name of the Company	BLS International Services Limited
4.	Category/Sub-category of the Company	Public Limited
5.	Address of the Registered office & contact details	G-4B-1, Extension, Mohan Co-operative, Indl. Estate, Mathura Road, New Delhi - 110044. compliance@blsinternational.net 011-45795002
6.	Whether listed company	Listed
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Beetal Financial & Computer Services Pvt. Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Complex, New Delhi – 110062 Tel: 011-29961281-83, Fax: 011-29961284

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No	Name and Description of main products/services	NIC Code of the Product/ Service	% of total turnover of the Company
1.	Data Processing	72,300	93%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of Shares Held	Appliable Section
1	M/s BLS International FZE ELOB Office No. E2-123F-45, Hamriyah Free Zone-Sharjah, United Arab Emirates	NA	Subsidiary	100	2 (87) (ii)
2	M/s BLS International Visa Services- Austria, KG	NA	Associate	25	2 (6)
3	M/s BLS International Visa Services- Baltic, Lithuania	NA	Associate	50	2 (6)
4	M/s BLS International Visa Services- Poland SP.Z.O.O	NA	Associate	25	2 (6)
5	M/s BLS IT Services Pvt. Ltd. G-4B-1, Extension Mohan, Co-operative Indl. Estate Mathura Road, New Delhi - 110044	U74999DL2016PTC298498	Subsidiary	100	2 (87) (ii)

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of Shares Held	Applicable Section
6	M/s BLS E-Solutions Pvt. Ltd. G-4B-1, Extension Mohan, Co-operative Indl. Estate Mathura Road, New Delhi - 110044	U74999DL2016PTC298704	Subsidiary	100	2 (87) (ii)
7	M/s BLS E-Services Pvt. Ltd. G-4B-1, Extension Mohan, Co-operative Indl. Estate Mathura Road, New Delhi - 110044	U74999DL2016PTC298207	Subsidiary	100	2 (87) (ii)
8	M/s BLS Kendras Private Limited G-4B-1, Extension Mohan, Co-operative Indl. Estate Mathura Road, New Delhi - 110044	U74999DL2018PTC331178	Subsidiary	100	2 (87) (ii)

#### IV. SHAREHOLDING PATTERN

##### (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	30,22,452	-	30,22,452	29.50	3,02,24,520	-	3,02,24,520	29.50	0.00
b) Central Govt./ State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	45,83,548	-	45,83,548	44.74	4,58,35,480	-	4,58,35,480	44.74	0.00
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL (A) (1):-</b>	<b>76,06,000</b>	<b>-</b>	<b>76,06,000</b>	<b>74.24</b>	<b>7,60,60,000</b>	<b>-</b>	<b>7,60,60,000</b>	<b>74.24</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other..	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)=(A) (1)+(A)(2)</b>	<b>76,06,000</b>	<b>-</b>	<b>76,06,000</b>	<b>74.24</b>	<b>7,60,60,000</b>	<b>-</b>	<b>7,60,60,000</b>	<b>74.24</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	2,80,748	-	2,80,748	0.27	100
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares		
f) Foreign Portfolio Investors	945	-	945	0.0092	46,52,327	-	46,52,327	4.54	-4.5308	
g) Insurance Companies	-	-	-	-	-	-	-	-	-	
h) FII's	-	-	-	-	-	-	-	-	-	
i) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	
j) Others (specify)	-	-	-	-	-	-	-	-	-	
<b>SUB TOTAL (B)(1):</b>	<b>945</b>	<b>-</b>	<b>945</b>	<b>0.0092</b>	<b>49,33,075</b>	<b>-</b>	<b>49,33,075</b>	<b>4.82</b>	<b>-</b>	
<b>2. Non Institutions</b>										
a) Bodies corporates	-	-	-	-	-	-	-	-	-	
i) Indian	36,934	-	36,934	0.3605	45,42,327	-	45,42,327	4.43	4.0695	
ii) Overseas	-	-	-	-	-	-	-	-	-	
Other-Clearing Member	10,734	-	10,734	0.1048	4,37,846	-	4,37,846	0.43	0.3252	
Other - Trusts	-	-	-	-	700	-	700	0.00	100	
Other-NRI- NON-REPATARIABLE	320	-	320	0.0031	65,098	-	65,098	0.06	0.0569	
Other -NRI- REPATARIABLE	1,903	-	1,903	0.019	2,65,526	-	2,65,526	0.26	0.241	
Other-Individual HUF	5,765	-	5,765	0.056	10,04,818	-	10,04,818	0.98	0.924	
<b>SUB TOTAL (B) (2)</b>	<b>55,656</b>	<b>-</b>	<b>55,656</b>	<b>0.5433</b>	<b>63,16,315</b>	<b>-</b>	<b>63,16,315</b>	<b>6.16</b>	<b>5.6167</b>	
b) Individuals	-	-	-	-	-	-	-	-	-	
i. Individual Shareholders holding nominal share capital upto ₹1 Lakh	41,577	19,978	61,555	0.60	1,40,27,829	11,12,781	1,51,40,610	14.78	14.18	
ii. Individual Shareholders holding nominal share capital in excess of ₹1 Lakh	14,67,744	10,53,100	25,20,844	24.61	0	-	0	0	-24.61	
c) Other (specify)	-	-	-	-	-	-	-	-	-	
<b>SUB TOTAL (B)(3):</b>	<b>15,09,321</b>	<b>10,73,078</b>	<b>25,82,399</b>	<b>25.21</b>	<b>1,40,27,829</b>	<b>11,12,781</b>	<b>1,51,40,610</b>	<b>14.78</b>	<b>-10.43</b>	
<b>Total(B)(1)+(B)(2)+(B)(3)</b>	<b>15,65,922</b>	<b>10,73,078</b>	<b>26,39,000</b>	<b>25.76</b>	<b>25,277,219</b>	<b>11,12,781</b>	<b>2,63,90,000</b>	<b>25.76</b>	<b>0.00</b>	
<b>Total Public Shareholding (A+B)</b>	<b>91,71,922</b>	<b>10,73,078</b>	<b>1,02,45,000</b>	<b>100</b>	<b>1,01,337,219</b>	<b>11,12,781</b>	<b>10,24,50,000</b>	<b>100</b>	<b>0.00</b>	
<b>C. Shares Held By Custodian For GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-	
<b>Grand Total (A+B+C)</b>	<b>91,71,922</b>	<b>10,73,078</b>	<b>10,245,000</b>	<b>100</b>	<b>1,01,337,219</b>	<b>11,12,781</b>	<b>10,24,50,000</b>	<b>100</b>	<b>0.00</b>	

## B) Shareholding of Promoter- EQUITY SHARES

S. No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% Of Shares Pledged/encumbered to total shares	
1	Ms. Alka Aggarwal	2,00,000	1.95	0	20,00,000	1.95	0	0.00
2	Mr. Diwakar Aggarwal	8,72,452	8.51	0	87,24,520	8.51	0	0.00
3	Mr. Gaurav Aggarwal	5,00,000	4.88	0	50,00,000	4.88	0	0.00
4	Mr. Madhukar Aggarwal	5,00,000	4.88	0	50,00,000	4.88	0	0.00
5	Mr. Shikhar Aggarwal	2,00,000	1.95	0	20,00,000	1.95	0	0.00
6	Mr. Sushil Aggarwal	2,50,000	2.44	0	25,00,000	2.44	0	
7	Mr. Vinod Aggarwal	5,00,000	4.88	0	50,00,000	4.88	0	0.00
8	M/s Azadpur Finvest Pvt. Ltd.	5,06,000	4.93	0	50,60,000	4.93	0	0.00
9	M/s BLS Finvest Pvt. Ltd.	5,00,000	4.88	0	50,00,000	4.88	0	0.00
10	M/s Goodwork Finvest Pvt. Ltd.	5,00,000	4.88	0	50,00,000	4.88	0	0.00
11	M/s GRB Finvest Pvt. Ltd.	5,00,000	4.88	0	50,00,000	4.88	0	0.00
12	M/s Hawai Capital Pvt. Ltd.	5,00,000	4.88	0	50,00,000	4.88	0	0.00
13	M/s Hillman Properties Pvt. Ltd.	5,00,000	4.88	0	50,00,000	4.88	0	0.00
14	M/s Intime Finance and Investment Pvt. Ltd.	5,00,000	4.88	0	50,00,000	4.88	0	0.00
15	M/s JLB Finvest Pvt. Ltd.	38,774	0.37	0	3,87,740	0.37	0	0.00
16	M/s Trimurti Finvest Pvt. Ltd.	38,774	0.37	0	3,87,740	0.37	0	0.00
17	M/s V.S. Estate Pvt. Ltd.	5,00,000	4.88	0	50,00,000	4.88	0	0.00
18	M/s Wonderrock Finance and Investment Pvt. Ltd.	5,00,000	4.88	0	50,00,000	4.88	0	0.00
	<b>Total</b>	<b>76,06,000</b>	<b>74.24</b>	<b>0</b>	<b>7,60,60,000</b>	<b>74.24</b>	<b>0</b>	<b>0.00</b>

## C) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No	Name of shareholder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	76,06,000	74.24	76,06,000	74.24
	Allotment made	NIL	NIL	NIL	NIL
	At the end of the year	7,60,60,000	74.24	7,60,60,000	74.24

#### D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	7,70,012	7.52	7,70,012	7.52
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No change			
	At the end of the year (or on the date of separation, if separated during the year)	66,26,955	6.46	66,26,955	6.46

#### E) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name of shareholder	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	2,00,000	1.95	2,00,000	1.95
	Allotment made	No Change			
	At the end of the year	2,00,000	1.95	2,00,000	1.95

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the year</b>	<b>1,79,92,180</b>	<b>-</b>	<b>-</b>	<b>1,79,92,180</b>
i. Principal amount	0	0	0	0
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Indebtedness during the Financial Year</b>				
Addition	1,78,46,057	6,23,00,000	0	8,01,46,057
Reduction	1,66,61,004	3,25,00,000	-	4,91,61,004
<b>Net Change</b>		<b>0</b>	<b>0</b>	<b>3,09,85,053</b>
<b>Indebtedness at the end of the Financial Year</b>				
i. Principal amount	1,91,77,233	2,98,00,000	0	4,89,77,233
ii. Interest due but not paid	0	0	0	0
iii. Interest accrued but not due	0	10,75,739	0	10,75,739
<b>Total (i+ii+iii)</b>	<b>1,91,77,233</b>	<b>3,08,75,739</b>	<b>0</b>	<b>5,00,52,972</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

S. No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Mr. Nikhil Gupta	Mr. Shikhar Aggarwal	Mr. Karan Aggarwal	
1.	Gross Salary				
	(a) Salary as per the Provisions contained in section 17(1) of the Income Tax Act, 1961	12,00,000	9,00,000	30,00,000	51,00,000
	(b) Value Of Perquisites u/s 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in Lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission	0	0	0	0
	- As % of profit	0	0	0	0
	- Others, specify...	0	0	0	0
5.	Others,	0	0	0	0
	Total (A)	12,00,000	9,00,000	30,00,000	51,00,000
	<b>Ceiling as per the Act</b>		<b>84,00,000</b>		

### B. Remuneration to the Directors:

S. No	Particulars of Remuneration	Name of the Directors	Total Amount
1	<b>Independent Directors</b>	<b>Mr. Ram Prakash Bajpai</b>	
	Fee for attending Board Committee meetings	1,40,000	1,40,000
	Commission	0	0
	Others, please specify	-	-
	<b>Independent Directors</b>	<b>Mr. Surinder Singh Kohli</b>	
	Fee for attending Board Committee meetings	1,40,000	1,40,000
	Commission	0	0
	Others, please specify	0	0
	<b>Independent Directors</b>	<b>Mr. Sarthak Behuria</b>	
	Fee for attending Board Committee meetings	1,55,000	1,55,000
	Commission	0	0
	Others, please specify	0	0
	<b>Independent Directors</b>	<b>Ms. Shivani Mishra</b>	
	Fee for attending Board Committee meetings	1,60,000	1,60,000
	Commission	0	0
	Others, please specify	0	0
<b>Total (1)</b>	<b>5,95,000</b>	<b>5,95,000</b>	
2	<b>Other Non-Executive Directors</b>	NA	NA
	Fee for attending Board Committee meetings	0	0
	Commission	0	0
	Others, please specify	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>5,95,000</b>	<b>5,95,000</b>
	<b>Total Managerial Remuneration</b>	<b>5,95,000</b>	<b>5,95,000</b>

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

S. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	<b>Gross Salary</b>				
	(a) Salary as per the Provisions contained in section 17(1) of the Income Tax Act, 1961	0	9,44,400	48,18,455	57,62,855
	(b) Value of Perquisites u/s 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in Lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission	0	0	0	0
	- As % of profit	0	0	0	0
	- Others, specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>9,44,400</b>	<b>48,18,455</b>	<b>57,62,855</b>

MONTHLY REMUNERATION FOR KMP:

CS: RS 84,000 per month

CFO: RS. 4.16 Lakhs per month

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**For and on behalf of the Board**  
**BLS International Services Limited**

**Nikhil Gupta**  
Managing Director  
DIN:00195694

**Shikhar Aggarwal**  
Joint Managing Director  
DIN: 06975729



**Annexure – IV**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Board of Directors  
**BLS International Services Limited**  
Regd Offc: G-4B-1 Extension, Mohan Co-Operative Indl. Estate,  
Mathura Road, New Delhi

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BLS International Services Limited ('the Company'). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the BLS International Services Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by BLS International Services Limited ("the Company") for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Company has made the general compliances under the said Act.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; Company has made the general compliances under the said Act.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Company has not issued any security in the period under review.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable during the period under review
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Company has not issued

any debt security. Hence, Not applicable during the period under review

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents during the period under review.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the period under review and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable during the period under review

I have relied on the representation made by the Company and its officers for systems and mechanism formed by the company for compliance under other applicable acts, Laws and Regulations of the Company and records in pursuit there to, on test check basis, we report that the company has complied with the following laws applicable to the company.

- Payment of wages Act, 1936
- The Minimum Wages Act, 1948
- Employees State Insurance Act,
- The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- The Payment Of Bonus Act, 1965
- The Payment of Gratuity Act, 1972

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

I further report that I rely on statutory auditor's

reports in relation to the financial statements and accuracy of financial figures for, Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Accounting Standard 18 and note on foreign currency transactions during our audit period.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has split its shares from 10,245,000 equity shares of Rs. 10 each to 10,24,50,000 equity shares of Rs. 1 each on 28th April, 2017.

**For Hemnani Ipsa & Associates**  
*Practicing Company Secretary*

Date: 23rd July, 2018      **Ipsa Hemnani (Prop.)**  
Place: Delhi      Certificate of Practice No. 13185

*\*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.*

## 'ANNEXURE A'

To,  
The Board of Directors  
**BLS International Services Limited**  
Regd Offc: G-4B-1 Extension, Mohan Co-Operative Indl. Estate,  
Mathura Road, New Delhi

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Hemnani Ipsa & Associates**  
*Practicing Company Secretary*

Date: 23rd July, 2018  
Place: Delhi

**Ipsa Hemnani (Prop.)**  
Certificate of Practice No. 13185

## Annexure – IV

### FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

#### **Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

#### **1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable**

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

#### **2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Mr. Diwakar Aggarwal, Father of Shikhar Aggarwal	Rent agreement	11 months starting from October 2017	Rent of Rs. 14,000/- per month	9th November 2017	NA
Mr. Vinod Aggarwal	Rent agreement	11 months starting from October 2017	Rent of Rs. 8,000/- per month	9th November 2017	NA
Mr. Madhukar Aggarwal, brother of Mr. Diwakar Aggarwal and Mr. Vinod Aggarwal.	Rent agreement	11 months starting from October 2017	Rent of Rs. 8,000/- per month	9th November 2017	NA
Mr. Sushil Aggarwal, father of Mr. Karan Aggarwal	Rent agreement	11 months starting from October 2017	Rent of Rs. 10,000/- per month	9th November 2017	NA
Ms. Riya Aggarwal, sister of Shikhar Aggarwal	Salary	Salary for the month of March 2018	Rs. 4,00,000		NA
Mr. Gaurav Aggarwal	Salary	Salary from the month of 1st April 2017 till 31st March 2018	Rs. 33,00,000		NA
Mr. Shikhar Aggarwal, Joint Managing Director	Salary		Rs. 9,00,000		NA
Mr. Karan Aggarwal, Executive Director	Salary		Rs. 30,00,000		
Mr. Nikhil Gupta, Managing Director	Salary		Rs. 12,00,000		

**Related parties transaction with Joint Venture**

(Value in Rs.)

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>
<b>Subsidiary Company</b>	
<b>1. BLS International FZE</b>	
Sale of services	94,688,951
Amount received during the year	-
Dividend received	50,047,749
Amount Payable at year end	1,44,755,548
<b>2. BLS E- Services Private Limited</b>	
Consultancy Services	17,500,000
Interest income on loan	15,26,137
Reimbursement of Expenses	-
Amount of loan given	161,000,000
Amount of loan received back	90,000,000
Amount receivable at the end	79,966,534
<b>3. BLS E-Solution Pvt Ltd</b>	
Consultancy Services	21,500,000
Interest income on loan	5,42,137
Reimbursement of Expenses	-
Amount of loan given	94,528,000
Amount of loan received back	70,000,000
Amount receivable at the end	52,782,579
<b>4. BLS IT-Services Pvt Ltd</b>	
Consultancy Services	21,500,000
Interest income on loan	4,94,794
Reimbursement of Expenses	-
Amount of loan given	65,500,000
Amount of loan received back	40,000,000
Amount receivable at the end	53,814,022
<b>Sale of services -Associate Company</b>	
BLS International Visa Services-Austria	1,786,151
BLS International Visa Services-Baltic	135,440
BLS International Visa Services Poland SP.Z.O.O.	1,070,895
<b>Sale of services -Enterprise in which Director(s)/Relative(s) have substantial interest or significant influence</b>	
BLS International Visa Services Philippine Inc.	7,062,157
Sale of services -Subsidiaries to Subsidiary	
BLS International - Singapore	3,554,685
Balance recoverable at year end from Associate	
BLS International Visa Services-Austria	57,072
BLS International Visa Services-Baltic	2,747,815
BLS International Visa Services Poland SP.Z.O.O.	18,78,915

Particulars	For the year ended March 31, 2018
<b>Balance recoverable at year end from Enterprises in which Director(s)/ Relative(s) have substantial interest or significant influence</b>	
BLS International Visa Services Philippine Inc.	2,309,653
Basant India Limited	29,800,000
<b>Balance recoverable at year end from Subsidiaries to Subsidiary</b>	
BLS International - Singapore	337,324
<b>Key Management Persons and their relatives</b>	
<b>- Salary during the year</b>	
Mr. Nikhil Gupta	12,00,000
Mr. Shikhar Aggarwal	9,00,000
Mr. Karan Aggarwal	30,00,000
Ms. Riya Aggarwal	4,00,000
Mr. Mukul Harmilapi	1,310,387
Mr. Ajay Milhotra	3,508,068
Mr. Bala Ji	944,400
<b>- Rent during the year</b>	
Mr. Diwakar Aggarwal	168,000
Mr. Sushil Aggarwal	1,20,000
Mr. Vinod Aggarwal	96,000
Mr. Madhukar Aggarwal	96,000
<b>- Balance receivable/(payable) at year end</b>	
Rent payable at the year end	
Mr. Diwakar Aggarwal	252,000
Mr. Sushil Aggarwal	180,000
Mr. Vinod Aggarwal	144,000
Mr. Madhukar Aggarwal	144,000
<b>- Security deposit balance outstanding</b>	
Mr. Diwakar Aggarwal	16,630,000
Mr. Sushil Aggarwal	10,000,000
Mr. Vinod Aggarwal	15,000,000
Mr. Madhukar Aggarwal	36,000,000

**For and on behalf of the Board  
BLS International Services Limited**

**Nikhil Gupta**  
Managing Director  
DIN:00195694

**Shikhar Aggarwal**  
Joint Managing Director  
DIN: 06975729

# Report on Corporate Governance

[SCHEDULE V, PART-C OF SEBI (LODR) REGULATION, 2015]

## **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE AND CODE OF CONDUCT**

### **(a) Company's Philosophy on Code of Governance**

Corporate Governance is a reflection of value system encompassing the culture, policies, and relationships of Organization with its' stakeholders. Transparency, Integrity and Accountability are key to balanced Corporate Governance Practices to ensure what an Organization should do to gain and retain the trust of its' stakeholders at all times.

The Companies' policy on Corporate Governance rests on the pillars of transparency, accountability, integrity, equity and environment responsibility in all facets of its operations. Good Corporate Governance therefore, embodies both enterprises (performance) and accountability (conformance). Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of BLS International Services Limited ('the Company'). We believe that an active, well-informed and independent board is necessary to ensure the highest standards of corporate governance.

At BLS International, the Board of Directors ('the Board') is at the core of our corporate governance practice. The Board oversees the Management's functions and protects the long-term interests of our stakeholders. Independent directors are appointed not merely to fulfill the listing requirement but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction, guidance and provide constructive support to the management by asking the right questions generating quality debates, discussions on major decisions and recommending effective alternative strategy(s). The Company's corporate governance practices and disclosures are in compliance of the requirements placed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("LODR").

### **(b) Code of Conduct**

In terms of the requirement of Regulation 17(5)(a) of LODR (earlier Clause 49(II)(E) of the Listing Agreement) & Section 149(8) read with Schedule IV of the Companies Act, 2013, the Board of Directors of the Company, in line with the Corporate Philosophy, laid down the Code of Conduct ("Code") for all Board Members and Senior Management of the Company. The Code is displayed at the Company's website [http://blsinternational.com/\(Under Investors Section\)](http://blsinternational.com/(Under Investors Section)). As required, a declaration duly signed by the Joint Managing Director regarding affirmation of compliance with the Code of Conduct is attached as "Annexure-A".

## 2. BOARD OF DIRECTORS

### (a) Composition

The details of composition and category of the Board of Directors of the Company as on March 31, 2018 is given below:

Name and Designation	Category (i.e. Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee Director)	Number of Board Meetings of the Company		*Number of other Boards in which he / she is a Director or Chairperson	**Number of other Board Committee(s) in which he / she is a Member or Chairperson	Attendance at the last AGM (held on 21st September, 2017)
		#Held during the year	Attended during the year			
Mr. Nikhil Gupta, Managing Director	Executive Director	6	5	-	-	Yes
Mr. Shikhar Aggarwal, Joint Managing Director	Promoter, Executive Director	6	5	2	-	Yes
Mr. Karan Aggarwal, Executive Director	Executive Director	3	3	4	-	Yes
Mr. Surinder Singh Kohli, Director	Independent, Non-Executive Director	6	6	9	5	No
Mr. Sarthak Behuria, Director	Independent, Non-Executive Director	6	5	9	2	No
Mr. Ram Prakash Bajpai, Director	Independent, Non-Executive Director	6	4	-	-	Yes
Ms. Shivani Mishra, Director	Independent, Non-Executive Director	6	6	3	-	Yes

\* Excluding interest in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

\*\* Includes Chairmanship / membership of the Audit Committee and the Stakeholders' Relationship Committee only.

### (b) Board Meetings

During the financial year 2017-18, the Board met 6 (Six) times, details of which are as under:

S. No	Date of Board Meeting	Total no. of Directors	No. of Directors Present
1	17-04-2017	6	4
2	22-05-2017	6	5
3	13-06-2017	6	5
4	09-08-2017	7	7
5	09-11-2017	7	6
6	13-02-2018	7	7

### (c) Separate Meeting of Independent Directors

In accordance with the provisions of Companies Act 2013, a separate meeting of the Independent Directors of the Company was held on 28<sup>th</sup> December 2017 to discuss the agenda item as prescribed. The Meeting was attended by Mr. Sarthak Behuria, Mr. Surinder Singh Kohli, Ms. Shivani Mishra and Mr. Ram Prakash Bajpai. The Meeting was chaired by Mr. Ram Prakash Bajpai.



**(d) Terms and Conditions of appointment of Independent Directors**

Terms and conditions of appointment of Independent Director(s) is available at the Company's website at [http://blsinternational.com/\(under Investors section\)](http://blsinternational.com/(under Investors section)).

**(e) Performance evaluation of the Board, Committees and Directors**

The Board in consultation with Nomination and Remuneration Committee has been annually evaluating the performance of the Board of Directors including Committees thereof as a whole and in terms of Individual Directors including Independent Directors. As an evaluation methodology, the Board may use any method(s) as it may deem appropriate in order to assess the Board's/Committees' effectiveness and Directors' performance. Some of the primary indicators/criteria based on which the Independent Directors are evaluated are substantial business/professional experience, characteristics, stature, personal qualities, ability and willingness to devote time etc.

Pursuant to the provisions of the Companies Act 2013 and the provisions of LODR, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of its Committees. The following process was adopted for Board Evaluation:

The Nomination and Remuneration Committee (NRC) has drafted and approved the annual evaluation framework for evaluation of the Board, its Committees and the Individual Directors.

Feedback was sought from each Director through the above annual evaluation framework about their views on the performance of the Board covering various criteria such as the adequacy and diversity of Board structure and composition, contribution of the Board to the Company, understanding of roles and responsibilities, appropriateness of board meetings, effective contribution to the development of strategy(s) etc.

for the Company, effective communication with all of the organisation's stakeholders, attendance of the board members, understanding on the operation(s) / functioning of the Company etc.

Feedback was also sought from all the directors on the performance assessment of the Committees of the Board. Areas on which the Committees of the Board were assessed included full & common understanding of roles & responsibilities, adequacy and diversity of the composition and structure, effective contribution to the development of strategy(s), effective communication with the Board, Management, Employees and others, performance of functions and responsibilities.

Feedback was also taken from every director on his assessment of the performance of each of the other Directors (including independent directors) (excluding the director being evaluated) covering various criteria such as the assignments handled, participation in management decision making, Board Meetings and performance of the Company as a whole.

The feedback received from all the directors were consolidated and the collective feedback of the performance of the Board as a whole, its committees and individual directors was presented to the Board. Based on the inputs received, the Chairman of the Board has taken note of the performance evaluation process and the need and action plan for improvements was discussed upon. Feedback was also provided to the Directors, as appropriate.

**(f) Independence and Familiarization Programme for the Independent Directors**

The Company conducts Familiarization Programme for the Independent Directors at regular intervals to provide them an opportunity to familiarize with the Company, its Management and its operations.

As per Section 149(7) of the Companies Act, 2013, the Company has received declaration of independence from all the Independent Directors as on March 31, 2018.

### (g) Shareholding of Directors

None of the Directors has any shareholding in the Company except below mentioned:

Name	Designation	No of equity shares	%
Mr. Shikhar Aggarwal	Joint Managing Director	20,00,000	1.95

### (h) Relationships between directors inter-se

The Directors inter-se are not related to each other.

### 3. COMMITTEES:

The Company has four Board level committees:

- Audit Committee,
- Nomination and Remuneration Committee,
- Stakeholders' Relationship Committee,
- Corporate Social Responsibility Committee.

#### (a) Audit Committee

The Company has a duly constituted Audit Committee. The constituted Audit Committee has the terms and roles as specified in Regulation 18 of LODR and Section 177 of the Companies Act, 2013. The role of the Audit Committee inter alia includes the following:

- Oversight of the Company's financial reporting process and disclosure of financial information's.
- Recommendation to the Board of appointment, re-appointment, remuneration etc. of the Auditors.
- Review of the Financial Statements with the Management before their submission to the Board for approval etc.
- Discussion with Statutory Auditors of the Company about their findings, observations, suggestions, scope of audit etc.
- Review of Financial Statement and Auditor's Report.
- Review of internal control systems and accounting policies followed by the Company.

In accordance with the Securities and Exchange

Board of India (Prohibition of Insider Trading) Regulations, 2015 (the Regulations), the Board of Directors of the Company has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulation, Monitoring and Prevention of Insider Trading (the Code) to be followed by Directors, Employees and other connected persons. The Code contains regulations for preservation of price sensitive information, pre-clearance of trade and monitoring and implementation of the Code. Under the Code the Audit Committee is empowered to note and take on record the quarterly status reports detailing the dealings by Designated Persons in securities of the Company, as submitted by the Compliance officer on a quarterly basis;

In addition to the above, Audit Committee carries out all such other functions as provided under applicable laws and specified by the Board of Directors from time to time.

The current Audit Committee of your Company consists of three Directors namely

S. No	Name of Members of Audit Committee	Category
1	Mr. Sarthak Behuria	Independent Director
2	Mr. Ram Prakash Bajpai	Independent Director
3	Mr. Nikhil Gupta	Executive Director

Members of the Audit Committee possess financial / accounting expertise / exposure.

Mr. Ram Prakash Bajpai, an Independent Non-Executive Director is the Chairman of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

During the financial year 2017-18, 5(Five) Audit Committee meetings were held on:

S. No	Date of Audit Committee Meeting(s)
1	22-05-2017
2	13-06-2017
3	09-08-2017
4	09-11-2017
5	13-02-2018

Attendance at Audit Committee Meetings was as under:

**AUDIT COMMITTEE**

S. No	Name of the Member(s)	Designation	No. of Meetings Held	No. of Meetings attended
1	Mr. Ram Prakash Bajpai	Chairman	5	4
2	Mr. Sarthak Behuria	Member	5	4
3	Mr. Nikhil Gupta	Member	5	5

**(b) Nomination and Remuneration Committee (NRC)**

The Company has a duly constituted Nomination and Remuneration Committee's ("NRC"). The NRC's constitution and terms of reference are in compliance with provisions of the Section 178 of Companies Act, 2013, rules made thereunder and Regulation 19 of LODR.

The current NRC of your Company consists of three directors, namely:

S. No	Name of Members of Nomination and Remuneration Committee	Category
1	Mr. Sarthak Behuria	Independent Director
2	Mr. Ram Prakash Bajpai	Independent Director
3	Ms. Shivani Mishra	Independent Director

Mr. Ram Prakash Bajpai, an Independent Non-Executive Director is the Chairperson of the Committee. The Company Secretary of the Company acts as the Secretary of the Committee.

During the financial year 2017-18, 3 (Three) NRC meetings were held on:

S. No	Date of Nomination and Remuneration Committee Meeting(s)
1	13-06-2017
2	09-08-2017
3	13-02-2018

Attendance at Nomination & Remuneration Committee Meetings were as under:

Nomination & Remuneration Committee

S. No	Name of the Member(s)	Designation	No. of Meetings Held	No. of Meetings attended
1	Mr. Ram Prakash Bajpai	Chairman	3	3
2	Mr. Sarthak Behuria	Member	3	3
3	Ms. Shivani Mishra	Member	3	3

**Stakeholders Relationship Committee:**

The Company has a duly constituted Stakeholders Relationship Committee ("SRC"). The SRC's constitution and terms of reference are in compliance with provisions of the Section 178 of Companies Act, 2013, rules made thereunder and Regulation 20 of LODR.

The current SRC of your Company consists of three directors, namely,

S. No	Name of Members of Stakeholders Relationship Committee	Category
1	Mr. Ram Prakash Bajpai	Independent Director
2	Ms. Shivani Mishra	Independent Director
3	Mr. Shikhar Aggarwal	Joint Managing Director

Mr. Ram Prakash Bajpai, an Independent Non-Executive Director is the Chairperson of the Committee. The Company Secretary of the Company acts as the Secretary of the Committee.

During the financial year 2017-18, one meeting of SRC has been held on:

S. No	Date of Stakeholders Relationship Committee Meeting(s)
1	13-02-2018

**M/s BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD.**, New Delhi, is the Registrar & Share Transfer Agent of the Company. The Company has delegated the authority for share transfers to the employee(s) of the Company to ensure that the share transfers are complied regularly. Mr. BalaJi, Company Secretary is the Compliance Officer of the Company.

There are no pending complaints as of March 31, 2018.

**(c) Corporate Social Responsibility Committee.**

The Company in its Board Meeting held on 22.05.2018 has informed that the company falls in the criteria of having CSR Committee and therefore with the Approval of the Board in their meeting held on 22.05.2018 the company has constituted Corporate Social Responsibility Committee (“CSRC”). The CSRC’s constitution and terms of reference are in compliance with provisions of the Section 135 of Companies Act, 2013, rules made thereunder.

The current CSRC of your Company consists of three directors, namely:

S. No	Name of Members of Corporate Social Responsibility Committee	Category
1	Mr. Ram Prakash Bajpai	Independent Director
2	Mr. Sarthak Behuria	Independent Director
3	Mr. Nikhil Gupta	Managing Director

Mr. Sarthak Behuria, an Independent Non-Executive Director is the Chairperson of the Committee.

The Company Secretary of the Company acts as the Secretary of the Committee.

Since CSRC was constituted on 22nd May, 2018, therefore the committee is considering to function under the guidance of the Board during the Financial year 2018-19.

Functions and Powers of Committee: To effectively implement the objectives of the Company with respect to CSR, the Committee is vested with the following functions and powers:

- a. Formulate CSR Policy and recommend the same to the Board of Directors of the Company for approval,
- b. Recommend CSR activities as stated under Schedule VII of the Act,
- c. Approve to undertake CSR activities, if

necessary, in collaboration with BLS group companies/other Companies/firms/NGOs etc., and to separately report the same in line with the CSR Rules,

- d. Recommend the CSR Budget,
- e. Spend the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules,
- f. Create transparent monitoring mechanism for implementation of CSR initiatives in India,
- g. Submit the Reports to the Board in respect of the CSR activities undertaken by the Company,
- h. Monitor CSR Policy from time to time,
- i. Monitor activities/charter of Internal Working and Monitoring Group (WG) who are authorized to ensure that the CSR activities of the Company are implemented effectively,
- j. Authorize executives of the Company to attend the CSR Committee Meetings, if necessary.

**3. REMUNERATION OF DIRECTORS**

The details of remuneration paid to the Whole time directors are as under:

(Amount in Rs.)

S. No	Details	Mr. Nikhil Gupta <sup>1</sup> Managing Director	
		01st April, 2017	31st March, 2018
	<b>Service Contract Valid Up To</b>	August 12, 2019*	
1.	Monthly Salary	1,00,000	1,00,000
2.	Monthly Special Allowance	Nil	Nil
3.	Performance Bonus	Nil	Nil

<sup>1</sup>Mr. Nikhil Gupta has also drawn a monthly remuneration of Rs. 6,00,000/- and an annual remuneration of Rs. 72,00,000/- from BLS International FZE, making it an annual remuneration of Rs. 84,00,000 for the year 2017-18.

(Amount in Rs.)

S. No	Details	Mr. Shikhar Aggarwal <sup>2</sup> Joint Managing Director	
		01st April, 2017	31st March, 2018
	Service Contract Valid Up To	June 16, 2021*	
	Period	01st April, 2017	31st March, 2018
1.	Monthly Salary	75,000	75,000
2.	Monthly Special Allowance	Nil	Nil
3.	Performance Bonus	Nil	Nil

<sup>2</sup> Mr. Shikhar Aggarwal has drawn annual remuneration of Rs.24,75,000/- for the year 2017-18 out of which Rs. 15,75,000 from BLS International FZE. Further w.e.f. January 2018 his salary is Rs. 6,00,000 per month.

(Amount in Rs.)

S. No	Details	Mr. Karan Aggarwal <sup>2</sup> Executive Director	
		1st April, 2017	31st March, 2018
	Service Contract Valid Up To	June 13, 2020*	
	Period	1st April, 2017	31st March, 2018
1.	Monthly Salary	Nil	2,50,000
2.	Monthly Special Allowance	Nil	Nil
3.	Performance Bonus	Nil	Nil

\* Mr. Karan Aggarwal has drawn annual remuneration of Rs.30,00,000/- for the year 2017-18.

\* Terminable by giving 1 month notice from either side.

**Note: 1.** No severance fee is payable to any Director.

**Benefits:** The benefits extended to each of the Whole Time Directors, inter-alia, include the following:

The remuneration paid during the year 2017-18, is within the limits specified in Section 197 of the Companies Act, 2013 (as amended) and has due approval from the Board of Directors of the Company.

There is no Stock Option Scheme of the Company for any Director (Executive/ Non- Executive).

Reference to remuneration paid to the Directors and key managerial personnel under Directors Report attached in this Annual Report of the Company.

There has been no pecuniary relationship or business transaction by the Company with any Independent Non-Executive Director. The Company has paid Sitting Fee(s) to Independent Director(s) for attending the Board/Committee meetings as well as the traveling/conveyance expenses and reimbursement of expenses, if any, incurred for participating/ attending the Company's meetings.

**Criteria for making payment to non-executive directors:**

During the year under review, the Non-executive directors (including independent directors) were paid Sitting Fee(s).

Non-executive directors of the Company do not hold any shares in the Company.

## 5. DETAILS OF ANNUAL GENERAL MEETINGS:

(a) Location and time where the last three Annual General Meetings ("AGM") were held is as under: -

Year ended	Date and Time	Venue	Special Resolution passed
March 31, 2015	30.09.2015 at 11:30 a.m.	G- 4B- 1, Extension, Mohan Co-Operative Industrial Estate, Mathura Road, New Delhi- 110044.	None
March 31, 2016	23.09.2016 at 02:00 p.m.	Indian Social Institute, 10, Lodhi Road Institutional Area, New Delhi - 110003	1. Approval under section 196, 197 of the Companies Act, 2013 for appointment of Managing Director of the Company.

Year ended	Date and Time	Venue	Special Resolution passed
			<ol style="list-style-type: none"> <li>2. Approval under section 196, 197 of the Companies Act, 2013 for appointment of Joint Managing Director of the Company.</li> <li>3. Approval under section 180 (1) (c) of the Companies Act, 2013 for an amount not exceeding Rupees 500 Crores.</li> <li>4. Approval under section 180 (1) (a) of the Companies Act, 2013 for an amount not exceeding Rupees 500 Crores.</li> <li>5. Approval under section 14 of the Companies Act, 2013 for alteration of Articles of Association of the Company.</li> <li>6. Approval under Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 for approving Related Party Transaction.</li> <li>7. Approval under section 186 of the Companies Act, 2013 for an amount not exceeding Rupees 750 Crores.</li> </ol>
March 31, 2017	21.09.2017 at 03:00 p.m.	Indian Social Institute, 10, Lodhi Road Institutional Area, New Delhi - 110003	<ol style="list-style-type: none"> <li>1. Approval under section 196, 197 of the Companies Act, 2013 for appointment of Whole Time Director of the Company.</li> <li>2. Approval under Section 14 of the Companies Act, 2013 for alteration of Articles of Association by altering a clause.</li> <li>3. Approval under section 188 of the Companies Act, 2013 for an amount not exceeding Rupees 172.75 Crores.</li> </ol>

(b) None of the resolution(s) were put through Postal Ballot during the financial year 2017- 2018.

## 6 MEANS OF COMMUNICATION

The Company provides unaudited as well as audited financial results to the stock exchanges immediately after being approved by the Board. The quarterly, half yearly and annual results of the Company are published in one English daily (Financial Express) and one Hindi newspaper (Jansatta).

The Company's shareholding pattern, financial results, Code of Conduct, AGM Notice, Annual Reports, Corporate Governance Reports, Details of familiarization Programmes for Independent Directors, Vigil Mechanism (including Whistle Blower Mechanism / Policy), Terms and Conditions for appointment of an Independent Director, Policy on Dealing with related Party Transactions, Investor Contact details etc. and other information as required under applicable provisions of the Companies Act, 2013 read with rules made thereunder and LODR including Regulation 46(2)(n) are being displayed at Company's website under the head 'Investors Section'.

No presentations were made by the Company to the analysts or to the institutional investors.

## 7. DISCLOSURES

### (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

In compliance of applicable laws, your company has formulated a policy on materiality and dealing with related party transactions and details of the policy is available on the website [http://blsinternational.com/\(under Investors Section\)](http://blsinternational.com/(under Investors Section))

The disclosure of transactions with the related parties per Accounting Standard 18 is appearing in Note no. 40 of the notes to standalone financial statements with the Company for the year ended March 31, 2018.

### (b) Details of non-compliance, penalties, strictures by stock exchanges or Securities & Exchange Board of India ("SEBI") or any

### statutory authority, on any matter related to the capital markets during last three years:

None

### (c) Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee.

The Business Conduct Manual of BLS is applicable for global operations including your Company, a copy of which is accessible to associates of the Company, inter-alia provides that associates can anonymously report violations by calling on the number mentioned therein. In compliance of applicable provisions of the Companies Act, 2013, rules made thereunder and Regulation the provisions of LODR, the Board of Directors of your Company had approved the Vigil Mechanism (including Whistle Blower Mechanism /Policy). The details of which are appearing on the website <http://blsinternational.com> (in investors section). It is also affirmed that no personnel have been denied access to the Audit Committee.

### (d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements as specified in Part E of Schedule II:

The Company had duly complied with all the mandatory requirements under Chapter IV of the SEBI LODR. The Company had not adopted the non-mandatory (discretionary) requirements as mentioned in Part E of Schedule-II of the SEBI LODR except that the Company has separate post for the Managing Director and that the Internal Auditor reports directly to the Audit Committee.

### (e) Web link where policy for determining 'material' subsidiaries and policy for dealing related party transactions.

Policy for dealing related party transactions can be accessed at: [http://blsinternational.com/\(in investors section\)](http://blsinternational.com/(in investors section)).

**(f) Disclosure of commodity price risks and commodity hedging activities**

During the year under review, the Company had no price risks and commodity hedging activities.

**(g) Disclosure of compliance with Corporate Governance Requirements**

The Company has duly complied with the corporate governance requirements specified in Regulation

17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of LODR.

**(h) Disclosure of accounting treatment**

Accounting has been done in accordance with applicable accounting standards. There has been no change in accounting policies of the company during the year from the last financial year.

**8. GENERAL SHAREHOLDERS INFORMATION**

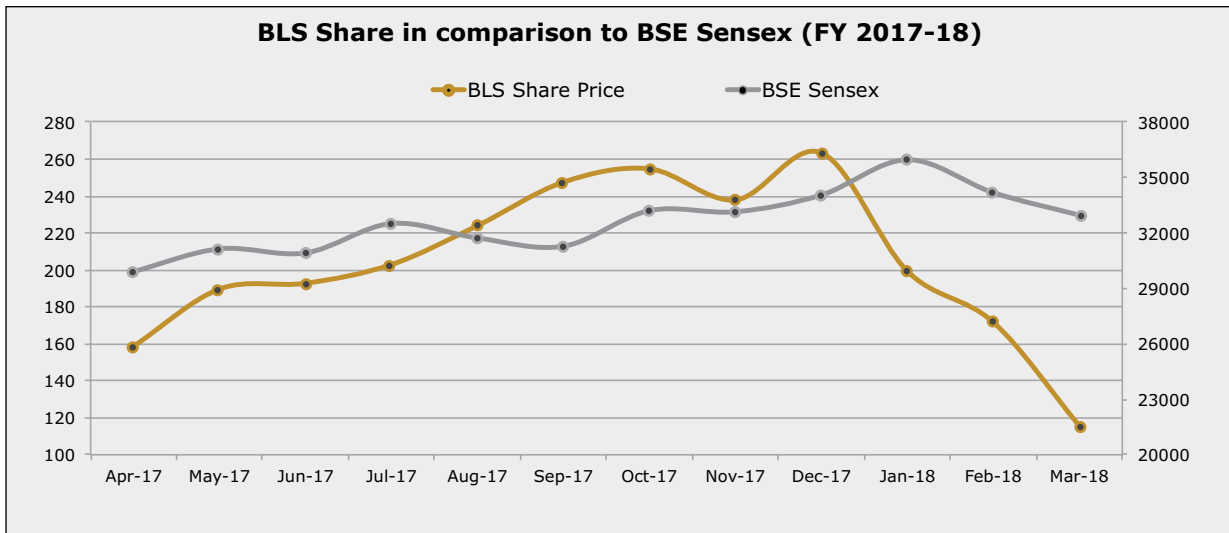
**(a)**

(i)	AGM: Date, Time and Venue	19 <sup>th</sup> September, 2018, 15:00 HRS, SRI SATHYA SAI AUDITORIUM, LODHI RD, NEAR, PRAGATI VIHAR, NEW DELHI, DELHI 110003
(ii)	Financial Year	April 01 to March 31 (The last financial year was of 12 months commencing from April 1, 2017 to March 31, 2018)
(iii)	Date of Book Closure	13 <sup>th</sup> September, 2018 to 19 <sup>th</sup> September, 2018 (both days inclusive)
(iv)	Listing on Stock Exchanges	<p><b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Mumbai - 400 051</p> <p><b>BSE Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001</p> <p><b>Metropolitan Stock Exchange of India Limited (MSEI)</b> Vibgyor Towers, 4th floor, Plot No C 62, G - Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai - 400 098, India.</p> <p>It is hereby confirmed that Listing fees of NSE, BSE &amp; MSEI up to 2018-2019 has been duly paid.</p>
(v)	Stock Code	BLS (for NSE & MSEI), 540073 (for BSE)

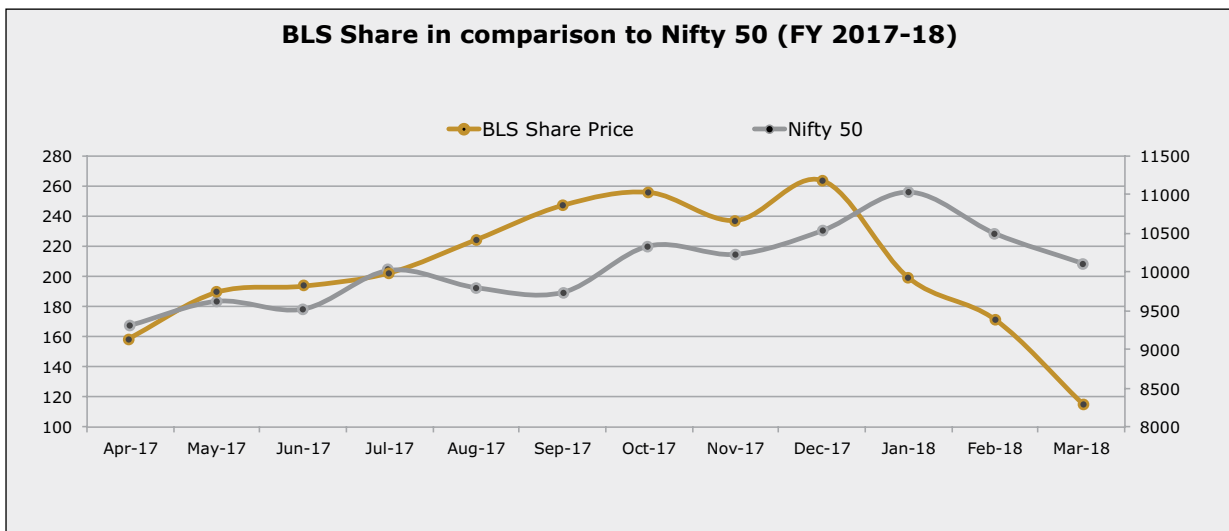


**(b) Market Price Data: High, Low on BSE Limited (BSE) during each month in the last Financial Year 2017-18.**

**BSE: Data for BSE from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018**



**NSE: Data for NSE from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018**



**(c) Registrar & Share Transfer Agent:**

M/s Beetal Financial & Computer Services Pvt. Ltd.,  
 Beetal House, 3rd Floor, 99 Madangir,  
 Behind Local Shopping Centre,  
 Near Dada Harsukhdas Mandir,  
 New Delhi- 110062.  
 Phone- 91-11-2996 1281-83;  
 Fax- 91-11-2996 1284  
 Email- beetalrta@gmail.com

**(d) Share Transfer System**

M/s Beetal Financial & Computer Services Pvt. Ltd., Registrar & Share Transfer Agent ("RTA") of the Company looks after share transfer, transmission, transposition, dematerialization and re-materialization of shares, issue of duplicate share certificates, split and consolidation of shares etc. on regular basis in compliance of various provisions of the laws, as applicable.

**(e) Distribution of Shareholding as on March 31, 2018:**

No. of Shares held	Folios		Shares* held	
	Nos.	%	Nos.	%
up to 5000	22,939	98.62	61,97,380	6.05
5001 - 10000	142	0.61	10,62,165	1.04
10001 - 50000	102	0.44	21,47,937	2.10
50001 - 100000	18	0.08	12,10,288	1.18
100001 and above	59	0.25	9,18,32,230	89.64
<b>TOTAL</b>	<b>23,260</b>	<b>100.00</b>	<b>10,24,50,000</b>	<b>100.00</b>

• Shareholding Pattern as on March 31, 2018

Description of Investors	No. of shares held	% of shareholding
1. Promoters	7,60,60,000	74.24
2. Financial Institutions, Insurance Companies, Bank and Mutual Fund etc.	2,80,748	0.27
3. Foreign Portfolio Investors	46,54,590	4.54
4. Private Corporate Bodies	45,15,208	4.41
5. NRIs/ OCBs	3,29,151	0.32
6. Indian Public, Trust & HUF*	1,66,10,303	16.21
<b>TOTAL</b>	<b>10,24,50,000</b>	<b>100.00</b>

\* Includes clearing members

**(g) Dematerialization of shares and liquidity:**

As on March 31, 2018, total 10,24,50,000 Equity Shares of face value of Rupee 1 each are listed at BSE, NSE and MSEI. As on March 31, 2018, 13.42% and 85.49% of the Company's total Share Capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL) respectively.

**(h) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs / Warrants or any convertible instruments.

**(i) Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not have any price risk or foreign exchange and hedging activities.

**(j) Corporate Office/Address of Correspondence**

912, Indraprakash Building, 21, Barakhamba Road, New Delhi- 110001

**Investors' Correspondence may be Addressed to:**

M/s. Beetal Financial & Computer Services Pvt. Ltd., Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062  
Website: <http://www.beetalfinancial.com>  
E-mail ID: beetalrta@gmail.com

**(k) Investor Education Protection Fund ("IEPF")**

In compliance with the Ministry of Corporate Affairs ("MCA") notification dated May 10, 2012 related to IEPF where MCA had notified rules for the uploading of information regarding unpaid and unclaimed amounts lying with the companies.

Since the Company does not have any unclaimed amounts. This provision not applicable on the Company.

**(m) BLS International Services Limited - Unclaimed Suspense Account ("Unclaimed Suspense Account")**

The details of equity shares ("shares") held in an Unclaimed Suspense Account are as follows:

S. No	Particulars	Details
1	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the financial year 2017-18.	<ul style="list-style-type: none"> <li>Aggregate number of Shareholders - Nil</li> <li>Number of outstanding Shares - NIL shares.</li> </ul>
2	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the financial year 2017-18.	<b>Nil</b>
3.	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the financial year 2017-18.	<b>Nil</b>
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the financial year 2017-18.	<ul style="list-style-type: none"> <li>Aggregate number of shareholders - <b>NIL</b></li> <li>Number of outstanding shares- <b>NIL</b></li> </ul>

Note: Voting rights on the above mentioned equity shares would remain frozen till the owner of such equity shares claims the shares.

**8 OTHER INFORMATIONS**

**(a) Details of the Directors Seeking Appointment/ Re-appointment:**

Mr. Nikhil Gupta, Managing Director of the company who has longest served in the office is liable to retire by rotation and offer himself for re-appointment.

**(b) Management Discussion and Analysis Report**

A Management Discussion and Analysis Report which forms part of the Annual report is given by means of a separate annexure and is attached to the Directors' Report.

**(c) Certificate from Statutory Auditor regarding compliance of conditions of corporate governance**

A certificate from the Company Secretary in Practice is enclosed as "Annexure B" certifying the compliance of corporate governance requirements by the Company.

**(d) CEO/CFO Certificate**

In terms of the requirement of the Regulation 17(8) of the LODR, the certificates from CEO/CFO had been obtained.

**On behalf of the Board of Directors of BLS International Services Limited**

**Shikhar Aggarwal**  
*Jt. Managing Director*  
 (DIN: 06975729)

Place: New Delhi  
 Date: 08.08.2018

**'ANNEXURE A'**

## Corporate Governance Report of BLS International Services Limited

**Declaration regarding Affirmation of compliance with the Code of Conduct**

I hereby confirm that the Company has received affirmations on compliance with the Code of conduct for the financial year ended March 31, 2018 from all the Board Members and Senior Management Personnel pursuant to the requirements of Regulation 26(3) of LODR.

**For BLS International Services Limited**

Place: Delhi  
Date: 08.08.2018

**Shikhar Aggarwal**  
*Jt. Managing Director*  
(DIN: 06975729)

**'ANNEXURE B'**

## Certificate from Company Secretary in Practice on Corporate Governance

To,  
The Members,  
**BLS International Services Limited**

We have examined the compliance of conditions of Corporate Governance by BLS International Services Limited for the financial years ended March 31, 2018 as stipulated in the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Ipsa Hemnani & Associates**  
Practicing Company Secretary

**Ipsa Hemnani (Prop.)**  
Certificate of Practice No. 13185

Date: 23rd July, 2018  
Place: Delhi

# Independent Auditors' Report

To the Members  
BLS International Services Limited

## Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of BLS International Services Limited ("the Company") which comprise the balance sheet as at March 31, 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at March 31, 2018, its profit

including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
  2. As required by section 143 (3) of the Act, we report that:
    - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    - (c) the balance sheet, the statement of profit and loss, 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, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued there under;
    - (e) on the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of section 164(2) of the Act;
- (f) with respect to the adequacy of the internal financial controls with reference to standalone Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigations which would impact its standalone Ind AS financial position;
  - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. there were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**Harish Gupta**

Partner

Place: New Delhi

Date: May 22, 2018      Membership Number: 098336

## **"Annexure A" to the Independent Auditor's Report to the members of BLS International Services Ltd on its standalone Ind AS financial statements dated May 22, 2018**

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

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment [Fixed Assets].

(b) The property, plant and equipment [Fixed Assets] have been physically verified by the management according to the programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment [Fixed Assets]. The discrepancies noticed on such physical verification have been properly dealt with in the books of accounts.

(c) The company does not have any immovable property.
- ii. The company is a service company. Accordingly it does not hold any physical inventories. Thus paragraph 3(ii) of the order is not applicable to the company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from public.
- vi. The nature of the Company's service is such that maintenance of cost records under section 148(1) of the act is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and services tax, cess and any other material statutory dues with the appropriate authorities to the extent applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, goods and services tax, cess were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

According to the information and explanations given to us, custom duty, excise duty, value added tax and sales tax are not applicable to the company.
- (b) According to the records and information and explanations given to us, there are no dues in respect of income tax, service tax, goods and services tax which have not been deposited on account of any dispute.
- viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any banks and financial institutions as at balance sheet date. As per information and explanation given to us the company had not taken any loan or borrowings from the government. Further, the company had not issued any debentures.
- ix. According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purpose for which they were raised.
- x. According to the information and explanations given to us, no instance of fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given to us, the Company has not made the preferential allotment or private placement of shares during the year under review.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

**Harish Gupta**

Partner

Place: New Delhi

Date: May 22, 2018      Membership Number: 098336



## **"Annexure B" to the Independent Auditor's Report to the members of BLS International Services Limited dated May 22, 2018 on its standalone Ind AS financial statements**

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

We have audited the internal financial controls with reference to standalone Ind AS financial statements of BLS International services Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

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

adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal

financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Harish Gupta**  
Partner  
Place: New Delhi  
Date: May 22, 2018      Membership Number: 098336

## Standalone Balance Sheet as at March 31, 2018

Particulars	Note No.	Amount in (₹)		
		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>I ASSETS</b>				
<b>1 Non-Current Asset</b>				
a. Property, plant & equipment	3	3,60,43,028	4,56,55,069	4,14,33,698
b. Intangible assets	4	87,710	1,71,543	-
c. Investments in subsidiaries, associates & joint venture	5	7,85,703	7,85,703	4,85,703
d. Financial assets:				
(i) Investments	6	3,66,28,500	3,16,03,500	2,80,56,750
(ii) Loans	7	42,20,540	32,21,483	6,33,632
(iii) Other financial assets	8	2,04,25,487	-	-
e. Deferred tax assets (net)	9	87,18,958	23,91,453	15,19,110
f. Other non-current assets	10	5,31,238	8,79,751	6,01,297
<b>Total non-current assets</b>		<b>10,74,41,164</b>	<b>8,47,08,502</b>	<b>7,27,30,190</b>
<b>2 Current Asset</b>				
a. Financial assets:				
(i) Trade receivables	11	11,72,03,157	4,15,47,023	1,14,27,645
(ii) Cash and cash equivalents	12	3,62,33,418	1,00,68,932	1,81,73,148
(iii) Bank balances other than (ii) above	13	2,39,10,174	3,92,49,851	4,73,36,712
(iv) Loans	14	12,10,00,000	-	-
(v) Other financial assets	15	8,55,03,275	9,58,95,599	8,75,44,606
b. Other current assets	16	46,50,301	11,17,653	14,92,168
<b>Total current assets</b>		<b>38,85,00,325</b>	<b>18,78,79,058</b>	<b>16,59,74,279</b>
<b>TOTAL ASSETS</b>		<b>49,59,41,489</b>	<b>27,25,87,560</b>	<b>23,87,04,469</b>
<b>II EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
a. Equity share capital	17	10,24,50,000	10,24,50,000	10,24,50,000
b. Other equity	18	15,02,67,147	7,75,58,834	4,96,21,191
<b>Total equity</b>		<b>25,27,17,147</b>	<b>18,00,08,834</b>	<b>15,20,71,191</b>
<b>Liabilities</b>				
<b>1 Non - Current Liabilities</b>				
a. Financial liabilities:				
(i) Borrowings	19	1,35,29,472	35,96,371	1,22,60,054
b. Provisions	20	37,84,788	21,40,572	10,04,934
<b>Total non-current liabilities</b>		<b>1,73,14,260</b>	<b>57,36,943</b>	<b>1,32,64,988</b>
<b>2 Current liabilities</b>				
a. Financial liabilities:				
(i) Borrowings	21	3,32,15,262	1,92,772	1,56,583
(ii) Trade payables	22	68,36,374	7,89,221	5,93,642
(iii) Other financial liabilities	23	17,60,05,422	8,13,58,181	6,60,50,340
b. Other current liabilities	24	53,33,525	22,90,390	19,01,269
c. Provisions	25	3,45,335	2,59,975	2,03,872
d. Current tax liabilities (net)	26	41,74,164	19,51,244	44,62,584
<b>Total current liabilities</b>		<b>22,59,10,082</b>	<b>8,68,41,783</b>	<b>7,33,68,290</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>49,59,41,489</b>	<b>27,25,87,560</b>	<b>23,87,04,469</b>
<b>Significant accounting policies</b>	1 & 2			

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

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

For and on behalf of the board of directors of  
**BLS International Services Limited**

**Harish Gupta**  
Partner  
Membership number: 098336

**(Shikhar Aggarwal)**  
Jt. Managing Director  
DIN No. 06975729  
4, Sankaracharya Marg,  
Civil Lines  
New Delhi 110054

**(Nikhil Gupta)**  
Managing Director  
DIN No. 00195694  
501, Monarch Bldg,  
2nd Hassanabad Lane  
Santacruz (west) Mumbai 400054

Place : New Delhi  
Date : May 22, 2018

**(Ajay Milhotra)**  
Chief Finance Officer  
C-8, Defence Colony  
New Delhi 110024

**(Balaji)**  
Company Secretary  
Membership No. 33952  
RZ-80A, South Extension  
Part-1, Uttam Nagar,  
Delhi 110059

## STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2018

Amount in (₹)

Particulars		Note No.	Year ended March 31, 2018	Year ended March 31, 2017
I.	Revenue from Operations	27	40,88,26,857	24,09,48,190
II.	Other Income	28	6,07,01,843	1,75,49,652
<b>III.</b>	<b>TOTAL INCOME ( I+II)</b>		<b>46,95,28,700</b>	<b>25,84,97,842</b>
<b>IV.</b>	<b>Expenses:</b>			
	Cost of services	29	4,36,36,496	1,72,19,425
	Employee benefits expense	30	12,73,14,195	8,27,23,172
	Finance cost	31	40,60,930	26,33,729
	Depreciation and amortization expense	32	2,40,60,020	1,60,05,859
	Other expenses	33	14,33,76,682	9,57,03,506
	<b>TOTAL EXPENSES</b>		<b>34,24,48,323</b>	<b>21,42,85,691</b>
<b>V.</b>	<b>PROFIT BEFORE TAX (III - IV)</b>		<b>12,70,80,377</b>	<b>4,42,12,151</b>
<b>VI.</b>	<b>Tax expense:</b>			
	a) Current tax		3,50,08,003	1,46,53,928
	b) Tax credit entitlement		(64,31,247)	-
	c) Deferred tax		(74,82,961)	(15,45,956)
	d) Tax for earlier years		3,98,713	(2,98,099)
	<b>TOTAL TAX EXPENSE</b>		<b>2,14,92,508</b>	<b>1,28,09,873</b>
<b>VII.</b>	<b>PROFIT FOR THE YEAR (V-VI)</b>		<b>10,55,87,869</b>	<b>3,14,02,278</b>
<b>VIII.</b>	<b>OTHER COMPREHENSIVE INCOME (OCI)</b>			
<b>A.</b>	<b>Items that will not be reclassified subsequently to statement of profit and loss</b>			
	(a) Remeasurements gain/(loss) on defined benefit plans		4,17,146	(1,72,451)
	(b) Tax on (a) above		(1,20,305)	57,017
	(c) Equity Instruments through OCI		50,25,000	35,46,750
	(d) Tax on (c) above		(10,35,150)	(7,30,631)
<b>B.</b>	<b>Items that will be reclassified subsequently to statement of profit and loss</b>		-	-
	<b>TOTAL OTHER COMPREHENSIVE INCOME/ (LOSSES)</b>		<b>42,86,691</b>	<b>27,00,685</b>
<b>IX.</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>10,98,74,560</b>	<b>3,41,02,963</b>
<b>X.</b>	<b>Earnings per equity share: basic and diluted (Rs.)</b>	34	<b>1.03</b>	<b>0.31</b>
<b>XI.</b>	<b>Significant accounting policies</b>	1 & 2		

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

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

**Harish Gupta**  
Partner  
Membership number: 098336

For and on behalf of the board of directors of  
**BLS International Services Limited**

**(Shikhar Aggarwal)**  
Jt. Managing Director  
DIN No. 06975729  
4, Sankaracharya Marg,  
Civil Lines  
New Delhi 110054

**(Nikhil Gupta)**  
Managing Director  
DIN No. 00195694  
501, Monarch Bldg,  
2nd Hassanabad Lane  
Santacruz (west) Mumbai 400054

Place : New Delhi  
Date : May 22, 2018

**(Ajay Milhotra)**  
Chief Finance Officer  
C-8, Defence Colony  
New Delhi 110024

**(Balaji)**  
Company Secretary  
Membership No. 33952  
RZ-80A, South Extension  
Part-1, Uttam Nagar,  
Delhi 110059

**STANDALONE STATEMENT OF CASH FLOWS** for the year ended March 31, 2018

Amount in (₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Cash flow from operating activities</b>		
<b>Profit for the period (Before tax)</b>	12,70,80,377	4,42,12,151
<b>Adjustments to reconcile net profit to net cash by operating activities</b>		
Depreciation & amortization expense	2,40,60,020	1,60,05,859
Net Loss on sale of property, plant and equipment	9,48,989	-
Finance costs	40,60,930	26,33,729
Dividend income	(5,00,47,749)	(1,24,90,196)
Interest income	(64,87,238)	(32,88,291)
Unrealised foreign exchange fluctuation gain (net)	(6,33,323)	25,661
Assets written off	20,51,903	-
Balance written off	40,000	-
Bad debts written off	1,10,750	-
<b>Operating profit before working capital change</b>	<b>10,11,84,659</b>	<b>4,70,98,913</b>
Adjustments for:		
(Increase)/ decrease in trade receivables	(7,45,00,127)	(3,01,45,039)
(Increase)/ decrease in other financial current assets	1,27,53,603	(79,06,437)
(Increase)/ decrease in other current assets	(20,32,648)	3,74,515
(Increase)/ decrease in other non-current Financial assets	(2,04,25,487)	-
(Increase)/ decrease in non-current loans	(10,39,057)	(25,87,851)
(Increase)/ decrease in other non-current assets	3,48,513	(2,78,454)
(Decrease)/ increase in long term provision	16,44,216	11,35,638
(Decrease)/increase in trade payable	60,47,153	1,95,579
(Decrease)/ increase in other financial current liabilities	10,19,92,925	1,60,59,264
(Decrease)/ increase in other current liabilities	24,09,701	3,89,121
(Decrease)/ increase in short term provision	5,02,506	(1,16,348)
<b>Cash (used in)/from operations</b>	<b>12,88,85,957</b>	<b>2,42,18,901</b>
Direct taxes	(2,67,52,549)	(1,68,67,169)
<b>Cash flow used in/from operating activities (net)</b>	<b>10,21,33,408</b>	<b>73,51,732</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(3,38,19,852)	(2,01,92,027)
Purchase of intangibles	(45,186)	(2,06,746)
Sales proceeds from property, plant and equipment	1,50,00,001	-
Purchase of non-current investment in subsidiaries	-	(3,00,000)
Proceeds from maturity of term deposits	1,53,39,677	80,86,861
Loan given to subsidiaries	(12,10,00,000)	-
Dividend received from subsidiary company	5,00,47,749	1,24,90,196
Interest received from subsidiaries	3,61,513	-
Interest received from others	37,64,446	28,43,735
<b>Net cash flow from/ (used in) investing activities</b>	<b>(7,03,51,652)</b>	<b>27,22,019</b>
<b>Cash flow from financing activities</b>		
Repayments of non-current borrowings	(1,66,52,591)	(97,71,757)
Proceeds from non-current borrowings	1,78,37,644	-
Repayment of current borrowing (net)	3,30,22,490	36,189

## STANDALONE STATEMENT OF CASH FLOWS for the year ended March 31, 2018

Amount in (₹)

Particulars	Amount in (₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Dividend Paid (including dividend distribution tax)	(3,68,39,622)	(58,08,670)
Interest paid	(29,85,191)	(26,33,729)
<b>Net cash Flow from/ (used in) financing activities</b>	<b>(56,17,270)</b>	<b>(1,81,77,967)</b>
<b>Net increase / (decrease) in cash and cash equivalent (A+B+C)</b>	<b>2,61,64,486</b>	<b>(81,04,216)</b>
Cash and cash equivalent at the beginning of the year	1,00,68,932	1,81,73,148
<b>Cash and cash equivalent at the end of the year</b>	<b>3,62,33,418</b>	<b>1,00,68,932</b>
<b>Components of cash and cash equivalent</b>		
Cash on hand	28,90,623	26,65,757
With Bank - on current account	3,33,42,795	74,03,175
<b>Total cash and cash equivalent</b>	<b>3,62,33,418</b>	<b>1,00,68,932</b>

### Amendments to Ind AS 7 Statement of Cash flows

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

Amount in (₹)

Particulars	Amount in (₹)		
	As at April 01, 2017	Cash Flows	As at March 31, 2018
Long term borrowings (including current maturities)	1,79,92,180	11,85,053	1,91,77,233
Short term borrowings	1,92,772	3,30,22,490	3,32,15,262
	<b>1,81,84,952</b>	<b>3,42,07,543</b>	<b>5,23,92,495</b>

### Significant accounting policies

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

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

For and on behalf of the board of directors of  
**BLS International Services Limited**

**Harish Gupta**  
Partner  
Membership number: 098336

**(Shikhar Aggarwal)**  
Jt. Managing Director  
DIN No. 06975729  
4, Sankaracharya Marg,  
Civil Lines  
New Delhi 110054

**(Nikhil Gupta)**  
Managing Director  
DIN No. 00195694  
501, Monarch Bldg,  
2nd Hassanabad Lane  
Santacruz (west) Mumbai  
400054

Place : New Delhi  
Date : May 22, 2018

**(Ajay Milhotra)**  
Chief Finance Officer  
C-8, Defence Colony  
New Delhi 110024

**(Balaji)**  
Company Secretary  
Membership No. 33952  
RZ-80A, South Extension  
Part-1, Uttam Nagar,  
Delhi 110059

## STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2018

### A. Equity Share Capital

	Amount in (₹)
<b>As at April 01, 2016</b>	10,24,50,000
Changes in equity shares capital during the year	-
<b>As at March 31, 2017</b>	<b>10,24,50,000</b>
Changes in equity shares capital during the year	-
<b>As at March 31, 2018</b>	<b>10,24,50,000</b>

### B. Other Equity

	Amount in (₹)		
	Reserve & Surplus	Items of Other Comprehensive Income (OCI)	TOTAL
	Retained Earnings	Equity instruments through OCI	
<b>As at April 01, 2016</b>	<b>4,04,45,132</b>	<b>91,76,059</b>	<b>4,96,21,191</b>
Profit for the year	3,14,02,278	-	<b>3,14,02,278</b>
Other comprehensive income for the year	(1,15,434)	28,16,119	<b>27,00,685</b>
Interim Dividend (including dividend distribution tax)	(61,65,320)	-	<b>(61,65,320)</b>
<b>As at March 31, 2017</b>	<b>6,55,66,656</b>	<b>1,19,92,178</b>	<b>7,75,58,834</b>
Profit for the year	10,55,87,869	-	<b>10,55,87,869</b>
Other comprehensive income for the year	2,96,841	39,89,850	<b>42,86,691</b>
Final Dividend (including dividend distribution tax)	(3,71,66,247)	-	<b>(3,71,66,247)</b>
<b>As at March 31, 2018</b>	<b>13,42,85,119</b>	<b>1,59,82,028</b>	<b>15,02,67,147</b>

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

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

**Harish Gupta**  
Partner  
Membership number: 098336

Place : New Delhi  
Date : May 22, 2018

For and on behalf of the board of directors of  
**BLS International Services Limited**

**(Shikhar Aggarwal)**  
Jt. Managing Director  
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Delhi 110059

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### Corporate information

BLS International Services Limited (the 'Company') is certified Public Limited Company, actively engaged in providing outsourcing and administrative task of Visa, Passport and Consular services to various Diplomatic Missions across the world.

Further, from financial year ended March 31, 2012, the company also started tasks related to Attestation and Apostille on behalf of Ministry of External Affairs, New Delhi (INDIA).

The company is a public listed company incorporated and domiciled in India and has its registered office at G-4B-1 , Extension Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044. The company has its primary listings on the BSE Limited and National Stock Exchange of India Limited in India.

These financial statements were approved and adopted by Board of Directors of the Company in their meeting held on May 22, 2018.

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

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

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards, Ind AS 101 First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 42.

#### (ii) Basis of Preparation:

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

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

#### (iii) Functional & Presentation Currency:

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

#### (iv) Use of Estimates:

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

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.

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

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

**(a) Revenue recognition**

**Sale of Services**

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

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

**Other Income**

**-Interest income**

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

**-Dividend Income**

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

**(b) Property Plant and Equipment**

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

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

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

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

### (c) **Intangible Assets**

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

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

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

### (d) **Impairment**

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

### (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.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### **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.

### **- 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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method.

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

### **Offsetting of Financial Instruments**

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

### **(f) Fair Value Measurement**

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

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

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

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e.derived from prices).

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

### **(g) Leases**

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

#### **Company as a Lessee**

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

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

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### **Company as a Lessor**

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

### **(h) Employee Benefit**

#### **i. Provident fund**

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

#### **ii. Gratuity**

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

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

#### **iii. Other short term benefits**

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

### **(i) Earning Per Share**

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

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

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

### **(j) Income Tax**

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### - Current tax

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

Current tax assets and liabilities are offset only if, the Company:

- i) has a legally enforceable right to set off the recognised amounts; and
- ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### - Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used for taxation purposes.

Deferred tax is not recognised for:

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

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

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used."

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

### - MAT Credit

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### **(k) Borrowing Cost**

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

### **(l) Cash & Cash Equivalents**

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

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

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

### **(n) Foreign Currency transactions**

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

### **(o) Cash Flow Statements**

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

### **Amendment to Ind AS 7**

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### (p) Operating Segments

#### (i) Identification of segments

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

#### (ii) Unallocated items

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

#### (iii) Segment accounting policies

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

### III Significant Accounting Judgements, Estimates & Assumptions

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

#### a) Income taxes

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

#### b) Contingencies

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

#### c) Allowance for uncollected accounts receivable and advances

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

#### d) Fair Value Measurement of Financial Instruments.

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

#### e) Defined Benefit Plans

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



**IV Recent Accounting Pronouncements**

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

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

**Ind AS 115- Revenue from Contract with Customers:**

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

**The standard permits two possible methods of transition:**

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**3. PROPERTY, PLANT & EQUIPMENT**

**As at March 31, 2017**

Description	Gross carrying value				Depreciation				Net Carrying Value
	As at April 01, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	As at April 01, 2016	Charge for the year	Disposals/ Adjustments	As at March 31, 2017	
Computers	4,23,64,952	52,88,497	-	4,76,53,449	3,86,50,719	20,77,612	-	4,07,28,331	69,25,118
Office Equipments	30,67,296	46,99,494	-	77,66,790	22,15,186	5,31,893	-	27,47,079	50,19,711
Furniture & Fixtures	20,28,403	21,51,493	-	41,79,896	13,95,162	5,09,846	-	19,05,008	22,74,888
Vehicles	6,05,01,267	80,52,543	-	6,85,53,810	2,42,67,153	1,28,51,305	-	3,71,18,458	3,14,35,352
<b>Total</b>	<b>10,79,61,918</b>	<b>2,01,92,027</b>	<b>-</b>	<b>12,81,53,945</b>	<b>6,65,28,220</b>	<b>1,59,70,656</b>	<b>-</b>	<b>8,24,98,876</b>	<b>4,56,55,069</b>

**As at March 31, 2018**

Description	Gross carrying value				Depreciation				Net Carrying Value
	As at March 31, 2017	Additions	Disposals/ Adjustments	As at March 31, 2018	As at March 31, 2017	Charge for the year	Disposals/ Adjustments	As at March 31, 2018	
Computers	4,76,53,449	47,73,252	3,95,19,437	1,29,07,264	4,07,28,331	51,84,828	3,75,43,464	83,69,695	45,37,569
Office Equipments	77,66,790	12,24,611	13,09,502	76,81,899	27,47,079	26,45,737	12,44,027	41,48,789	35,33,110
Furniture & Fixtures	41,79,896	52,55,544	2,09,118	92,26,322	19,05,008	17,24,819	1,98,662	34,31,165	57,95,157
Vehicles	6,85,53,810	2,10,66,445	4,97,01,703	3,99,18,552	3,71,18,458	1,43,75,616	3,37,52,714	1,77,41,360	2,21,77,192
<b>Total</b>	<b>12,81,53,945</b>	<b>3,23,19,852</b>	<b>9,07,39,760</b>	<b>6,97,34,037</b>	<b>8,24,98,876</b>	<b>2,39,31,000</b>	<b>7,27,38,867</b>	<b>3,36,91,009</b>	<b>3,60,43,028</b>

**4. INTANGIBLE ASSET**

**As at March 31, 2017**

Description	Gross carrying value				Amortisation			Net Carrying Value
	As at April 01, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	As at April 01, 2016	Charge for the year	Disposals/ Adjustments	
Software	-	2,06,746	-	2,06,746	-	35,203	-	1,71,543
<b>Total</b>	<b>-</b>	<b>2,06,746</b>	<b>-</b>	<b>2,06,746</b>	<b>-</b>	<b>35,203</b>	<b>-</b>	<b>1,71,543</b>

**As at March 31, 2018**

Description	Gross carrying value				Amortisation			Net Carrying Value
	As at March 31, 2017	Additions	Disposals/ Adjustments	As at March 31, 2018	As at March 31, 2017	Charge for the year	Disposals/ Adjustments	
Software	2,06,746	45,186	-	2,51,932	35,203	1,29,019	-	87,710
<b>Total</b>	<b>2,06,746</b>	<b>45,186</b>	<b>-</b>	<b>2,51,932</b>	<b>35,203</b>	<b>1,29,019</b>	<b>-</b>	<b>87,710</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**5. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES** Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>A. Investment in subsidiaries - Unquoted</b>			
BLS International FZE 1 equity share (March 31, 2017: 1 and April 01, 2016 : 1) of AED 25,000 each	3,68,650	3,68,650	3,68,650
BLS E Services Private limited 10,000 equity shares (March 31, 2017: 10,000 and April 01, 2016: Nil) of Rs. 10 each	1,00,000	1,00,000	-
BLS E Solution Private limited 10,000 equity shares (March 31, 2017: 10,000 and April 01, 2016: Nil) of Rs. 10 each	1,00,000	1,00,000	-
BLS IT Services Private limited 10,000 equity shares (March 31, 2017: 10,000 and April 01, 2016: Nil) of Rs. 10 each	1,00,000	1,00,000	-
<b>B. Investment in Associates- Unquoted</b>			
BLS International Visa Services-Austria 10 (March 31, 2017: 10 and April 01, 2016: 10 ) Fully paid up Ordinary shares of EURO 10 each	6,214	6,214	6,214
BLS International Visa Services-Baltic, Lithuania (50 (March 31, 2017: 50 and April 01, 2016 : 50) Fully paid up Ordinary shares of 100 LITA each )	91,343	91,343	91,343
BLS International Visa Services Poland SP.Z.O.O. 25 (March 31, 2017: 25 and April 01, 2016: 25) Fully paid up Ordinary shares of PLN 50 each )	19,496	19,496	19,496
<b>Total</b>	<b>7,85,703</b>	<b>7,85,703</b>	<b>4,85,703</b>
Aggregate amount of quoted investments	-	-	-
Market value amount of quoted investments	-	-	-
Aggregate amount of unquoted investments	7,85,703	7,85,703	4,85,703
Aggregate amount of impairment in value of investments	-	-	-

**Information about subsidiaries**

Amount in (₹)

Name of the Company	Proportion (%) of equity interest		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
BLS International FZE; Country of Incorporation: UAE; Principal activities: Visa services	100%	100%	100%
BLS E Services Private limited; Country of Incorporation: India; Principal activities: Suvidha Kendra services	100%	100%	-
BLS E Solution Private limited; Country of Incorporation: India; Principal activities: Suvidha Kendra services	100%	100%	-
BLS IT Services Private limited; Country of Incorporation: India; Principal activities: Suvidha Kendra services	100%	100%	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**6. NON-CURRENT INVESTMENTS**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Equity Instruments: Unquoted</b>			
<b>Fair value through Other Comprehensive Income ( OCI)</b>			
BLS Polymers Limited			
(900,000 (March 31, 2017: 900,000, April 01, 2016: 900,000) Fully paid up Equity shares of Rs. 10 each)	2,19,06,000	1,80,36,000	1,60,38,000
BLS Ecotech Limited			
(375,000 (March 31, 2017: 375,000, April 01, 2016: 375,000) Fully paid up Equity shares of Rs 20 each)	1,47,22,500	1,35,67,500	1,20,18,750
<b>Total</b>	<b>3,66,28,500</b>	<b>3,16,03,500</b>	<b>2,80,56,750</b>
Aggregate amount of unquoted investments	3,66,28,500	3,16,03,500	2,80,56,750

**7. LOANS: NON-CURRENT**

( un-secured, considered good unless otherwise stated)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security Deposits*	42,20,540	32,21,483	6,33,632
<b>Total</b>	<b>42,20,540</b>	<b>32,21,483</b>	<b>6,33,632</b>

\* Refer note-2(e) for accounting policies of security deposits (at amortised cost).

**8. OTHER FINANCIAL ASSETS- NON CURRENT**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Term deposits with maturity more than 12 months	2,04,25,487	-	-
<b>Total</b>	<b>2,04,25,487</b>	<b>-</b>	<b>-</b>

**9. DEFERRED TAX ASSETS**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Deferred Tax Assets on:</b>			
Provision for employee benefit	11,91,127	7,93,693	3,92,197
Difference between book value of depreciable assets as per books of accounts and written down value as per income tax.	1,16,57,294	47,09,081	35,07,604
Provision for bonus payable	17,008	-	-
<b>Deferred Tax Liability on:</b>			
Fair valuation of Investments	(41,46,471)	(31,11,321)	(23,80,691)
<b>Total</b>	<b>87,18,958</b>	<b>23,91,453</b>	<b>15,19,110</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**10. OTHER NON-CURRENT ASSETS**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unamortized value of security deposits	5,31,238	8,79,751	2,41,297
Other Recoverable	-	-	3,60,000
<b>Total</b>	<b>5,31,238</b>	<b>8,79,751</b>	<b>6,01,297</b>

**11. TRADE RECEIVABLES**

(Unsecured, Considered Good)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Other trade receivables	6,52,47,378	3,48,89,278	63,26,357
from related parties	5,19,55,779	66,57,745	51,01,288
<b>Total</b>	<b>11,72,03,157</b>	<b>4,15,47,023</b>	<b>1,14,27,645</b>

**12. CASH AND CASH EQUIVALENTS**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Balance with Banks</b>			
In current accounts	2,84,43,291	44,67,218	1,73,94,068
Term deposits with original maturity of less than three months	48,99,504	29,35,957	-
<b>Cash on hand</b>	28,90,623	26,65,757	7,79,080
<b>Total</b>	<b>3,62,33,418</b>	<b>1,00,68,932</b>	<b>1,81,73,148</b>

**13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Earmarked balances with banks:</b>			
Unclaimed dividend account	6,83,275	3,56,650	-
Investment in term deposits (with original maturity of more than three months but less than twelve months)	2,32,26,899	3,88,93,201	4,73,36,712
<b>Total</b>	<b>2,39,10,174</b>	<b>3,92,49,851</b>	<b>4,73,36,712</b>

**14. LOANS - CURRENT**

(un-secured, considered good unless otherwise stated)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Loans given to subsidiary companies (refer note no. - 40)	12,10,00,000	-	-
<b>Total</b>	<b>12,10,00,000</b>	<b>-</b>	<b>-</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 15. OTHER FINANCIALS ASSETS: CURRENT

(un-secured, considered good unless otherwise stated)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Earnest Money	-	1,42,76,660	83,30,410
Interest Accrued:			
-on term deposits	4,99,074	4,44,556	-
- on loan to subsidiary companies	23,06,761	-	-
Others recoverable	41,657	-	-
Security Deposits *	8,14,87,510	7,87,97,300	7,79,30,000
Advance to Employees	11,68,273	23,77,083	12,84,196
<b>Total</b>	<b>8,55,03,275</b>	<b>9,58,95,599</b>	<b>8,75,44,606</b>

\* includes deposits to related parties, refer note 40

### 16. OTHER CURRENT ASSETS

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prepaid Expenses	14,48,194	8,92,695	2,74,433
Advances to suppliers	6,86,439	-	-
Capital Advances	15,00,000	-	-
Balance with Government Authorities	10,15,668	2,24,958	12,17,735
<b>Total</b>	<b>46,50,301</b>	<b>11,17,653</b>	<b>14,92,168</b>

### 17. EQUITY SHARE CAPITAL

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Authorized Share Capital</b>	20,24,50,000	20,24,50,000	10,24,50,000
202,450,000 equity shares of Re. 1/- each (March 31, 2017: 2,02,45,000 of Rs. 10 each and April 01, 2016: 1,02,45,000 of Rs. 10/- each)			
<b>Issued, subscribed and fully paid-up</b>	10,24,50,000	10,24,50,000	10,24,50,000
102,450,000 equity shares of Re. 1/- each (March 31, 2017: 10,245,000 of Rs. 10/- each and April 01, 2016: 10,245,000 of Rs. 10/- each)			
<b>Total</b>	<b>10,24,50,000</b>	<b>10,24,50,000</b>	<b>10,24,50,000</b>

#### a.) Reconciliation of the number of shares

Amount in (₹)

EQUITY SHARES	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	1,02,45,000	10,24,50,000	1,02,45,000	10,24,50,000	1,02,45,000	10,24,50,000
Add: adjustment for sub-division refer note 'e' below	9,22,05,000	-	-	-	-	-
<b>Balance as at the closing of the year</b>	<b>10,24,50,000</b>	<b>10,24,50,000</b>	<b>1,02,45,000</b>	<b>10,24,50,000</b>	<b>1,02,45,000</b>	<b>10,24,50,000</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 17. EQUITY SHARE CAPITAL (Contd.)

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

Amount in (₹)

Name of shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Percentage (%)	Number of shares	Percentage (%)	Number of shares	Percentage (%)
Diwakar Aggarwal	87,24,520	8.52%	8,72,452	8.52%	8,72,452	8.52%

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

e) Pursuant to the approval of the Members accorded on 31st March, 2017 and subsequent in-principal approval accorded by Stock Exchange on 28th April, 2017, the equity shares of the Company having a face value of Rs. 10/- (Rupees Ten only) each were sub-divided into 10 (Ten) equity shares having a face value of Re. 1/- (Rupee One only) each. Accordingly, 1,02,45,000 equity shares of face value of Rs. 10 each were sub-divided into 10,24,50,000 equity shares of face value of Re. 1 each. The earning per share in respect of all the reported period has been restated considering the aforesaid sub-division of shares.

### 18. OTHER EQUITY

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Retained earnings</b>			
Balance as per last financial statements	6,56,82,090	4,04,45,132	4,04,45,132
Add: Profit for the year	10,55,87,869	3,14,02,278	-
	17,12,69,959	7,18,47,410	4,04,45,132
Less: Final Dividend (including dividend distribution tax)	3,71,66,247	-	-
Less: Interim Dividend (including dividend distribution tax)	-	61,65,320	-
<b>sub-total (a)</b>	<b>13,41,03,712</b>	<b>6,56,82,090</b>	<b>4,04,45,132</b>
<b>Other Comprehensive Income (OCI)</b>			
Balance as per last financial statements	1,18,76,744	91,76,059	-
Add: Movement in OCI (net) during the year	42,86,691	27,00,685	91,76,059
<b>sub-total (b)</b>	<b>1,61,63,435</b>	<b>1,18,76,744</b>	<b>91,76,059</b>
<b>Total (a+b)</b>	<b>15,02,67,147</b>	<b>7,75,58,834</b>	<b>4,96,21,191</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 18. OTHER EQUITY (Contd.)

#### Dividends

Final dividend on shares are recorded as a recorded as liability on the date of approval by the shareholders and interim liability are recorded as a liability on the date of declaration by the company's Board of Directors.

The Company declares and pays dividends in Indian rupees. The remittance of dividends outside India is governed by Indian law on foreign exchange and is subject to applicable distribution taxes. Dividend distribution tax paid by subsidiaries may be reduced / available as a credit against dividend distribution tax payable by BLS International Services Limited.

Amount of per share dividend recognized as distribution to equity shareholders:

Amount in (₹)

Particulars	Year ended March 31,		
	2018	2017	2016
Interim Dividend for fiscal 2017 *	-	0.50	-
Final Dividend for fiscal 2017	-	3.00	-

\* The Interim dividend declared in FY 16-17 was Rs.0.50 per share of Rs. 10 each.

### 19. BORROWINGS - NON -CURRENT

Amount in (₹)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
Secured Loan ( refer note19.1)			
From banks	35,96,318	69,00,494	30,61,171
From financials institutions	1,55,80,915	1,10,91,686	2,47,02,765
	<b>1,91,77,233</b>	<b>1,79,92,180</b>	<b>2,77,63,936</b>
Less: Current maturities of long term debt	56,47,761	1,43,95,809	1,55,03,882
<b>Total</b>	<b>1,35,29,472</b>	<b>35,96,371</b>	<b>1,22,60,054</b>

#### 19.1 A). Vehicles loan from banks:

a.) Loan from HDFC Bank Ltd : total outstanding balance as at March 31, 2018 Rs. 35,96,318 ; March 31, 2017 Rs. 57,32,120 and April 01, 2016- NIL [ total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 Rs. 23,41,940 ; March 31, 2017 Rs. 21,35,749 and April 01, 2016 -NIL] this loan is secured against hypothecation of specified vehicles of the Company. Applicable rate of interest is 9.25% p.a. Loan is repayable in 36 monthly installments.

b.) Loan from ICICI Bank Ltd : total outstanding balance as at March 31, 2018- NIL; March 31, 2017 Rs. 11,68,374 and April 01, 2016 Rs. 30,61,171 [ total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 -NIL; March 31, 2017 Rs. 11,68,374 and April 01, 2016 Rs. 18,92,803] this loan is secured against hypothecation of specified vehicles of the Company . Applicable rate of interest is 10.25% p.a. Loan is repayable in 35 monthly installments.

#### B). Vehicles loan from others:

a.) Loan from BMW Financial Services Ltd : total outstanding balance as at March 31, 2018- NIL ; March 31, 2017 Rs. 1,10,91,686 and April 01, 2016 Rs. 2,47,02,765 [ total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 -NIL ; March 31, 2017 Rs. 1,10,91,686 and April 01, 2016 Rs. 1,36,11,079 ] this loan is secured against hypothecation of specified vehicles of the Company . Applicable rate of interest is 9.51% p.a. Loan is repayable in 36 monthly installments.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 19. BORROWINGS - NON -CURRENT (Contd.)

b.) Loan from Daimler Financial Services Ltd : total outstanding balance as at March 31, 2018 Rs.1,55,80,915; March 31, 2017 -NIL and April 01, 2016 -NIL [ total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 Rs.33,05,821 ; March 31, 2017 -NIL and April 01, 2016-NIL ] this loan is secured against hypothecation of specified vehicles of the Company . Applicable rate of interest is 10.3504% p.a. Loan is repayable in 36 monthly installments.

### 20. PROVISIONS - NON-CURRENT

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provisions for employees benefits*	37,84,788	21,40,572	10,04,934
<b>Total</b>	<b>37,84,788</b>	<b>21,40,572</b>	<b>10,04,934</b>

\* refer note. 38

### 21. Borrowing - Current

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Loans Repayable on demand:</b>			
<b>Unsecured</b>			
loan from body corporate*	2,98,00,000	-	-
From banks / Credit Card for expenses payable	34,15,262	1,92,772	1,56,583
<b>Total</b>	<b>3,32,15,262</b>	<b>1,92,772</b>	<b>1,56,583</b>

\* refer note. 40

### 22. TRADE PAYABLES: CURRENT

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
total outstanding dues to micro enterprises and small enterprises (refer note no. 46)	-	-	-
total outstanding dues to creditors other than micro enterprises and small enterprises	68,36,374	7,89,221	5,93,642
<b>Total</b>	<b>68,36,374</b>	<b>7,89,221</b>	<b>5,93,642</b>

### 23. OTHER FINANCIALS LIABILITIES - CURRENT

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of Long term debts	56,47,761	1,43,95,809	1,55,03,882
Amount due to subsidiary company (Refer note-40)	14,47,55,548	4,91,16,761	3,97,34,445
Unclaimed Dividends #	6,83,275	3,56,650	-
Interest accrued but not due to body corporate	10,75,739	-	-
Other payables:			
Employees due payable	1,16,00,064	88,06,049	50,36,926
Expense Payable	1,22,43,035	86,82,912	57,75,087
<b>Total</b>	<b>17,60,05,422</b>	<b>8,13,58,181</b>	<b>6,60,50,340</b>

# these figures do not include any amounts due and outstanding, to be credited to Investor Education and Protection Fund.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**24. OTHER CURRENT LIABILITIES**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance from customers	4,46,581	4,41,358	6,90,808
Statutory dues payable	48,86,944	18,49,032	12,10,461
<b>Total</b>	<b>53,33,525</b>	<b>22,90,390</b>	<b>19,01,269</b>

**25. PROVISIONS: CURRENT**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provisions for employees benefits*	3,45,335	2,59,975	2,03,872
<b>Total</b>	<b>3,45,335</b>	<b>2,59,975</b>	<b>2,03,872</b>

\* refer note. 38

**26. CURRENT TAX LIABILITIES (NET)**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provisions for current tax (net of advance tax and TDS)	41,74,164	19,51,244	44,62,584
<b>Total</b>	<b>41,74,164</b>	<b>19,51,244</b>	<b>44,62,584</b>

**27. REVENUE FROM OPERATIONS**

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of services:		
Export	22,64,12,037	13,69,90,399
Domestic	18,24,14,820	10,39,57,791
<b>Total</b>	<b>40,88,26,857</b>	<b>24,09,48,190</b>

**28. OTHER INCOME**

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Dividend income from non-current investments from subsidiary company	5,00,47,749	1,24,90,196
Exchange fluctuation gain (net)	28,10,208	10,63,732
Miscellaneous Incomes	13,56,648	7,07,433
Interest-		
- on bank deposits	38,18,964	32,88,291
-on loan to subsidiary companies*	26,68,274	-
<b>Total</b>	<b>6,07,01,843</b>	<b>1,75,49,652</b>

\* refer note no. 40

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 29. COST OF SERVICES

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Operational expenses	4,36,36,496	1,72,19,425
<b>Total</b>	<b>4,36,36,496</b>	<b>1,72,19,425</b>

### 30. EMPLOYEE BENEFITS EXPENSES

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	12,14,53,847	7,85,79,284
Contribution to provident fund and other funds	47,09,184	26,31,830
Staff welfare expenses	11,51,164	15,12,058
<b>Total</b>	<b>12,73,14,195</b>	<b>8,27,23,172</b>

### 31. FINANCE COSTS

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest		
- on term loans	36,03,668	22,73,524
- on others	4,57,262	3,60,205
<b>Total</b>	<b>40,60,930</b>	<b>26,33,729</b>

### 32. DEPRECIATION AND AMORTIZATIONS EXPENSES

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant & equipment	2,39,31,001	1,59,70,656
Amortization on intangible assets	1,29,019	35,203
<b>Total</b>	<b>2,40,60,020</b>	<b>1,60,05,859</b>

### 33. OTHER EXPENSES

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Annual maintenance charges	28,24,654	29,89,654
Payment to auditor's (refer note. 33.1)	22,13,110	8,00,000
Bank Charges	59,49,122	83,53,942
Business promotion	42,20,790	22,36,370
Communication costs	1,38,64,982	66,32,019
Contractual charges	32,06,410	62,06,328
Electricity expense	18,82,221	22,45,237
General expenses	27,19,625	29,38,626
Insurance expense	5,63,009	5,83,554
Legal and professional expense	3,37,66,980	2,70,81,878

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 33. OTHER EXPENSES (Contd.)

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Loss on sale of property, plant and equipment (net)	9,48,989	-
Miscellaneous Expenses	37,92,698	37,16,971
Office maintenance expense	1,00,45,309	29,04,308
Printing and stationery expense	30,92,574	25,29,279
Rent	1,80,77,533	82,65,032
Repair and maintenance -others	11,82,835	8,04,264
Assets written off	20,51,903	-
Bad debts written off	1,10,750	-
Balances written off	40,000	-
Travelling and conveyance	3,28,23,188	1,74,16,044
<b>Total</b>	<b>14,33,76,682</b>	<b>9,57,03,506</b>

### 31.1 PAYMENT TO AUDITORS

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Statutory audit fees	10,00,000	8,00,000
Certification fees	8,00,000	-
Taxation Matter	3,45,000	-
Reimbursement of expenses	68,110	-
<b>Total</b>	<b>22,13,110</b>	<b>8,00,000</b>

### 34. EARNING PER SHARE ( EPS)

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Net profit after tax as per statement of profit and loss attributable to equity shareholders (Rs.)	10,55,87,869	3,14,02,278
Weighted average number of equity shares used as denominator for calculating basic EPS	10,24,50,000	10,24,50,000
Weighted average potential equity shares	-	-
total Weighted average number of equity shares used as denominator for calculating diluted EPS	10,24,50,000	10,24,50,000
Basic EPS ( Rs.)	1.03	0.31
Diluted EPS (Rs.)	1.03	0.31
<b>face value per equity share (Re.)</b>	<b>1.00</b>	<b>1.00</b>

### 35. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Guarantees issued by the bank on behalf of the Company	78,31,15,545	81,22,53,954

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**36. Disclosure of loan and advances as per regulation 34(3) read with Schedule V of SEBI (LODR) regulation of listing regulation with Stock Exchanges:**

Amount in (₹)

Name of the Company	Balance as at		Maximum outstanding during	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>Loans and advances in the nature of loans given to subsidiaries:</b>				
BLS E-Services Private limited	7,10,00,000	-	16,10,00,000	-
BLS IT-Services Private limited	2,55,00,000	-	6,55,00,000	-
BLS E-Solutions Private limited	2,45,00,000	-	9,45,00,000	-

**Details of loans given, investments made and guarantee given covered u/s 186(4) of the companies act 2013.**

The company has given loan to Subsidiaries and other parties, if any, mentioned above in the ordinary course of business for general business purpose.

**37. LEASES**

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

Lease payments recognised in statement of profit and loss amounting Rs. 1,80,77,533/- (previous year Rs 82,65,032/-), refer note 33

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

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
a) Not later than one year	1,79,10,944	82,65,032
b) Later than one year and not later than five years	92,71,634	-
c) Later than five years	-	-

**38. Employee Benefits (Disclosures)**

**Table Showing Changes in Present Value of Obligations:**

Amount in (₹)

Period	Gratuity (unfunded) 2017-18	Gratuity (unfunded) 2017-18
Present value of the obligation at the beginning of the period	24,00,547	12,08,806
Interest cost	1,86,042	90,660
Current service cost	14,91,586	9,28,631
Past service cost	4,69,094	-
Benefits paid (if any)	-	-
Actuarial (gain)/loss	(4,17,146)	1,72,450
Present value of the obligation at the end of the period	41,30,123	24,00,547

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**38. Employee Benefits (Disclosures)** (Contd.)

**Bifurcation of total Actuarial (gain) /loss on liabilities** Amount in (₹)

Period	Gratuity (unfunded) 2017-18	Gratuity (unfunded) 2017-18
Actuarial gain/ losses from changes in Demographics assumptions (mortality)	Not Applicable	Not Applicable
Actuarial (gain) / losses from changes in financial assumptions	(4,94,332)	96,818
Experience Adjustment (gain)/ loss for Plan liabilities	77,186	75,632
Total amount recognized in other comprehensive Income	(4,17,146)	1,72,450

**The amount to be recognized in the Balance Sheet** Amount in (₹)

Period	Gratuity (unfunded) As at March 31, 2018	Gratuity (unfunded) As at March 31, 2017
Present value of the obligation at the end of the period	41,30,123	24,00,547
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	41,30,123	24,00,547
Funded Status	(41,30,123)	(24,00,547)

**Expense recognized in the statement of Profit and Loss** Amount in (₹)

Period	Gratuity (unfunded) 2017-18	Gratuity (unfunded) 2017-18
Interest cost	1,86,042	90,660
Current service cost	14,91,586	9,28,631
Past Service Cost	4,69,094	-
Expected return on plan asset	-	-
<b>Expenses to be recognized in the statement of P&amp;L accounts</b>	<b>21,46,722</b>	<b>10,19,291</b>

**Other comprehensive (income)/expenses (Remeasurement)** Amount in (₹)

Period	Gratuity (unfunded) 2017-18	Gratuity (unfunded) 2017-18
Actuarial (gain)/loss - obligation	(4,17,146)	1,72,450
Actuarial (gain)/loss - plan assets	-	-
Total Actuarial (gain)/loss	(4,17,146)	1,72,450

**Experience Adjustment** Amount in (₹)

Period	Gratuity (unfunded) 2017-18	Gratuity (unfunded) 2017-18
Experience Adjustment (Gain)/loss for Plan liabilities	77,186	75,632
Experience Adjustment Gain/ (loss) for Plan assets	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**38. Employee Benefits (Disclosures) (Contd.)**

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

Amount in (₹)

Period	Gratuity (unfunded) As at March 31, 2018	Gratuity (unfunded) As at March 31, 2017
Number of employees	225	203
Total monthly salary	59,06,911	41,85,914
Average Past Service(Years)	1.8	1.4
Average remaining working lives of employees(Years)	26.7	27.4
Average Age(years)	31.3	30.6
Weighted average duration (based on discounted cash flows) in years	22	23
Average monthly salary	26,253	20,620

**The assumptions employed for calculations are tabulated:**

Amount in (₹)

Discount rate	7.75%	7.50%
Salary Growth Rate	5.00%	5.00%
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected rate of return	-	-
Withdrawal Rate (per annum)	5.00% p.a.	2.00% p.a.

The expected contribution for Defined Benefit Plan for the next financial year will be Rs. 22,78,346/-

The weighted average duration of the Defined Benefit plan is 22 years

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

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

Amount in (₹)

Period	Gratuity (unfunded) As at March 31, 2018	Gratuity (unfunded) As at March 31, 2017
Current Liability (Short Term)*	3,45,335	2,59,975
Non Current Liability (Long Term)	37,84,788	21,40,572
Total Liability	41,30,123	24,00,547

**Sensitivity Analysis :**

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



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 38. Employee Benefits (Disclosures) (Contd.)

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

Amount in (₹)

Period	As on 31.03.2018
Defined benefit obligation (Base)	41,30,123 @ salary increase rate : 5 % and discount rate : 7.75%
Liability with x % increase in Discount rate	36,79,423; x= 1.00% [ change (11)%]
Liability with x % decrease in Discount rate	46,75,467; x= 1.00% [ change (13)%]
Liability with x % increase in salary growth rate	46,85,537; x= 1.00% [ change (13)%]
Liability with x % decrease in salary growth rate	36,64,476; x= 1.00% [ change (11)%]
Liability with x % increase in withdrawal rate	42,15,638; x= 1.00% [ change (2)%]
Liability with x % decrease in withdrawal rate	40,18,267; x= 1.00% [ change (3)%]

#### Maturity Profile of projected benefit obligation: from the fund

Amount in (₹)

Period	For the year ended March 31, 2018 Gratuity (Unfunded)
1st Following Year	4,07,947
2nd Following Year	1,16,272
3rd Following Year	1,45,249
4th Following Year	1,92,907
5th Following Year	2,11,717
After 5 Years	52,11,866

### 39. FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended march 31, 2018

39. FINANCIAL INSTRUMENTS (Contd.)

Financial Assets

Amount in (₹)

Sl.No	Particulars	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1</b>	<b>Financial assets designated at amortised cost</b>							
a.	Loans- non current		42,20,540	42,20,540	32,21,483	32,21,483	6,33,632	6,33,632
b.	Other Financial non current assets		2,04,25,487	2,04,25,487	-	-	-	-
c.	Other Bank Balances		2,39,10,174	2,39,10,174	3,92,49,851	3,92,49,851	4,73,36,712	4,73,36,712
d.	Cash & Cash Equivalents		3,62,33,418	3,62,33,418	1,00,68,932	1,00,68,932	1,81,73,148	1,81,73,148
e.	Trade receivables		11,72,03,157	11,72,03,157	4,15,47,023	4,15,47,023	1,14,27,645	1,14,27,645
f.	Loans- Current		12,10,00,000	12,10,00,000	-	-	-	-
g.	Other financial current assets		8,55,03,275	8,55,03,275	9,58,95,599	9,58,95,599	8,75,44,606	8,75,44,606
			<b>38,38,50,024</b>	<b>38,38,50,024</b>	<b>18,99,82,888</b>	<b>18,99,82,888</b>	<b>16,51,15,743</b>	<b>16,51,15,743</b>
<b>2.</b>	<b>Financial assets designated through Other Comprehensive Income</b>							
a.	Investments in Equity Instruments	Level 3	3,66,28,500	3,66,28,500	3,16,03,500	3,16,03,500	2,80,56,750	2,80,56,750
			<b>3,66,28,500</b>	<b>3,66,28,500</b>	<b>3,16,03,500</b>	<b>3,16,03,500</b>	<b>2,80,56,750</b>	<b>2,80,56,750</b>

Financial Liabilities

Amount in (₹)

Sl.No	Particulars	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1</b>	<b>Financial assets designated at amortised cost</b>							
a.	Non- current Borrowings		1,35,29,472	1,35,29,472	35,96,371	35,96,371	1,22,60,054	1,22,60,054
b.	Trade payables		68,36,374	68,36,374	7,89,221	7,89,221	5,93,642	5,93,642
c.	Other financial current liability		17,60,05,422	17,60,05,422	8,13,58,181	8,13,58,181	6,60,50,340	6,60,50,340
d.	Current borrowings		3,32,15,262	3,32,15,262	1,92,772	1,92,772	1,56,583	1,56,583
			<b>22,95,86,530</b>	<b>22,95,86,530</b>	<b>8,59,36,545</b>	<b>8,59,36,545</b>	<b>7,90,60,619</b>	<b>7,90,60,619</b>

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 39. FINANCIAL INSTRUMENTS (Contd.)

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
Investments in equity instruments at fair value through other comprehensive income	Book value method	Audited financial statements	Nil

5. Reconciliation of Level 3 fair value measurements for the year ended March 31, 2018 and 31 March 2017:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening Balance	3,16,03,500	2,80,56,750
<b>Total gain or losses</b>		
in other comprehensive income	50,25,000	35,46,750
<b>Closing Balance</b>	<b>3,66,28,500</b>	<b>3,16,03,500</b>

### Financial Risk Management Objectives & Policies

#### Risk management framework

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

#### a). Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises from the operating activities primarily (trade receivables) and from its financing activities including cash and cash equivalents, deposits with banks, derivatives and other financial instruments. The carrying amount of financial assets represents the maximum credit exposure and is as follows:

#### Trade & other receivables:

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

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

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 39. FINANCIAL INSTRUMENTS (Contd.)

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

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

Amount in (₹)

Ageing	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Ageing of gross carrying amount</b>			
less than 180 days	5,46,99,931	3,63,99,738	99,47,472
181-365 days	4,10,06,040	17,66,185	7,95,735
More than 1 year	2,14,97,186	33,81,100	6,84,438
<b>Gross carrying amount</b>	<b>11,72,03,157</b>	<b>4,15,47,023</b>	<b>1,14,27,645</b>
Expected credit loss	-	-	-
<b>Net carrying amount</b>	<b>11,72,03,157</b>	<b>4,15,47,023</b>	<b>1,14,27,645</b>

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

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

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

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

#### Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses recognised represent the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2018, March 31, 2017 and April 1, 2016 was as follows:

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Non current financial assets</b>			
Loans	42,20,540	32,21,483	6,33,632
Other financial assets	2,04,25,487	-	-
<b>Current financial assets</b>			
Trade receivables	11,72,03,157	4,15,47,023	1,14,27,645
Cash & cash equivalents	3,62,33,418	1,00,68,932	1,81,73,148
Bank balances other than cash & cash equivalents	2,39,10,174	3,92,49,851	4,73,36,712
Loans	12,10,00,000	-	-
Other financial assets	8,55,03,275	9,58,95,599	8,75,44,606
<b>TOTAL</b>	<b>40,84,96,051</b>	<b>18,99,82,888</b>	<b>16,51,15,743</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**39. FINANCIAL INSTRUMENTS** (Contd.)

**b). Liquidity Risk**

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

**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.

<b>As at March 31, 2018</b>	<b>Less than 1 year</b>	<b>1-5 years</b>	<b>More than 5 years</b>	<b>Total</b>
Secured loans from bank and financial institutions	-	1,35,29,472		<b>1,35,29,472</b>
Interest accrued but not due on borrowings	10,75,739	-	-	<b>10,75,739</b>
Current Maturities of Long term Debts	56,47,761	-	-	<b>56,47,761</b>
Current borrowings	3,32,15,262	-		<b>3,32,15,262</b>
Unpaid Dividends	6,83,275	-	-	<b>6,83,275</b>
Trade payables	68,36,374	-	-	<b>68,36,374</b>
Amount due to subsidiary company	14,47,55,548	-	-	<b>14,47,55,548</b>
Employee payable	1,16,00,064	-	-	<b>1,16,00,064</b>
Expense payable	1,22,43,035	-	-	<b>1,22,43,035</b>
<b>TOTAL</b>	<b>21,60,57,058</b>	<b>1,35,29,472</b>	-	<b>22,95,86,530</b>

<b>As at March 31, 2017</b>	<b>Less than 1 year</b>	<b>1-5 years</b>	<b>More than 5 years</b>	<b>Total</b>
Secured loans from bank and financial institutions	-	35,96,371		<b>35,96,371</b>
Interest accrued but not due on borrowings	-	-	-	-
Current Maturities of Long term Debts	1,43,95,809	-	-	<b>1,43,95,809</b>
Current borrowings	1,92,772			<b>1,92,772</b>
Unpaid Dividends	3,56,650	-	-	<b>3,56,650</b>
Trade payables	7,89,221	-	-	<b>7,89,221</b>
Amount due to subsidiary company	4,91,16,761	-	-	<b>4,91,16,761</b>
Employee payable	88,06,049	-	-	<b>88,06,049</b>
Expense payable	86,82,912	-	-	<b>86,82,912</b>
<b>TOTAL</b>	<b>8,23,40,174</b>	<b>35,96,371</b>	-	<b>8,59,36,545</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**39. FINANCIAL INSTRUMENTS** (Contd.)

As at April 1, 2016	Less than 1 year	1-5 years	More than 5 years	Total
Secured loans from bank and financial institutions	-	1,22,60,054		<b>1,22,60,054</b>
Interest accrued but not due on borrowings	-	-	-	-
Current Maturities of Long term Debts	1,55,03,882	-	-	<b>1,55,03,882</b>
Current borrowings	1,56,583			<b>1,56,583</b>
Unpaid Dividends	-	-	-	-
Trade payables	5,93,642	-	-	<b>5,93,642</b>
Amount due to subsidiary company	3,97,34,445	-	-	<b>3,97,34,445</b>
Employee payable	50,36,926	-	-	<b>50,36,926</b>
Expense payable	57,75,087	-	-	<b>57,75,087</b>
<b>TOTAL</b>	<b>6,68,00,565</b>	<b>1,22,60,054</b>	-	<b>7,90,60,619</b>

**c). 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) Foreign currency risk**

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognisance of the natural hedge, the company takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

The following table analyzes foreign currency risk from financial instruments as of March 31, 2018:

Particulars	Financial Asset		Financial Liability
	Trade Receivable	Other Financial Assets	Other Financial Liability
Euro	2,33,36,431	-	-
USD	8,80,177	-	14,47,55,740
CNY	21,64,628	-	-
OMR	10,74,225	-	-
PHP	23,09,654	-	-
PLN	18,78,915	-	-
RUS	53,91,010	-	-
SGD	3,37,324	-	-
UAH	1,10,00,264	-	-
<b>TOTAL</b>	<b>4,83,72,630</b>	-	<b>14,47,55,740</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**39. FINANCIAL INSTRUMENTS** (Contd.)

The following table analyzes foreign currency risk from financial instruments as of March 31, 2017:

Amount in (₹)

Particulars	Financial Asset		Financial Liability
	Trade Receivable	Other Financial Assets	Other Financial Liability
Euro	49,21,132	1,42,76,660	-
AED	-	-	4,91,16,761
USD	78,85,908	-	-
CNY	6,07,971	-	-
OMR	16,23,344	-	-
PHP	9,25,088	-	-
PLN	6,43,301	-	-
RUS	44,12,757	-	-
SGD	27,59,094	-	-
<b>TOTAL</b>	<b>2,37,78,595</b>	<b>1,42,76,660</b>	<b>4,91,16,761</b>

The following table analyzes foreign currency risk from financial instruments as of April 1, 2016:

Amount in (₹)

Particulars	Financial Asset		Financial Liability
	Trade Receivable	Other Financial Assets	Other Financial Liability
Euro	27,66,380	82,90,410	-
AED	-	-	3,97,34,445
OMR	15,73,300	-	-
PHP	2,75,644	-	-
PLN	24,75,163	-	-
RUS	10,75,582	-	-
<b>TOTAL</b>	<b>81,66,069</b>	<b>82,90,410</b>	<b>3,97,34,445</b>

**Foreign Currency Sensitivity**

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

0.25% Increase and decrease in foreign exchanges rates will have the following impact on profit before tax.

Particulars	2017-18		2016-17	
	0.25% Increase	0.25% Decrease	0.25% Increase	0.25% Decrease
Euro Sensitivity	58,341	(58,341)	32,017	(32,017)
USD Sensitivity	2,200	(2,200)	-	-
CNY Sensitivity	5,412	(5,412)	1,520	(1,520)
OMR Sensitivity	2,686	(2,686)	4,058	(4,058)
PHP Sensitivity	5,774	(5,774)	1,952	(1,952)
PLN Sensitivity	4,697	(4,697)	1,608	(1,608)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**39. FINANCIAL INSTRUMENTS (Contd.)**

Particulars	2017-18		2016-17	
	0.25% Increase	0.25% Decrease	0.25% Increase	0.25% Decrease
RUS Sensitivity	13,478	(13,478)	11,032	(11,032)
SGD Sensitivity	843	(843)	6,898	(6,898)
UAH Sensitivity	27,501	(27,501)	0	0
Increase /(decrease) in profit or loss	1,20,932	(1,20,932)	59,085	(59,085)

**ii) Interest Rate Risk and Sensitivity**

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

**Interest Rate Risk Exposure**

Amount in (₹)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	(Amount in Rs.)	% of Total	(Amount in Rs.)	% of Total	(Amount in Rs.)	% of Total
Fixed Rate Borrowings	4,89,77,233	93.48%	1,79,92,180	98.94%	2,77,63,936	99.44%
Variable Rate Borrowings	34,15,262	6.52%	1,92,772	1.06%	1,56,583	0.56%
<b>Total Borrowings</b>	<b>5,23,92,495</b>	<b>100.00%</b>	<b>1,81,84,952</b>	<b>100.00%</b>	<b>2,79,20,519</b>	<b>100.00%</b>

**Sensitivity on variable rate borrowings**

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Interest Rate Increase by 0.25%	-	-	-	-
Interest Rate decrease by 0.25%	-	-	-	-

**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:



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 39. FINANCIAL INSTRUMENTS (Contd.)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Borrowings (Non current)</b>	1,91,77,233	1,79,92,180	2,77,63,936
Borrowings (Current)	3,32,15,262	1,92,772	1,56,583
Less: Cash and cash equivalents including bank balances	(3,62,33,418)	(1,00,68,932)	(1,81,73,148)
Total Debt	<b>1,61,59,077</b>	<b>81,16,020</b>	<b>97,47,371</b>
<b>Total Equity (A)</b>	25,27,17,147	18,00,08,834	15,20,71,191
<b>Capital and Net debt (B)</b>	26,88,76,224	18,81,24,854	16,18,18,562
<b>Gearing ratio A/B</b>	<b>6.01%</b>	<b>4.31%</b>	<b>6.02%</b>

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

### 40 Related Party Disclosures

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

#### a) Nature of Related Party relationship

##### I Subsidiary companies

BLS International FZE	UAE	Wholly Owned
BLS E-Services Pvt Ltd	India	Wholly Owned
BLS E-Solution Pvt Ltd	India	Wholly Owned
BLS IT-Services Pvt Ltd	India	Wholly Owned
BLS Kendras Pvt Ltd.	India	Wholly Owned**
BLS International Services Australia PTY. LTD.	Australia	Subsidiary to Subsidiary *
BLS International Services Canada INC.	Canada	Subsidiary to Subsidiary *
BLS International Services Norway AS	Norway	Subsidiary to Subsidiary *
BLS International Services Singapore PTE LTD.	Singapore	Subsidiary to Subsidiary *
BLS International Services Malaysia SDN BHD	Malaysia	Subsidiary to Subsidiary *
BLS International Services, UAE	UAE	Subsidiary to Subsidiary *
BLS International Services, UK	UK	Subsidiary to Subsidiary *
Consular Outsourcing BLS Services Inc.	US	Subsidiary to Subsidiary *

\* Subsidiary companies of BLS International FZE

\*\* the company incorporated new subsidiary BLS Kendras Pvt Ltd dated 19.03.2018

##### II Associates

BLS International Visa Services-Austria	Austria
BLS International Visa Services-Baltic	Lithuania
BLS International Visa Services Poland SP.Z.O.O.	Poland

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 40 Related Party Disclosures (Contd.)

#### III Key Management Personnel (KMP) and their relatives with whom transactions have taken place

##### (a) Key Management Personnel

Mr. Shikhar Aggarwal (w.e.f 17.06.16)	Joint Managing Director
Mr. Nikhil Gupta (w.e.f 13.08.16)	Managing Director
Mr. Karan Aggarwal (w.e.f 13.06.2017)	Executive Director
Mr. Surinder Singh Kohli (w.e.f 14.02.2017)	Independent Director
Mr. Sarthak Behuria (w.e.f 11.11.2016)	Independent Director
Mr. Ram Prakash Bajpai (w.e.f 09.06.2015)	Independent Director
Ms. Shivani Mishra (w.e.f 30.06.2015)	Independent Director
Mr. Ajay Kumar Milhotra (w.e.f 09.08.2017)	Chief Financial Officer
Mr. Mukul Harmilapi (Till 27.07.17)	Chief Financial Officer
Mr. Bala Ji (w.e.f 14.02.17)	Company Secretary

##### (b) Relatives of Key Management Personnel

Mr. Diwakar Aggarwal
Mrs. Alka Aggarwal
Ms. Riya Aggarwal
Mr. Sushil Aggarwal

#### IV Entities controlled by KMP

Basant India Limited
BLS Polymers Limited

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

				Amount in (₹)	
	Particulars	Nature of Transaction	2017-18	2016-17	
1	BLS International FZE	Sale of Service	9,46,88,951	6,31,15,593	
		Dividend received	5,00,47,749	1,24,90,196	
		<b>Closing Balance</b>			
		Amount payables	14,47,55,548	4,91,16,761	
2	BLS International Visa Services-Austria	Sale of Service	17,86,151	24,21,225	
		<b>Closing Balance</b>			
		Trade receivable	57,072	78,828	
3	BLS International Visa Services-Baltic	Sale of Service	1,35,440	3,92,192	
		<b>Closing Balance</b>			
		Trade receivable	27,47,815	22,51,433	
4	BLS International Visa Services Poland SP.Z.O.O.	Sale of Service	10,70,895	17,13,030	
		<b>Closing Balance</b>			
		Trade receivable	18,78,915	6,43,301	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

40 Related Party Disclosures (Contd.)

		Amount in (₹)		
Particulars	Nature of Transaction	2017-18	2016-17	
5	BLS International Visa Services Philippine Inc.	Sale of Service	70,62,157	24,36,914
		<b>Closing Balance</b>		
		Trade receivable	23,09,653	9,25,088
6	BLS International - Singapore	Sale of Service	35,54,685	74,88,978
		<b>Closing Balance</b>		
		Trade receivable	3,37,324	27,59,094
7	BLS E-Services Pvt Ltd	Consultancy Services	1,75,00,000	1,53,45,000
		Reimbursement of Expenses	-	1,07,65,702
		Interest Income on loan	15,26,137	
		Amount of loan given	16,10,00,000	-
		Amount of loan Received back	9,00,00,000	-
		<b>Closing Balance</b>		
		Loan Receivable	7,10,00,000	-
		Interest Receivables	13,73,523	-
		Trade receivable	75,93,011	15,98,011
8	BLS E-Solution Pvt Ltd	Consultancy Services	2,15,00,000	2,03,00,000
		Reimbursement of Expenses	-	1,02,95,860
		Interest Income on loan	5,42,137	
		Amount of loan given	9,45,28,000	-
		Amount of loan Received back	7,00,00,000	-
		<b>Closing Balance</b>		
		Loan Receivable	2,45,00,000	-
		Interest Receivables	4,87,923	-
		Trade receivable	2,77,94,656	63,46,656
9	BLS IT-Services Pvt Ltd	Consultancy Services	2,15,00,000	2,03,85,000
		Reimbursement of Expenses	-	1,01,89,828
		Interest Income on loan	4,94,794	-
		Amount of loan given	6,55,00,000	-
		Amount received	15,75,000	2,51,35,321
		<b>Closing Balance</b>		
		Loan Receivable	2,55,00,000	-
		Interest receivables	4,45,315	-
		Trade receivable	2,78,68,707	64,48,707
10	Basant India Limited	Loan received	2,98,00,000	-
		<b>Closing Balance</b>	<b>2,98,00,000</b>	
11	Mr. Diwakar Aggarwal	Salary for the year	-	3,21,774
		Rent expense during the year	1,68,000	1,68,000
		<b>Closing Balance</b>		
		Rent payable	2,52,000	84,000
		Security Deposit receivable	1,66,30,000	1,66,30,000

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 40 Related Party Disclosures (Contd.)

Amount in (₹)

Particulars	Nature of Transaction	2017-18	2016-17
12 Mr. Vinod Aggarwal	Rent expense during the year	96,000	96,000
	Rent payable at the end	1,44,000	48,000
	<b>Closing Balance</b>		
	Security Deposit receivable	1,50,00,000	1,50,00,000
13 Mr. Madhukar Aggarwal	Rent expense during the year	96,000	96,000
	<b>Closing Balance</b>		
	Rent payable at the end	1,44,000	48,000
	Security Deposit receivable	3,60,00,000	3,60,00,000
14 Mr. Sushil Aggarwal	Rent expense during the year	1,20,000	1,20,000
	<b>Closing Balance</b>		
	Rent payable at the end	1,80,000	60,000
	Security Deposit receivable	1,00,00,000	1,00,00,000
15 Mrs. Laxmi Aggarwal	Salary for the year	-	1,75,000
16 Mr. Gaurav Aggarwal	Salary for the year	33,00,000	13,57,400
17 Ms. Riya Aggarwal	Salary for the year	4,00,000	-
18 <b>Key Managerial person (KMP)</b>			
i) Short term employee benefits #		1,08,62,855	27,31,581
ii) Commission and other benefits to non-executive directors*		5,95,000	1,05,000

# the above said remuneration is excluding provision for gratuity & leave encashment, where the actuarial valuation is done on overall Company basis.

\* including sitting fees

### 41. Income Taxes

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

Amount in (₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current Income Tax		
Current year	3,50,08,003	1,46,53,928
Adjustment in respect of current income tax for earlier year	3,98,713	(2,98,099)
<b>Total</b>	<b>3,54,06,716</b>	<b>1,43,55,829</b>
Deferred Tax	(74,82,961)	(15,45,956)
Tax credit entitlement	(64,31,247)	-
<b>Total</b>	<b>2,14,92,508</b>	<b>1,28,09,873</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 41. Income Taxes (Contd.)

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

Amount in (₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Deferred tax</b>		
Re-measurements of defined benefit plans	1,20,305	(57,017)
Changes in fair value of financial assets if designated to OCI	10,35,150	7,30,631
<b>Total</b>	<b>11,55,455</b>	<b>6,73,614</b>

#### c. Reconciliation of Tax expense

Amount in (₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Accounting profit	12,70,80,377	4,42,12,151
Tax expense @ 28.84%*	3,66,49,981	-
Tax expense @ 33.063%#	-	1,46,17,863
<b>Tax effect of expenses that are not deductible for tax purpose</b>		
Effect of dividend income taxed at lower rate i.e. 17.304%	(57,73,508)	(20,67,065)
Effect of tax credit as per 1150	(64,31,247)	
Other items	(29,52,718)	2,59,075
	(1,51,57,473)	(18,07,990)
<b>Tax Expense</b>	<b>2,14,92,508</b>	<b>1,28,09,873</b>

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

# PY:\* tax rate of 33.063% includes corporate tax of 30%, 7% surcharge and Secondary and Higher Education Cess of 3% on the tax amount

### 42. First Time Adoption of Ind AS

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

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 42. First Time Adoption of Ind AS (Contd.)

#### II Reconciliations

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

- Balance Sheet as at April 01, 2016 and March 31, 2017
- Statement of Profit and loss for the year ended March 31, 2017
- Equity as at April 01, 2016 and March 31, 2017

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

Amount in (₹)

	Note	As at March 31, 2017			As at March 31, 2016		
		IGAAP*	Adjustments	Ind AS	IGAAP*	Adjustments	Ind AS
<b>ASSETS</b>							
<b>Non-current asset</b>							
Property, plant & equipment		4,56,55,069	-	4,56,55,069	4,14,33,698	-	4,14,33,698
Intangible Assets		1,71,543	-	1,71,543	-	-	-
Investments in subsidiaries, associates & joint venture		7,85,703	-	7,85,703	4,85,703	-	4,85,703
<b>Financial Assets</b>							
Investments	a	1,65,00,000	1,51,03,500	3,16,03,500	1,65,00,000	1,15,56,750	2,80,56,750
Loans	b	41,31,300	(9,09,817)	32,21,483	8,92,500	(2,58,868)	6,33,632
Deferred Tax Assets (Net)	c	55,02,774	(31,11,321)	23,91,453	38,99,801	(23,80,691)	15,19,110
Other non-current assets	b	-	8,79,751	8,79,751	3,60,000	2,41,297	6,01,297
		<b>7,27,46,389</b>	<b>1,19,62,113</b>	<b>8,47,08,502</b>	<b>6,35,71,702</b>	<b>91,58,488</b>	<b>7,27,30,190</b>
<b>Current Asset</b>							
<b>Financial Assets</b>							
Trade receivables		4,15,47,023	-	4,15,47,023	1,14,27,645	-	1,14,27,645
Cash and cash equivalents		1,00,68,932	-	1,00,68,932	1,81,73,148	-	1,81,73,148
Bank balances other than above		3,92,49,851	-	3,92,49,851	4,73,36,712	-	4,73,36,712
Other financial assets		9,58,95,599	-	9,58,95,599	8,75,44,606	-	8,75,44,606
Other current assets		11,17,653	-	11,17,653	14,92,168	-	14,92,168
		<b>18,78,79,058</b>	<b>-</b>	<b>18,78,79,058</b>	<b>16,59,74,279</b>	<b>-</b>	<b>16,59,74,279</b>
<b>TOTAL</b>		<b>26,06,25,447</b>	<b>1,19,62,113</b>	<b>27,25,87,560</b>	<b>22,95,45,981</b>	<b>91,58,488</b>	<b>23,87,04,469</b>
<b>EQUITY &amp; LIABILITIES</b>							
<b>Equity</b>							
Equity share capital		10,24,50,000	-	10,24,50,000	10,24,50,000	-	10,24,50,000
Other equity	a,b,c,d	6,55,96,721	1,19,62,113	7,75,58,834	4,04,62,703	91,58,488	4,96,21,191
		<b>16,80,46,721</b>	<b>1,19,62,113</b>	<b>18,00,08,834</b>	<b>14,29,12,703</b>	<b>91,58,488</b>	<b>15,20,71,191</b>
<b>Liability</b>							
<b>Non current liabilities</b>							
<b>Financial liabilities</b>							
Borrowings		35,96,371	-	35,96,371	1,22,60,054	-	1,22,60,054
Provisions		21,40,572	-	21,40,572	10,04,934	-	10,04,934
		<b>57,36,943</b>	<b>-</b>	<b>57,36,943</b>	<b>1,32,64,988</b>	<b>-</b>	<b>1,32,64,988</b>
<b>Current liabilities</b>							
<b>Financial liabilities</b>							
Borrowings		1,92,772	-	1,92,772	1,56,583	-	1,56,583
Trade payables		7,89,221	-	7,89,221	5,93,642	-	5,93,642
Other financial liabilities		8,13,58,181	-	8,13,58,181	6,60,50,340	-	6,60,50,340
Other current liabilities		22,90,390	-	22,90,390	19,01,269	-	19,01,269
Provisions		2,59,975	-	2,59,975	2,03,872	-	2,03,872
Current tax liabilities (net)		19,51,244	-	19,51,244	44,62,584	-	44,62,584
		<b>8,68,41,783</b>	<b>-</b>	<b>8,68,41,783</b>	<b>7,33,68,290</b>	<b>-</b>	<b>7,33,68,290</b>
<b>TOTAL</b>		<b>26,06,25,447</b>	<b>1,19,62,113</b>	<b>27,25,87,560</b>	<b>22,95,45,981</b>	<b>91,58,488</b>	<b>23,87,04,469</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

**42. First Time Adoption of Ind AS (Contd.)**

B. Reconciliation of total comprehensive income of the year ended March 31, 2017

Amount in (₹)

		For the year ended March 31, 2017		
		IGAAP*	Adjustments	Ind AS
<b>REVENUE:</b>				
Revenue from Operations		24,09,48,190	-	24,09,48,190
Other Income	b	1,74,24,857	1,24,795	1,75,49,652
<b>Total Revenue</b>		<b>25,83,73,047</b>	<b>1,24,795</b>	<b>25,84,97,842</b>
<b>EXPENSES:</b>				
Cost Of Services		1,72,19,425	-	1,72,19,425
Employee benefits expense	d	8,28,95,622	(1,72,450)	8,27,23,172
Finance Cost		26,33,729	-	26,33,729
Depreciation and amortisation expense		1,60,05,859	-	1,60,05,859
Other expenses	b	9,55,66,218	1,37,288	9,57,03,506
<b>Total Expenses</b>		<b>21,43,20,853</b>	<b>(35,162)</b>	<b>21,42,85,691</b>
<b>Profit/(loss) before tax (III-V)</b>		<b>4,40,52,194</b>	<b>1,59,957</b>	<b>4,42,12,151</b>
<b>Tax expense:</b>				
a) Current tax		1,46,53,928	-	1,46,53,928
b) Deferred tax	c	(16,02,973)	57,017	(15,45,956)
c) Tax for earlier years		(2,98,099)	-	(2,98,099)
<b>Total Tax Expenses</b>		<b>1,27,52,856</b>	<b>57,017</b>	<b>1,28,09,873</b>
<b>Profit/(loss) for the period (VIII-IX)</b>		<b>3,12,99,338</b>	<b>1,02,940</b>	<b>3,14,02,278</b>
<b>OTHER COMPREHENSIVE INCOME (OCI)</b>				
<b>A. Items that will not be reclassified subsequently to statement of profit and loss</b>				
(a) Remeasurements of defined benefit plans	d	-	(1,72,451)	(1,72,451)
(b) Tax on Re-measurements of defined benefit plans	c	-	57,017	57,017
(c) Equity Instruments through OCI	a	-	35,46,750	35,46,750
(d) Tax on (c) above	c	-	(7,30,631)	(7,30,631)
<b>B. Items that will be reclassified subsequently to statement of profit and loss</b>		-	-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME/ (LOSSES)</b>		-	<b>27,00,685</b>	<b>27,00,685</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>3,12,99,338</b>	<b>28,03,625</b>	<b>3,41,02,963</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 42. First Time Adoption of Ind AS (Contd.)

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

Amount in (₹)

Particulars	Notes	March 31, 2017	April 01, 2016
<b>Total Equity ( Reserve and Surplus) as per Previous GAAP</b>		6,55,96,721	4,04,62,703
<b>Adjustment:-</b>			
1. Impact due to fair valuation of non-current investment other than subsidiary	a	1,51,03,500	1,15,56,750
2. Fair valuation of financials assets (net)	b	(30,066)	(17,571)
3. Deferred Tax impact on above adjustments (Net)	c	(31,11,321)	(23,80,691)
<b>Equity Attributable to owners of the Company</b>		<b>7,75,58,834</b>	<b>4,96,21,191</b>

D. There is not significant reconciliation between cash flow prepared under previous GAAP and Ind As.

#### Notes to Reconciliation Adjustments

##### a Non Current Investments

For investment in unquoted Instrument, Company has elected to fair value through OCI.(FVTOCI)

##### b Security deposits

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

##### c Deferred Tax Assets

i. Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP.

ii. In addition, the various transitional adjustments lead to different temporary differences resulting in recognition of deferred tax. Such deferred tax asset has been recognized in retained earnings.

##### d Remeasurements of post-employment benefit obligations

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

### III Exemptions & exceptions availed:

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



**42. First Time Adoption of Ind AS (Contd.)**

**A Ind AS optional exemptions:**

**i. Deemed Cost:**

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

**ii. Investments in subsidiaries, associates and joint ventures:**

The company has elected to avail the exemption in para D15, Ind AS 101 and has continued with the carrying amount of investments in subsidiaries, joint ventures and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments.

**iii. Designation of previously recognized financial instruments:**

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

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

**B Ind AS mandatory exceptions:**

**i. Estimates**

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

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

**ii. Classification and measurement of financial assets:**

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

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

**iii. Derecognition of financial assets and liabilities:**

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 42. First Time Adoption of Ind AS (Contd.)

#### iv. Impairment of financial assets:

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

### Notes to Reconciliation Adjustments

#### a Non Current Investments

For investment in unquoted Instrument, Company has elected to fair value through OCI.(FVTOCI)

#### b Security deposits

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

Financial assets (Security Deposits) measured at amortized cost as per Ind AS 109

#### c Deferred Tax Assets

i. Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP.

ii. In addition, the various transitional adjustments lead to different temporary differences resulting in recognition of deferred tax. Such deferred tax asset has been recognized in retained earnings.

#### d Remeasurements of post-employment benefit obligations

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

Actuarial Valuation as per Ind AS 19

#### Other Expenses

Lease Expense as per amortization of security deposit as per Ind AS 109

### III Exemptions & exceptions availed:

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

#### A Ind AS optional exemptions:

##### i. Deemed Cost:

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

**42. First Time Adoption of Ind AS (Contd.)**

**ii. Investments in subsidiaries, associates and joint ventures:**

The company has elected to avail the exemption in para D15, Ind AS 101 and has continued with the carrying amount of investments in subsidiaries, joint ventures and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments.

**iii. Designation of previously recognized financial instruments:**

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

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

**B Ind AS mandatory exceptions:**

**i. Estimates**

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

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

**ii. Classification and measurement of financial assets:**

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

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

**iii. Derecognition of financial assets and liabilities:**

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

**iv. Impairment of financial assets:**

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

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2018

### 43. INFORMATION RELATED TO CONSOLIDATED FINANCIALS

The company is listed on stock exchange in India, the Company has prepared consolidated financial as required under IND AS110, Sections 129 of Companies Act, 2013 and listing requirements. The consolidated financial statement is available on Company's web site for public use

### 44. SEGMENT INFORMATION

Information about primary segment

The company has engaged in the business of "visa and other allied services" and has only reportable segment in accordance with IND AS-108 'Operating Segment'.

### 45. 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

### 46. THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

	Nature of Transaction	2017-18	2016-17
a)	Principal amount and Interest due thereon remaining unpaid to any supplier as on	-	-
b)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d)	the amount of interest accrued and remaining unpaid	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS** for the year ended March 31, 2018

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

**48.** Notes 1 to 47 are annexed to and form an integral part of financial statements.

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

**Harish Gupta**

Partner

Membership number: 098336

For and on behalf of the board of directors of  
**BLS International Services Limited**

**(Shikhar Aggarwal)**

Jt. Managing Director

DIN No. 06975729

4, Sankaracharya Marg,

Civil Lines

New Delhi 110054

**(Nikhil Gupta)**

Managing Director

DIN No. 00195694

501, Monarch Bldg,

2nd Hassanabad Lane

Santacruz (west) Mumbai

400054

Place : New Delhi

Date : May 22, 2018

**(Ajay Milhotra)**

Chief Finance Officer

C-8, Defence Colony

New Delhi 110024

**(Balaji)**

Company Secretary

Membership No. 33952

RZ-80A, South Extension

Part-1, Uttam Nagar,

Delhi 110059

## Independent Auditors' Report

To the Members  
BLS International Services Limited

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of BLS International Services Limited (hereinafter referred to as "the Holding Company") and its subsidiaries including step down subsidiaries (collectively referred to as "the Group"), comprising the consolidated balance sheet as at March 31, 2018, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and consolidated statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the 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 standalone/ consolidated Ind AS financial statements that give

a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate

to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, its consolidated profit (including other comprehensive income), its consolidated cash flows and their consolidated statement of changes in equity for the year ended on that date.

#### Emphasis of matter

Without qualifying, we draw attention to the following matters:

1. Note no 44 of the consolidated Ind AS financial statements wherein the Government of Punjab has terminated master service agreement entered with all three Indian subsidiaries vide its letter dated January 30, 2018. These contracts were the only source of revenue for these companies. However, the management is making effort to secure others contracts/business in these companies and of the view that going concern assumption is not affected. We have relied upon the management contention.
2. Note no 44 of the consolidated Ind AS financial statements wherein the amount receivable by three Indian subsidiaries from Government of Punjab aggregating to Rs. 203,84,00,693/- (including Rs. 3,50,73,267/- for reimbursement of diesel expense) as on March 31, 2018 for which recovery is slow. However, the management is confident that there is no impairment in the value of the amount to be received. We have relied upon the management contention.
3. The Consolidated Ind AS financial statements does not include financial statements of three associate companies incorporated outside India as management does not exercise significant influence on these companies.

Our opinion is not modified in respect of the above matters.

#### Other Matters

- i. We did not audit the financial statements/financial information of 2 subsidiaries (including 1 step down subsidiary) incorporated outside India whose

financial statements/financial information reflect total assets of Rs. 202,90,15,888/- as at March 31, 2018, total revenue of Rs. 322,02,45,858/- and net cash inflow amounting to Rs. 19,82,63,869/- lakhs for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements. These financial statements and other financial information have been audited by other auditors whose audit reports for the year ended March 31, 2018 have been furnished to us, and our opinion on the consolidated Ind AS financial statements for the year ended March 31, 2018 is based solely on the reports of the other auditors.

- ii. Further, we did not audit the financial statements/financial information of 6 step down subsidiaries incorporated outside India whose financial statements/financial information reflect total assets of Rs. 668,56,788/- as at March 31, 2018, total revenue of Rs. 251,76,04,179/- and net cash inflow amounting to Rs. 209,92,989/- for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements. This financial statements / financial information is unaudited and certified & furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these step-down subsidiaries are based solely on such unaudited & management certified financial statements. In our opinion and according to the information and explanations given to us by the Management, the financial statements of these step-down subsidiaries are not considered material to the Group.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

- b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated cash flow statement and consolidated changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d) In our opinion the aforesaid consolidated Ind AS financial statements comply with the 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 of the Holding Company and subsidiary companies incorporated in India as on March 31, 2018 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Consolidated Ind AS financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note 35 to the consolidated Ind AS financial statements.
  - The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

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

**Harish Gupta**

Partner

Place: New Delhi

Date: May 22, 2018      Membership Number: 098336



## **Annexure A to the Independent Auditor's Report to the Members of BLS International Services Limited dated May 22, 2018 on its consolidated Ind AS financial statements**

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

#### **Our reporting on the internal financial controls over financial reporting is not applicable in respect of eight subsidiaries (including seven step down subsidiaries) incorporated outside India**

In conjunction with our audit of the consolidated Ind AS financial statements of BLS International Services Limited as of and for the year ended March 31, 2018, we have audited the Internal Financial Controls Over Financial Reporting with reference to Consolidated Ind AS financial statements of BLS International Services Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies including step down subsidiaries (together referred to as "the Group"), which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control

over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control

over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Holding Company and three subsidiaries, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

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

**Harish Gupta**  
Partner  
Place: New Delhi  
Date: May 22, 2018      Membership Number: 098336

## CONSOLIDATED BALANCE SHEET as at March 31, 2018

Particulars	Note No.	Amount in (₹)		
		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>I ASSETS</b>				
<b>1 Non-Current Asset</b>				
a. Property, plant & equipment	3	40,50,75,152	71,84,39,928	15,38,86,089
b. Intangible assets	4	8,95,16,399	6,58,33,126	8,82,36,779
c. Investments in subsidiaries, associates & joint venture	5	1,17,053	1,17,053	1,17,053
d. Financial assets:				
(i) Investments	6	27,79,52,109	32,01,59,201	2,80,56,750
(ii) Loans	7	55,42,476	43,66,616	6,33,632
(iii) Other financial assets	8	2,04,25,487	-	29,44,04,143
e. Deferred tax assets (net)	9	3,26,18,182	(50,57,552)	15,19,110
f. Other non-current assets	10	8,56,163	13,33,044	6,01,297
<b>Total non-current assets</b>		<b>83,21,03,021</b>	<b>1,10,51,91,416</b>	<b>56,74,54,853</b>
<b>2 Current Asset</b>				
a. Financial assets:				
(i) Trade receivables	11	2,12,33,27,688	59,70,14,610	2,20,75,137
(ii) Cash and cash equivalents	12	87,03,77,744	60,35,70,632	43,12,92,553
(iii) Bank balances other than (ii) above	13	31,82,84,316	9,36,85,044	4,73,36,712
(iv) Other financial assets	14	48,30,37,033	51,14,95,765	26,86,58,239
b. Other current assets	15	7,06,28,285	5,48,55,005	4,37,22,348
<b>Total current assets</b>		<b>3,86,56,55,066</b>	<b>1,86,06,21,056</b>	<b>81,30,84,989</b>
<b>TOTAL ASSETS</b>		<b>4,69,77,58,087</b>	<b>2,96,58,12,472</b>	<b>1,38,05,39,842</b>
<b>II EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
a. Equity share capital	16	10,24,50,000	10,24,50,000	10,24,50,000
b. Other equity	17	2,50,29,83,195	1,55,42,61,105	1,09,41,86,838
<b>Total equity</b>		<b>2,60,54,33,195</b>	<b>1,65,67,11,105</b>	<b>1,19,66,36,838</b>
<b>Non controlling Interest</b>		<b>8,72,716</b>	<b>13,60,291</b>	<b>10,17,380</b>
<b>Liabilities</b>				
<b>1 Non - Current Liabilities</b>				
a. Financial liabilities:				
Borrowings	18	38,97,03,736	48,69,85,720	4,13,16,852
b. Provisions	19	1,54,75,440	1,28,26,576	1,10,38,758
<b>Total non-current liabilities</b>		<b>40,51,79,176</b>	<b>49,98,12,296</b>	<b>5,23,55,610</b>
<b>2 Current liabilities</b>				
a. Financial liabilities:				
(i) Borrowings	20	54,33,97,034	35,14,05,412	1,56,583
(ii) Trade payables	21	38,82,32,344	13,03,06,269	6,77,96,853
(iii) Other financial liabilities	22	46,40,15,481	29,99,62,620	5,60,08,853
b. Other current liabilities	23	13,68,71,342	1,73,41,025	19,01,269
c. Provisions	24	3,48,033	2,61,182	2,03,872
d. Current tax liabilities (net)	25	15,34,08,766	86,52,272	44,62,584
<b>Total current liabilities</b>		<b>1,68,62,73,000</b>	<b>80,79,28,780</b>	<b>13,05,30,014</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,69,77,58,087</b>	<b>2,96,58,12,472</b>	<b>1,38,05,39,842</b>
<b>Significant accounting policies</b>	1&2			

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

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

For and on behalf of the board of directors of  
**BLS International Services Limited**

**Harish Gupta**  
Partner  
Membership number: 098336

**(Shikhar Aggarwal)**  
Jt. Managing Director  
DIN No. 06975729  
4, Sankaracharya Marg,  
Civil Lines  
New Delhi 110054

**(Nikhil Gupta)**  
Managing Director  
DIN No. 00195694  
501, Monarch Bldg,  
2nd Hassanabad Lane  
Santacruz (west) Mumbai 400054

Place : New Delhi  
Date : May 22, 2018

**(Ajay Milhotra)**  
Chief Finance Officer  
C-8, Defence Colony  
New Delhi 110024

**(Balaji)**  
Company Secretary  
Membership No. 33952  
RZ-80A, South Extension  
Part-1, Uttam Nagar,  
Delhi 110059

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2018

Amount in (₹)

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
I. Revenue from operations	26	7,89,05,17,893	6,34,89,30,654
II. Other income	27	4,05,20,617	2,54,23,148
<b>III. TOTAL INCOME ( I+II)</b>		<b>7,93,10,38,510</b>	<b>6,37,43,53,802</b>
<b>IV. Expenses:</b>			
Cost of services	28	4,94,37,52,484	4,67,81,51,199
Employee benefits expense	29	52,66,04,271	41,72,80,780
Finance cost	30	12,37,57,780	5,50,07,269
Depreciation and amortization expense	31	39,59,95,175	25,97,16,992
Other expenses	32	83,28,36,037	43,08,31,766
<b>TOTAL EXPENSES</b>		<b>6,82,29,45,747</b>	<b>5,84,09,88,006</b>
<b>V. PROFIT BEFORE TAX (III - IV)</b>		<b>1,10,80,92,763</b>	<b>53,33,65,796</b>
<b>VI. Tax expense:</b>			
a) Current tax		19,95,57,816	2,66,24,530
b) Tax credit Entitlement		(64,31,247)	-
c) Deferred tax		(5,08,23,686)	59,03,050
d) Tax for earlier years		3,98,713	(2,98,099)
<b>TOTAL TAX EXPENSE</b>		<b>14,27,01,596</b>	<b>3,22,29,481</b>
<b>VII. PROFIT FOR THE YEAR (V-VI)</b>		<b>96,53,91,167</b>	<b>50,11,36,315</b>
<b>VIII. OTHER COMPREHENSIVE INCOME (OCI)</b>			
<b>A. Items that will not be reclassified subsequently to statement of profit and loss</b>			
(a) Re-measurements of defined benefit plans		4,93,065	(1,72,451)
(b) Tax on re-measurements of defined benefit plans		(1,42,200)	57,017
(c) Changes in fair value of financial assets if designated to OCI		50,25,000	35,46,750
(d) Less: Tax on changes in fair value of financial assets if designated to OCI		(10,35,150)	(7,30,631)
<b>B. Items that will be reclassified subsequently to statement of profit and loss</b>			
Foreign Currency translation reserve		1,56,68,885	(3,73,94,515)
<b>TOTAL OF OTHER COMPREHENSIVE INCOME/(LOSSES)</b>		<b>2,00,09,600</b>	<b>(3,46,93,830)</b>
<b>IX. TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+VIII)</b>		<b>98,54,00,767</b>	<b>46,64,42,485</b>
<b>Profit for the attributable to :</b>			
Shareholders of the Company		96,53,57,787	50,07,93,404
Non-controlling interests		33,380	3,42,911
		<b>96,53,91,167</b>	<b>50,11,36,315</b>
<b>Total Comprehensive income for the year attributable to:</b>			
Shareholders of the Company		98,58,88,342	46,60,99,574
Non-controlling interests		(4,87,575)	3,42,911
		<b>98,54,00,767</b>	<b>46,64,42,485</b>
<b>X. Earnings per equity share: basic and diluted ( Rs.)</b>	33	<b>9.42</b>	<b>4.89</b>
<b>XI. Significant accounting policies</b>			

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

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

**Harish Gupta**  
Partner  
Membership number: 098336

For and on behalf of the board of directors of  
**BLS International Services Limited**

**(Shikhar Aggarwal)**  
Jt. Managing Director  
DIN No. 06975729  
4, Sankaracharya Marg,  
Civil Lines  
New Delhi 110054

**(Nikhil Gupta)**  
Managing Director  
DIN No. 00195694  
501, Monarch Bldg,  
2nd Hassanabad Lane  
Santacruz (west) Mumbai 400054

Place : New Delhi  
Date : May 22, 2018

**(Ajay Milhotra)**  
Chief Finance Officer  
C-8, Defence Colony  
New Delhi 110024

**(Balaji)**  
Company Secretary  
Membership No. 33952  
RZ-80A, South Extension  
Part-1, Uttam Nagar,  
Delhi 110059

## CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended March 31, 2018

Amount in (₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Cash flow from operating activities</b>		
<b>Profit for the period (Before tax)</b>	1,10,80,92,763	53,33,65,796
<b>Adjustments to reconcile net profit to net cash by operating activities</b>		
Depreciation & amortization expense	39,59,95,175	25,97,16,992
Net Loss on sale of property, plant and equipment	9,48,989	3,46,331
Gain on business acquisition	(47,12,025)	-
Finance costs	12,37,57,780	5,50,07,269
Provision for employee benefits	27,35,715	18,45,128
Bad debts written off	2,49,54,371	-
Fixed assets written off	20,51,903	-
Finance income	(53,67,422)	(41,27,315)
Remeasurement of defined benefit obligation	4,93,065	(1,72,451)
Foreign currency translation reserve	1,56,68,885	(3,73,94,515)
<b>Operating profit before working capital change</b>	<b>1,66,46,19,199</b>	<b>80,85,87,235</b>
Adjustments for:		
(Increase)/ decrease in trade receivables	(1,55,12,67,449)	(57,49,39,473)
(Increase)/ decrease in other financial current assets	2,83,54,621	(24,15,53,946)
(Increase)/ decrease in other current assets	(1,42,73,280)	(1,11,32,657)
(Increase)/ decrease in other non-current Financial assets	(2,04,25,487)	29,44,04,143
(Increase)/ decrease in non-current loans	(6,98,979)	(48,24,731)
(Increase)/ decrease in other non-current assets	-	3,60,000
(Decrease)/increase in trade payable	25,79,26,069	6,25,09,415
(Decrease)/ increase in other financial current liabilities	11,00,70,178	15,21,31,627
(Decrease)/ increase in other current liabilities	11,95,30,317	1,54,39,756
<b>Cash from/(used in) operations</b>	<b>59,38,35,189</b>	<b>50,09,81,369</b>
Direct taxes	(3,67,98,187)	(2,21,36,743)
<b>Net cash flow from/(used in) operating activities</b>	<b>55,70,37,002</b>	<b>47,88,44,626</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(6,82,01,929)	(81,33,72,390)
Purchase of intangible assets	(4,96,09,312)	(66,32,465)
Sale proceeds from property, plant and equipment and intangibles	1,35,95,858	29,45,519
Proceeds from purchase/sale of investments	4,72,32,092	(28,85,55,701)
Gain on business acquisition	47,12,025	-
Investments in term deposits	(22,45,99,272)	(4,63,48,332)
Interest incomes	54,71,533	28,43,735
<b>Net cash flow used in investing activities</b>	<b>(27,13,99,005)</b>	<b>(1,14,91,19,634)</b>
<b>Cash flow from financing activities</b>		
Repayments of non-current borrowings	(8,20,82,928)	(3,88,28,554)
Proceeds from non-current borrowings	1,78,37,644	58,46,93,216
Repayment of current borrowing (Net)	19,19,91,622	35,12,48,829
Dividend paid (including dividend distribution tax)	(3,68,39,622)	(56,68,658)
Interest paid	(10,97,37,601)	(4,88,91,746)

## CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended March 31, 2018

Amount in (₹)

Particulars	Amount in (₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Net cash Flow (used in)/from financing activities</b>	<b>(1,88,30,885)</b>	<b>84,25,53,087</b>
<b>Net increase / (decrease) in cash and cash equivalent (A+B+C)</b>	26,68,07,112	17,22,78,079
Cash and cash equivalent at the beginning of the year	60,35,70,632	43,12,92,553
<b>Cash and cash equivalent at the end of the year</b>	<b>87,03,77,744</b>	<b>60,35,70,632</b>
<b>Components of cash and cash equivalent</b>		
Cash on hand	4,61,65,733	2,69,90,122
With Bank - on current account	82,42,12,011	57,65,80,510
<b>Total cash and cash equivalent</b>	<b>87,03,77,744</b>	<b>60,35,70,632</b>

### Amendments to Ind AS 7 Statement of Cash flows

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

Amount in (₹)

Particulars	Amount in (₹)		
	As at April 01, 2017	Cash Flows	As at March 31, 2018
Long term borrowings (including current maturities)	60,26,85,396	(6,42,45,284)	53,84,40,112
Short term borrowings	35,14,05,412	19,19,91,622	54,33,97,034
	<b>95,40,90,808</b>	<b>12,77,46,338</b>	<b>1,08,18,37,146</b>

### Significant accounting policies

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

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

For and on behalf of the board of directors of  
**BLS International Services Limited**

**Harish Gupta**  
Partner  
Membership number: 098336

**(Shikhar Aggarwal)**  
Jt. Managing Director  
DIN No. 06975729  
4, Sankaracharya Marg,  
Civil Lines  
New Delhi 110054

**(Nikhil Gupta)**  
Managing Director  
DIN No. 00195694  
501, Monarch Bldg,  
2nd Hassanabad Lane  
Santacruz (west) Mumbai  
400054

Place : New Delhi  
Date : May 22, 2018

**(Ajay Milhotra)**  
Chief Finance Officer  
C-8, Defence Colony  
New Delhi 110024

**(Balaji)**  
Company Secretary  
Membership No. 33952  
RZ-80A, South Extension  
Part-1, Uttam Nagar,  
Delhi 110059

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2018

### A. Equity Share Capital

	Amount in (₹)
<b>As at April 01, 2016</b>	10,24,50,000
Changes in equity share capital during the year	-
<b>As at March 31, 2017</b>	<b>10,24,50,000</b>
Changes in equity shares capital during the year	-
<b>As at March 31, 2018</b>	<b>10,24,50,000</b>

### B. Other Equity

	Amount in (₹)			
	Reserve & Surplus	Items of other comprehensive income (OCI)		TOTAL
	Retained Earnings	Equity instruments through OCI	Foreign currency translation reserve	
<b>As at April 01, 2016</b>	<b>1,09,06,87,877</b>	<b>91,76,059</b>	<b>(56,77,098)</b>	<b>1,09,41,86,838</b>
Profit for the year	50,07,93,404	-	-	<b>50,07,93,404</b>
Other comprehensive income for the year	(1,15,434)	28,16,120	(3,73,94,515)	<b>(3,46,93,829)</b>
Interim Dividend (including dividend distribution tax)	(60,25,308)	-	-	<b>(60,25,308)</b>
<b>As at March 31, 2017</b>	<b>1,58,53,40,539</b>	<b>1,19,92,179</b>	<b>(4,30,71,613)</b>	<b>1,55,42,61,105</b>
Profit for the year	96,53,57,787	-	-	<b>96,53,57,787</b>
Other comprehensive income for the year	3,50,865	39,89,849	1,61,89,836	<b>2,05,30,550</b>
Final dividend (including dividend distribution tax)	(3,71,66,247)	-	-	<b>(3,71,66,247)</b>
<b>As at March 31, 2018</b>	<b>2,51,38,82,944</b>	<b>1,59,82,028</b>	<b>(2,68,81,777)</b>	<b>2,50,29,83,195</b>

**The Accompanying notes referred to above formed an integral part of these consolidated financial statements**

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

For and on behalf of the board of directors of  
**BLS International Services Limited**

**Harish Gupta**  
Partner  
Membership number: 098336

**(Shikhar Aggarwal)**  
Jt. Managing Director  
DIN No. 06975729  
4, Sankaracharya Marg,  
Civil Lines  
New Delhi 110054

**(Nikhil Gupta)**  
Managing Director  
DIN No. 00195694  
501, Monarch Bldg,  
2nd Hassanabad Lane  
Santacruz (west) Mumbai  
400054

Place : New Delhi  
Date : May 22, 2018

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Chief Finance Officer  
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Delhi 110059

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 1. Corporate information

BLS International Services Limited (the 'Holding Company or Company') is public limited company, actively engaged in providing outsourcing and administrative task of Visa, passport and consular services to various diplomatic missions across the world.

Further, from financial year ended March 31, 2012, the company also started tasks related to attestation and apostle on behalf of Ministry of External Affairs, New Delhi (INDIA)."

The Company is a listed company incorporated and domiciled in India and has its registered office at G-4B-1, Extension Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044. The Company has its primary listings on the BSE Limited and National Stock Exchange of India Limited in India.

These financial statements were approved and adopted by Board of Directors of the Company in their meeting held on May 22, 2018.

The Holding Company has to consolidate the following subsidiaries/ step down subsidiaries in these financial statements (hereinafter referred to as "Group" )

Name of the Company	Location	Percentage of principal activities Holding	Remarks
BLS E-Services Private Limited	India	100%	Indian Subsidiary of Holding Company
BLS E-Solutions Private Limited	India	100%	Indian Subsidiary of Holding Company
BLS IT Services Private Limited	India	100%	Indian Subsidiary of Holding Company
BLS International FZE, UAE	UAE	100%	Foreign Subsidiary of Holding Company
BLS International Services, UAE	UAE	100%	Foreign Subsidiary of BLS International FZE
BLS International Services Norway A.S	Norway	75%	Foreign Subsidiary of BLS International FZE
BLS International Services Singapore PTE. LTD.	Singapore	100%	Foreign Subsidiary of BLS International FZE
BLS International Services Canada INC.	Canada	100%	Foreign Subsidiary of BLS International FZE
BLS International Services Malaysia SDN BHD	Malaysia	100%	Foreign Subsidiary of BLS International FZE
BLS International Services (UK) Limited	England	100%	Foreign Subsidiary of BLS International FZE
Consular Outsourcing BLS Services Inc.	USA	100%	Foreign Subsidiary of BLS International FZE

### 2. Basis of preparation, measurement and significant accounting policies

#### I Basis of preparation of financial statements

##### (i) Statement of compliance :

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013. The Group has adopted Ind AS from April 1, 2017.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

For all the periods up to and including the year ended March 31, 2017, the Group has prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013 read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first financial statements, which the group has prepared in accordance with Ind AS.”

As these are the Groups’ first financial statements prepared in accordance with Indian Accounting Standards, Ind AS 101 First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 40

All the amounts have been round off to the nearest rupees unless otherwise indicated

### (ii) **Basis of Consolidation**

The Company consolidates entities which it owns or controls. The consolidated financial statements comprise the consolidated financial statements of the Company, its controlled trusts and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the group, are excluded.

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor’s share of the profit or loss of the investee after the acquisition date. The Group’s investment in associates includes goodwill identified on acquisition.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR).

The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the consolidated statement of profit and loss being the profit or loss on disposal of investment in subsidiary.

Non-controlling interest’s share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the group.

Non-controlling interest’s share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet.

### (iii) **Basis of preparation:**

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

In estimating the fair value of an asset or a liability, the group 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.

**(iv) Functional & presentation currency:**

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

**(v) Use of estimates:**

The preparation of the consolidated 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 consolidated 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 consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to The consolidated financial statements.

**(vi) Current & non current classification:**

All assets and liabilities have been classified as current or non-current as per the group'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 group and their realisation in cash and cash equivalent, the group 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.

## II Significant Accounting Policies

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

**(a) Revenue recognition**

**Sale of Services**

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

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

**Other income**

**-Interest income**

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

**-Dividend income**

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

**(b) Property plant and equipment**

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

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

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group 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 consolidated financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, and is recognised in the statement of profit and loss. Depreciation on property, plant and equipment is provided on the written down value method based on the useful life of assets estimated by the management which coincide with the life specified under Schedule II of the Companies Act, 2013.

**(c) Intangible Assets**

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

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

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate.

**(d) Impairment**

The carrying amount of property, plant and equipment, 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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

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.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### **Investments in subsidiaries & joint ventures**

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

### **Impairment**

The Group 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**

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the group 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.

### **- 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 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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Derived from prices).

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

### (g) Leases

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

#### Group as a Lessee

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

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

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

#### Group as a Lessor

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

### (h) Employee benefit

#### i. Provident fund

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

#### ii. Gratuity

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### iii. Other short term benefits

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

### (i) Earning per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the group 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 group 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 consolidated financial statements by the Board of Directors.

### (j) Income Tax

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

#### - Current tax

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

Current tax assets and liabilities are offset only if, the group:

- 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 group 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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

### - MAT Credit

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

### (k) Borrowing cost

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

### (l) Cash & cash equivalents

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

### (m) Provisions, contingent assets & contingent liabilities:

A provision is recognised if, as a result of a past event, the group 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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

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 consolidated financial statements unless an inflow of economic benefits is probable.

### **(n) Foreign currency transactions**

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

### **(o) Cash flow statements**

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

### **Amendment to Ind AS 7**

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

### **(p) Operating segments**

#### **(i) Identification of segments**

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

### **(q) Business combination:**

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The group recognises any non-controlling interest in the acquired entity

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

### III Significant accounting judgements, estimates & assumptions

In the process of applying the Group'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 Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

#### b) Provision for contingencies

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

#### c) Allowance for uncollected accounts receivable and advances

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

#### d) Fair Value Measurement of Financial Instruments.

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

#### e) Defined Benefit Plans

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### **Depreciation / amortisation and useful lives of property plant and equipment / intangible assets**

Property, plant and equipment / Intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

### **IV Recent accounting pronouncements**

#### **Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration:**

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

#### **Ind AS 115- Revenue from Contract with Customers:**

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

The standard permits two possible methods of transition:

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**3. PROPERTY, PLANT & EQUIPMENT**

**As at March 31, 2017**

Description	Gross carrying value				Depreciation				Net Carrying Value
	As at April 01, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	As at April 01, 2016	Charge for the year	Disposals/ Adjustments	As at March 31, 2017	
Land (building)	3,77,17,913	-	(15,76,869)	3,61,41,044	7,19,163	-	(48,647)	6,70,516	3,54,70,528
Lease hold improvement in progress	4,95,465	1,98,08,416	(9,843)	2,02,94,038	1,74,763	13,50,428	11,15,542	26,40,733	1,76,53,305
Computers	4,23,64,953	65,76,07,002	-	69,99,71,955	3,86,50,719	18,54,92,206	-	22,41,42,925	47,58,29,030
Office equipment	6,17,74,712	9,65,21,731	(16,03,216)	15,66,93,227	1,79,56,847	2,23,97,056	(27,11,557)	3,76,42,346	11,90,50,881
Furniture & Fixtures	4,99,85,335	1,02,20,528	(9,71,771)	5,92,34,092	2,13,99,482	49,90,393	22,53,765	2,86,43,640	3,05,90,452
Vehicles	6,63,19,761	1,43,68,886	(9,63,520)	7,97,25,127	2,58,71,076	1,43,84,877	(3,76,558)	3,98,79,395	3,98,45,732
<b>Total</b>	<b>25,86,58,139</b>	<b>79,85,26,563</b>	<b>(51,25,219)</b>	<b>1,05,20,59,483</b>	<b>10,47,72,050</b>	<b>22,86,14,960</b>	<b>2,32,545</b>	<b>33,36,19,555</b>	<b>71,84,39,928</b>

**As at March 31, 2018**

Description	Gross carrying value				Depreciation				Net Carrying Value
	As at April 01, 2016	Additions	Disposals/ Adjustments	As at March 31, 2018	As at April 01, 2016	Charge for the year	Disposals/ Adjustments	As at March 31, 2018	
Land (building)	3,61,41,044	1,71,10,102	13,80,543	5,46,31,689	6,70,516	16,29,649	1,36,134	24,36,299	5,21,95,390
Lease hold improvement in progress	2,02,94,038	5,89,555	88,819	2,09,72,412	26,40,733	56,25,515	66,207	83,32,455	1,26,39,957
Computers	69,99,71,955	1,19,75,760	(4,14,10,141)	67,05,37,574	22,41,42,925	29,99,18,480	(3,84,87,965)	48,55,73,440	18,49,64,134
Office equipment	15,66,93,227	84,16,459	(20,09,819)	16,30,99,867	3,76,42,346	3,96,69,142	1,03,42,743	8,76,54,231	7,54,45,636
Furniture & Fixtures	5,92,34,092	1,31,67,290	12,00,703	7,36,02,085	2,86,43,640	60,32,521	(1,12,79,328)	2,33,96,833	5,02,05,252
Vehicles	7,97,25,127	2,20,41,942	(4,96,47,295)	5,21,19,774	3,98,79,395	1,63,08,259	(3,36,92,663)	2,24,94,991	2,96,24,783
<b>Total</b>	<b>1,05,20,59,483</b>	<b>7,33,01,108</b>	<b>(9,03,97,190)</b>	<b>1,03,49,63,401</b>	<b>33,36,19,555</b>	<b>36,91,83,566</b>	<b>(7,29,14,872)</b>	<b>62,98,88,249</b>	<b>40,50,75,152</b>

**4. INTANGIBLE ASSET**

Description	Gross carrying value				Amortisation			Net Carrying Value
	As at April 01, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	Charge for the year	Disposals/ Adjustments	As at March 31, 2017	
Software	16,44,83,799	66,32,465	(43,19,880)	16,67,96,384	3,11,02,032	(63,85,794)	10,09,63,258	6,58,33,126
<b>Total</b>	<b>16,44,83,799</b>	<b>66,32,465</b>	<b>(43,19,880)</b>	<b>16,67,96,384</b>	<b>3,11,02,032</b>	<b>(63,85,794)</b>	<b>10,09,63,258</b>	<b>6,58,33,126</b>

Description	Gross carrying value				Amortisation			Net Carrying Value
	As at March 31, 2017	Additions	Disposals/ Adjustments	As at March 31, 2018	Charge for the year	Disposals/ Adjustments	As at March 31, 2018	
Software	16,67,96,384	4,96,09,312	23,98,204	21,88,03,900	2,68,11,607	15,12,636	12,92,87,501	8,95,16,399
<b>Total</b>	<b>16,67,96,384</b>	<b>4,96,09,312</b>	<b>23,98,204</b>	<b>21,88,03,900</b>	<b>2,68,11,607</b>	<b>15,12,636</b>	<b>12,92,87,501</b>	<b>8,95,16,399</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**5. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES** Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Investment in associates- unquoted</b>			
BLS International Visa Services-Austria 10 (March 31, 2017: 10 and April 01, 2016: 10) Fully paid up ordinary shares of EURO 10 each	6,214	6,214	6,214
BLS International Visa Services-Baltic, Lithuania 50 (March 31, 2017: 50 and April 01, 2016 : 50 Fully paid up ordinary shares of 100 LITA each)	91,343	91,343	91,343
BLS International Visa Services Poland SP.Z.O.O. 25 (March 31, 2017: 25 and April 01, 2016: 25) Fully paid up ordinary shares of PLN 50 each)	19,496	19,496	19,496
<b>Total</b>	<b>1,17,053</b>	<b>1,17,053</b>	<b>1,17,053</b>
Aggregate amount of quoted investments	-	-	-
Market value amount of quoted investments	-	-	-
Aggregate amount of unquoted investments	1,17,053	1,17,053	1,17,053
Aggregate amount of impairment in value of investments	-	-	-

**6. NON-CURRENT INVESTMENTS** Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Equity instruments: unquoted</b>			
<b>Fair value through other comprehensive income ( OCI)</b>			
BLS Polymers Limited 900,000 (March 31, 2017: 900,000, April 01, 2016: 900,000 Fully paid up equity shares of Rs. 10 each )	2,19,06,000	1,80,36,000	1,60,38,000
BLS Ecotech Limited 375,000 (March 31, 2017: 375,000, April 01, 2016: 375,000 fully paid up equity shares of Rs 20 each)	1,47,22,500	1,35,67,500	1,20,18,750
DSS Gulf Realtors Ltd 1000 ( March 31, 2017: 1000, April 01, 2016: 1000 fully paid up equity Shares of 1 AED each)	24,12,81,255	28,85,55,701	-
BLS E-Services Bangladesh Limited 4900 ( March 31, 2017: Nil, April 01, 2016: Nil fully paid up equity Shares of TK10 each)	42,354	-	-
<b>Total</b>	<b>27,79,52,109</b>	<b>32,01,59,201</b>	<b>2,80,56,750</b>
Aggregate amount of unquoted investments	27,79,52,109	32,01,59,201	2,80,56,750

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 7. LOANS: NON-CURRENT

( un-secured, considered good unless otherwise stated)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Security Deposits*	55,42,476	43,66,616	6,33,632
<b>Total</b>	<b>55,42,476</b>	<b>43,66,616</b>	<b>6,33,632</b>

\* Refer note-2 (e) for accounting policies of security deposits (at amortised cost).

### 8. OTHER FINANCIAL ASSETS- NON CURRENT

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deposits with maturity more than 12 Months	2,04,25,487	-	-
Loan to related party	-	-	29,44,04,143
<b>Total</b>	<b>2,04,25,487</b>	<b>-</b>	<b>29,44,04,143</b>

### 9. DEFERRED TAX ASSETS

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Deferred Tax Assets on:</b>			
Provision for employee benefit	15,80,227	-	3,92,197
Difference between book value of depreciable assets as per books of accounts and written down value as per income tax.	3,51,70,513	47,09,081	35,07,604
Others	13,913	65,44,989	-
Mat credit entitlement	-	1,19,70,602	-
<b>Total Deferred tax Assets (a)</b>	<b>3,67,64,653</b>	<b>2,32,24,672</b>	<b>38,99,801</b>
<b>Deferred Tax Liability on:</b>			
Fair valuation of Investments	41,46,471	31,11,321	23,80,691
Difference between book value of depreciable assets as per books of accounts and written down value as per income tax.	-	2,51,70,903	-
<b>Total Deferred tax Liability (b)</b>	<b>41,46,471</b>	<b>2,82,82,224</b>	<b>23,80,691</b>
<b>Deferred tax Assets / (Deferred tax liability) Net (a-b)</b>	<b>3,26,18,182</b>	<b>(50,57,552)</b>	<b>15,19,110</b>

### 10. OTHER NON-CURRENT ASSETS

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unamortized value of security deposits	8,56,163	13,33,044	2,41,297
Other Recoverable	-	-	3,60,000
<b>Total</b>	<b>8,56,163</b>	<b>13,33,044</b>	<b>6,01,297</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**11. TRADE RECEIVABLES**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured , Considered Good	2,12,33,27,688	59,70,14,610	2,20,75,137
<b>Total</b>	<b>2,12,33,27,688</b>	<b>59,70,14,610</b>	<b>2,20,75,137</b>

**12. CASH AND CASH EQUIVALENTS**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Cash on hand	4,61,65,733	2,69,90,122	1,15,82,242
<b>Balance with Banks</b>			
In current accounts	81,93,12,507	57,36,44,553	41,97,10,311
Term deposits with original maturity of less than three months	48,99,504	29,35,957	-
<b>Total</b>	<b>87,03,77,744</b>	<b>60,35,70,632</b>	<b>43,12,92,553</b>

**13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Earmarked balances with banks:</b>			
Unclaimed dividend account	6,83,275	3,56,650	-
Investment in term deposits (with original maturity of more than three months but less than twelve months)	31,76,01,041	9,33,28,394	4,73,36,712
<b>Total</b>	<b>31,82,84,316</b>	<b>9,36,85,044</b>	<b>4,73,36,712</b>

**14. OTHER FINANCIALS ASSETS: CURRENT**

(un-secured, considered good unless otherwise stated)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Interest Accrued			
-on term deposits	4,99,074	-	-
Due to related Parties	8,58,00,903	13,22,04,633	9,64,69,104
Recoverable from Punjab govt ( PSeGS)	3,70,53,267	60,93,326	-
Interest accrued on fixed deposits	6,80,395	12,83,580	-
Unbilled Revenue	16,92,17,450	15,10,53,072	-
Security Deposits	11,78,66,807	15,75,54,682	13,09,62,963
Advance to Employees	55,98,364	33,99,927	12,84,196
Others recoverable	6,63,20,773	5,99,06,545	3,99,41,976
<b>Total</b>	<b>48,30,37,033</b>	<b>51,14,95,765</b>	<b>26,86,58,239</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**15. OTHER CURRENT ASSTES**

Amount in (₹)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
Prepaid Expenses	1,68,73,119	1,90,68,056	1,13,20,178
Advances to suppliers	5,00,92,606	3,46,53,684	3,11,84,435
Capital Advances	15,00,000	-	-
Balance with Government Authorities	21,62,560	11,33,265	12,17,735
<b>Total</b>	<b>7,06,28,285</b>	<b>5,48,55,005</b>	<b>4,37,22,348</b>

**16. EQUITY SHARE CAPITAL**

Amount in (₹)

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 01, 2016
<b>Authorized Share Capital</b> 202,450,000 equity shares of Re. 1/- each (March 31, 2017: 2,02,45,000 of Rs. 10 each and April 01, 2016: 1,02,45,000 of Rs. 10/- each)	20,24,50,000	20,24,50,000	10,24,50,000
<b>Issued, subscribed and fully paid-up</b> 102,450,000 equity shares of Re. 1/- each (March 31, 2017: 10,245,000 of Rs. 10/- each and April 01, 2016: 10,245,000 of Rs. 10/- each)	10,24,50,000	10,24,50,000	10,24,50,000
<b>Total</b>	<b>10,24,50,000</b>	<b>10,24,50,000</b>	<b>10,24,50,000</b>

**a.) Reconciliation of the number of shares**

Amount in (₹)

EQUITY SHARES	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	1,02,45,000	10,24,50,000	1,02,45,000	10,24,50,000	1,02,45,000	10,24,50,000
Add: adjustment for sub-division refer note 'e' below	9,22,05,000	-	-	-	-	-
<b>Balance as at the closing of the year</b>	<b>10,24,50,000</b>	<b>10,24,50,000</b>	<b>1,02,45,000</b>	<b>10,24,50,000</b>	<b>1,02,45,000</b>	<b>10,24,50,000</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.) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Amount in (₹)

Name of shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Percentage (%)	Number of shares	Percentage (%)	Number of shares	Percentage (%)
Diwakar Aggarwal	87,24,520	8.52%	8,72,452	8.52%	8,72,452	8.52%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 16. EQUITY SHARE CAPITAL (Contd.)

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

e) Pursuant to the approval of the Members accorded on 31st March, 2017 and subsequent in-principal approval accorded by Stock Exchange on 28th April, 2017, the equity shares of the Company having a face value of Rs. 10/- (Rupees Ten only) each were sub-divided into 10 (Ten) equity shares having a face value of Re. 1/- (Rupee One only) each. Accordingly, 1,02,45,000 equity shares of face value of Rs. 10 each were sub-divided into 10,24,50,000 equity shares of face value of Re. 1 each. The earning per share in respect of all the reported period has been restated considering the aforesaid sub-division of shares.

### 17. OTHER EQUITY

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Retained earnings</b>			
Balance as per last financial statements	1,58,54,55,973	1,09,06,87,877	
Add: Profit for the year	96,53,57,787	50,07,93,404	
	2,55,08,13,760	1,59,14,81,281	1,09,06,87,877
Final Dividend ( including dividend distribution tax)	(3,71,66,247)	-	
Interim Dividend ( including dividend distribution tax)	-	(60,25,308)	
<b>sub-total (a)</b>	<b>2,51,36,47,513</b>	<b>1,58,54,55,973</b>	<b>1,09,06,87,877</b>
<b>Other Comprehensive Income (OCI)</b>			
Balance as per last financial statements	1,18,76,745	91,76,059	
Add: Movement in OCI (net) during the year	43,40,714	27,00,686	
<b>sub-total (b)</b>	<b>1,62,17,459</b>	<b>1,18,76,745</b>	<b>91,76,059</b>
<b>Foreign currency translation reserve</b>			
Opening balance	(4,30,71,613)	<b>(56,77,098)</b>	
Add: Movement during the year	1,61,89,836	<b>(3,73,94,515)</b>	
<b>sub-total (c)</b>	<b>(2,68,81,777)</b>	<b>(4,30,71,613)</b>	<b>(56,77,098)</b>
<b>Total (a+b+c)</b>	<b>2,50,29,83,195</b>	<b>1,55,42,61,105</b>	<b>1,09,41,86,838</b>

Non- controlling interest			
Opening balance	13,60,291	<b>10,17,380</b>	
Add: Movement during the year	(4,87,575)	<b>3,42,911</b>	
<b>sub-total</b>	<b>8,72,716</b>	<b>13,60,291</b>	<b>10,17,380</b>

#### Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim liability are recorded as a liability on the date of declaration by the company's Board of Directors.

The Company declares and pays dividends in Indian rupees. The remittance of dividends outside India is governed by Indian law on foreign exchange and is subject to applicable distribution taxes. Dividend distribution tax paid by subsidiaries may be reduced / available as a credit against dividend distribution tax payable by BLS International Services Limited.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 17. OTHER EQUITY (Contd.)

Amount of per share dividend recognized as distribution to equity shareholders:

Amount in (₹)

Particulars	Year ended March 31,		
	2018	2017	2016
Interim Dividend for fiscal 2017 *	-	0.50	-
Final Dividend for fiscal 2017	-	3.00	-

\* The Interim dividend declared in FY 16-17 was Rs.0.50 per share of Rs. 10 each.

The Board of directors at its meeting held on May 22, 2018, have recommended a payment of final dividend of Rs. 0.50 per equity share of the face value of Rs. 1 each for the financial year ended March 31, 2018.

- Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- Remeasurements of Net Defined Benefit Plans: Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.
- Equity instruments through Other Comprehensive Income: The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in Debt instruments through Other Comprehensive Income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit and Loss.
- Foreign currency translation reserve exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries, associates and joint ventures are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries, associates and joint ventures.

### 18. BORROWINGS - NON -CURRENT

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured Loan			
From banks	43,56,098	81,70,702	30,61,171
From financials institutions	53,40,84,014	59,45,14,694	4,77,37,676
	<b>53,84,40,112</b>	<b>60,26,85,396</b>	<b>5,07,98,847</b>
Less: Current maturities of Long term Borrowings	14,87,36,376	11,56,99,676	1,55,03,882
<b>Total</b>	<b>38,97,03,736</b>	<b>48,69,85,720</b>	<b>3,52,94,965</b>
<b>Unsecured Loan:</b>			
From other parties	-	-	60,21,887
<b>Total</b>	<b>38,97,03,736</b>	<b>48,69,85,720</b>	<b>4,13,16,852</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 18. BORROWINGS - NON -CURRENT (Contd.)

#### 18.1 A). Vehicles loan from banks:

- a.) Loan from HDFC Bank Ltd : total outstanding balance as at March 31, 2018 Rs. 35,96,318 ; March 31, 2017 Rs. 57,32,120 and April 01, 2016- NIL [ total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 Rs. 23,41,940 ; March 31, 2017 Rs. 21,35,749 and April 01, 2016 -NIL] this loan is secured against hypothecation of specified vehicles of the Company. Applicable rate of interest is 9.25% p.a. Loan is repayable in 36 monthly instalments.
- b.) Loan from HDFC Bank : Total outstanding balance as at March 31, 2018 is Rs. 7,59,780/- ; March 31, 2017 Rs. 12,70,208/- [total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 is Rs 5,60,805/-; March 31, 2017 Rs. 5,10,427/-].The said loan is secured by hypothecation of the respective vehicles. Interest Rate 9.74% per annum. The said loan is repayable in 36 equal monthly instalment
- c.) Loan from ICICI Bank Ltd : total outstanding balance as at March 31, 2018- NIL; March 31, 2017 Rs. 11,68,374 and April 01, 2016 Rs. 30,61,171 [ total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 -NIL; March 31, 2017 Rs. 11,68,374 and April 01, 2016 Rs. 18,92,803] this loan is secured against hypothecation of specified vehicles of the Company. Applicable rate of interest is 10.25% p.a. Loan is repayable in 35 monthly instalments.

#### B). Vehicles loan from others:

- a.) Loan from BMW Financial Services Ltd : total outstanding balance as at March 31, 2018- NIL ; March 31, 2017 Rs. 1,10,91,686 and April 01, 2016 Rs. 2,47,02,765 [ total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 -NIL ; March 31, 2017 Rs. 1,10,91,686 and April 01, 2016 Rs. 1,36,11,079 ] this loan is secured against hypothecation of specified vehicles of the Company . Applicable rate of interest is 9.51% p.a. Loan is repayable in 36 monthly instalments.
- b.) Loan from Daimler Financial Services Ltd : total outstanding balance as at March 31, 2018 Rs.1,55,80,915; March 31, 2017 -NIL and April 01, 2016 -NIL [ total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 Rs.33,05,821 ; March 31, 2017 -NIL and April 01, 2016-NIL ] this loan is secured against hypothecation of specified vehicles of the Company . Applicable rate of interest is 10.3504% p.a. Loan is repayable in 36 monthly instalments.
- c.) Loan from HP Financial services India Private Limited : Total outstanding balance as at March 31, 2018 is Rs. 51,85,03,099/- ; March 31, 2017 Rs. 58,34,23,008/- [total outstanding debts above includes current maturity of non-current debt as at March 31, 2018 is Rs 14,25,27,810/-; March 31, 2017 Rs. 10,07,93,440/-] this loan is secured by way of first charge on the moveable fixed assets acquired . Applicable rate of interest is 11.74 % p.a. Loan is repayable in 20 monthly instalments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**19. PROVISIONS - NON-CURRENT**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provisions for employees benefits: gratuity	1,54,75,440	1,28,26,576	1,10,38,758
<b>Total</b>	<b>1,54,75,440</b>	<b>1,28,26,576</b>	<b>1,10,38,758</b>

**20. Borrowing - Current**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Loans Repayable on demand:</b>			
<b>Secured ^</b>			
Bank overdraft	30,01,81,772	35,12,12,640	-
Working capital borrowing from banks	21,00,00,000	-	-
<b>Unsecured</b>			
Loan from body corporate*	2,98,00,000	-	-
From banks / Credit Card for expenses payable	34,15,262	1,92,772	1,56,583
<b>Total</b>	<b>54,33,97,034</b>	<b>35,14,05,412</b>	<b>1,56,583</b>

\* refer note. 36

^ Bank overdraft from HDFC Bank is secured by way of corporate guarantee by the Group. (Interest Rate 10.50% Per annum).

Working capital loan from HDFC Bank is secured by the way of Bank guarantee by the Group.

**21. TRADE PAYABLES: CURRENT**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Total outstanding dues to micro enterprises and small enterprises	-	-	-
Total outstanding dues to creditors other than micro enterprises and small enterprises	38,82,32,344	13,03,06,269	6,77,96,853
<b>Total</b>	<b>38,82,32,344</b>	<b>13,03,06,269</b>	<b>6,77,96,853</b>

**22. OTHER FINANCIALS LIABILITIES - CURRENT**

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of long term debts	14,87,36,376	11,56,99,676	1,55,03,882
Amount due to related parties	64,91,684	57,06,634	11,72,524
Unclaimed dividends	6,83,275	3,56,650	-
Interest accrued but not due on borrowings	65,22,955	61,15,523	-
Interest accrued and due on borrowings	1,36,12,747	-	-
Creditors for capital goods	82,46,648	1,48,45,827	-
Other payables:			
Employees due payable	3,08,57,693	2,57,23,849	2,02,02,656
Expense Payable	21,41,70,184	12,21,26,616	1,88,29,503
Other payables	83,00,216	38,71,711	3,00,288
Government fees payable	2,63,93,703	55,16,134	-
<b>Total</b>	<b>46,40,15,481</b>	<b>29,99,62,620</b>	<b>5,60,08,853</b>

# these figures do not include any amounts due and outstanding, to be credited to Investor Education and Protection Fund.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**22. OTHER FINANCIALS LIABILITIES - CURRENT** (Contd.)

<b>Delay in repayment of Loan</b>		Amount in (₹)
<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>Delay in No. of days</b>
HP Financial Services India Private Limited#	2,69,58,906	1-83

# Out of which ₹8,973,234/- has been subsequently paid up to balance sheet date

<b>Delay in payment of Interest</b>		Amount in (₹)
<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>Delay in No. of days</b>
HP Financial Services India Private Limited**	1,36,12,747	1-83

\*\* Out of which ₹4,723,716/- has been subsequently paid up to balance sheet date

**23. OTHER CURRENT LIABILITIES** Amount in (₹)

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 01, 2016</b>
Advance from customers	3,90,67,694	4,41,358	6,90,808
Statutory dues payable	9,78,03,648	1,68,99,667	12,10,461
<b>Total</b>	<b>13,68,71,342</b>	<b>1,73,41,025</b>	<b>19,01,269</b>

**24. PROVISIONS: CURRENT** Amount in (₹)

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 01, 2016</b>
Provisions for employees benefits	3,48,033	2,61,182	2,03,872
<b>Total</b>	<b>3,48,033</b>	<b>2,61,182</b>	<b>2,03,872</b>

**25. CURRENT TAX LIABILITIES (NET)** Amount in (₹)

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>	<b>As at April 01, 2016</b>
Provisions for current tax (net of advance tax and TDS)	15,34,08,766	86,52,272	44,62,584
<b>Total</b>	<b>15,34,08,766</b>	<b>86,52,272</b>	<b>44,62,584</b>

**26. REVENUE FROM OPERATIONS** Amount in (₹)

<b>Particulars</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>
Sale of services:		
Revenue from operations	7,89,05,17,893	6,34,89,30,654
<b>Total</b>	<b>7,89,05,17,893</b>	<b>6,34,89,30,654</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**27. OTHER INCOME**

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Exchange fluctuation Profit (net)	37,02,487	14,97,890
Miscellaneous Incomes	2,67,38,683	1,97,97,943
Gain on business acquisition	47,12,025	-
Interest-		
- on bank deposits	53,67,422	41,27,315
<b>Total</b>	<b>4,05,20,617</b>	<b>2,54,23,148</b>

**28. COST OF SERVICES**

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Operational expenses	4,94,37,52,484	4,67,81,51,199
<b>Total</b>	<b>4,94,37,52,484</b>	<b>4,67,81,51,199</b>

**29. EMPLOYEE BENEFITS EXPENSES**

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	48,20,19,797	39,15,75,412
Contribution to provident fund and other funds	3,32,01,738	1,40,06,494
Staff welfare expenses	1,13,82,736	1,16,98,874
<b>Total</b>	<b>52,66,04,271</b>	<b>41,72,80,780</b>

**30. FINANCE COSTS**

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest		
- on term loans	11,69,39,766	5,46,47,064
- on others	68,18,014	3,60,205
<b>Total</b>	<b>12,37,57,780</b>	<b>5,50,07,269</b>

**31. DEPRECIATION AND AMORTIZATIONS EXPENSES**

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant & equipment	36,91,83,568	22,86,14,960
Amortization on intangible assets	2,68,11,607	3,11,02,032
<b>Total</b>	<b>39,59,95,175</b>	<b>25,97,16,992</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 32. OTHER EXPENSES

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Annual maintenance charges	2,44,79,649	2,32,64,801
Payment to auditor's (refer note. 32.1)	29,47,910	13,00,000
Bank Charges	1,06,42,293	1,83,77,366
Business promotion	62,12,954	31,27,242
Communication costs	4,89,14,889	2,48,30,594
Contractual charges	32,06,410	62,06,328
Electricity expense	56,93,708	66,49,829
General expenses	27,19,625	31,46,352
Insurance expense	19,74,951	14,43,405
Legal and professional expense	19,47,60,835	9,74,29,929
Loss on sale of fixed assets (net)	9,48,989	3,46,331
Miscellaneous Expenses	9,03,69,228	3,36,24,280
Office maintenance expense	1,16,32,970	35,53,199
Printing and stationery expense	1,97,28,885	1,90,91,804
Rent	10,60,46,350	9,01,41,225
Repair and maintenance	1,53,03,903	1,04,78,002
Sewa Kendra Expenses	13,69,02,553	4,21,32,643
Assets written off	20,51,903	-
Bad debts	2,49,54,371	-
Balances written off	40,000	-
Travelling and conveyance	7,52,76,429	4,56,88,436
Impairment loss	4,80,27,232	-
<b>Total</b>	<b>83,28,36,037</b>	<b>43,08,31,766</b>

#### 32.1 PAYMENT TO AUDITORS

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Statutory audit fees	15,00,000	13,00,000
Certification fees	8,00,000	-
Taxation Matters	3,45,000	-
Limited review fees	1,70,000	-
Out of pocket expenses	1,32,910	-
<b>Total</b>	<b>29,47,910</b>	<b>13,00,000</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 33. EARNING PER SHARE ( EPS)

Amount in (₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Net profit after tax as per statement of profit and loss attributable to equity shareholders (Rs.)	96,53,91,167	50,11,36,315
Weighted average number of equity shares used as denominator for calculating basic EPS (Nos.)	10,24,50,000	10,24,50,000
Weighted average potential equity shares (Nos.)	-	-
Total weighted average number of equity shares used as denominator for calculating diluted EPS (Nos.)	10,24,50,000	10,24,50,000
Basic EPS ( Rs.)	<b>9.42</b>	<b>4.89</b>
Diluted EPS (Rs.)	<b>9.42</b>	<b>4.89</b>
face value per equity share (Re.)	1.00	1.00

### 34. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Guarantees issued by the bank on behalf of the Group	94,10,64,445	96,76,82,554
Labour guarantees issued to Ministry of labour for getting UAE work permit	31,39,325	55,62,589

### 35. LEASES

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

Lease payments recognised in statement of profit an loss amounting Rs. 1,80,77,533/- (previous year Rs 82,65,032/-), refer note 32

### 36 Related Party Disclosures

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

#### a) Nature of Related Party relationship

##### I Associates

BLS International Visa Services-Austria	Austria
BLS International Visa Services-Baltic	Lithuania
BLS International Visa Services Poland SP.Z.O.O.	Poland

##### II Key Management Personnel (KMP) and their relatives with whom transactions have taken place

#### (a) Key Management Personnel

Mr. Shikhar Aggarwal (w.e.f 17.06.16)	Joint Managing Director
Mr. Nikhil Gupta (w.e.f 13.08.16)	Managing Director
Mr. Karan Aggarwal (w.e.f 13.06.2017)	Executive Director
Mr. Surinder Singh Kohli (w.e.f 14.02.2017)	Independent Director
Mr. Sarthak Behuria (w.e.f 11.11.2016)	Independent Director

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 36 Related Party Disclosures (Contd.)

Mr. Ram Prakash Bajpai (w.e.f 09.06.2015)	Independent Director
Ms. Shivani Mishra (w.e.f 30.06.2015)	Independent Director
Mr. Ajay Kumar Milhotra (w.e.f 09.08.2017)	Chief Financial Officer
Mr. Mukul Harmilapi (Till 27.07.17)	Chief Financial Officer
Mr. Bala Srivastava (w.e.f 14.02.17)	Company Secretary
Ms. Vaishali Sharma (w.e.f 13.06.17)	Investor Relations

### (b) Relatives of Key Management Personnel

Mr. Diwakar Aggarwal
Mrs. Alka Aggarwal
Ms. Riya Aggarwal
Mr. Sushil Aggarwal

### III Entities controlled by KMP

Basant India Limited
BLS Polymers Limited

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

		Amount in (₹)	
Particulars	Nature of Transaction	2017-18	2016-17
a. BLS International Visa Services-Austria Associate	Sale of Service	17,86,151	24,21,225
	<b>Closing Balance</b>		
	Amount receivable	57,072	78,828
b. BLS International Visa Services-Baltic Associate	Sale of Service	1,35,440	3,92,192
	<b>Closing Balance</b>		
	Amount receivable	27,47,815	22,51,433
c. BLS International Visa Services Poland SP.Z.O.O. Associate	Sale of Service	10,70,895	17,13,030
	<b>Closing Balance</b>		
	Amount receivable at the end	18,78,915	6,43,301
d. BLS International Visa Services Philippine Inc.	Sale of Service	70,62,157	24,36,914
	<b>Closing Balance</b>		
	Amount receivable at the end	23,09,653	9,25,088
e. BLS International - Singapore	Sale of Service	35,54,685	74,88,978
	<b>Closing Balance</b>		
	Amount receivable	3,37,324	27,59,094
f. Basant India Limited	Loan received	2,98,00,000	-
	<b>Closing Balance</b>	2,98,00,000	
g. Mr. Diwakar Aggarwal	Salary for the year	-	3,21,774
	Rent expense during the year	1,68,000	1,68,000
	Rent payable at the end	2,52,000	84,000
	<b>Closing Balance</b>		
	Security Deposit receivable	1,66,30,000	1,66,30,000

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 36 Related Party Disclosures (Contd.)

		Amount in (₹)	
Particulars	Nature of Transaction	2017-18	2016-17
h. Mr. Vinod Aggarwal	Rent expense during the year	96,000	96,000
	Rent payable at the end	1,44,000	48,000
	<b>Closing Balance</b>		
	Security Deposit receivable	1,50,00,000	1,50,00,000
i. Mr. Madhukar Aggarwal	Rent expense during the year	96,000	96,000
	<b>Closing Balance</b>		
	Rent payable at the end	1,44,000	48,000
	Security Deposit receivable	3,60,00,000	3,60,00,000
j. Mr. Sushil Aggarwal	Rent expense during the year	1,20,000	1,20,000
	<b>Closing Balance</b>		
	Rent payable at the end	1,80,000	60,000
	Security Deposit receivable	1,00,00,000	1,00,00,000
k. Mrs. Laxmi Aggarwal	Salary for the year	-	1,75,000
l. Mr. Gaurav Aggarwal	Salary for the year	33,00,000	13,57,400
m. Ms. Riya Aggarwal	Salary for the year	4,00,000	-
n. <b>Key Managerial person (KMP)</b>			
	i) Short term employee benefits #	1,14,57,855	27,31,581
	ii) Commission and other benefits to non-executive directors*		

# the above said remuneration is excluding provision for gratuity & leave encashment, where the actuarial valuation is done on overall Company basis.

### 37. FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

37. FINANCIAL INSTRUMENTS (Contd.)

Financial Assets

Amount in (₹)

Sl.No	Particulars	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1</b>	<b>Financial assets designated at amortised cost</b>							
a.	Loans- non current		55,42,476	55,42,476	43,66,616	43,66,616	6,33,632	6,33,632
b.	Other Financial non current assets		2,04,25,487	2,04,25,487	-	-	29,44,04,143	29,44,04,143
c.	Other Bank Balances		31,82,84,316	31,82,84,316	9,36,85,044	9,36,85,044	4,73,36,712	4,73,36,712
d.	Cash & Cash Equivalents		3,62,33,418	87,03,77,744	60,35,70,632	60,35,70,632	43,12,92,553	43,12,92,553
e.	Trade receivables		11,72,03,157	2,12,33,27,688	59,70,14,610	59,70,14,610	2,20,75,137	2,20,75,137
f.	Other financial current assets		8,55,03,275	48,30,37,033	51,14,95,765	51,14,95,765	26,86,58,239	26,86,58,239
			<b>58,31,92,129</b>	<b>3,82,09,94,744</b>	<b>1,81,01,32,667</b>	<b>1,81,01,32,667</b>	<b>1,06,44,00,416</b>	<b>1,06,44,00,416</b>
<b>2.</b>	<b>Financial assets designated through Other Comprehensive Income</b>							
a.	Investments in Equity Instruments	Level 3	27,79,52,109	27,79,52,109	32,01,59,201	32,01,59,201	2,80,56,750	2,80,56,750
			<b>27,79,52,109</b>	<b>27,79,52,109</b>	<b>32,01,59,201</b>	<b>32,01,59,201</b>	<b>2,80,56,750</b>	<b>2,80,56,750</b>

Financial Liabilities

Amount in (₹)

Sl.No	Particulars	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>1</b>	<b>Financial assets designated at amortised cost</b>							
a.	Non- current Borrowings		1,35,29,472	38,97,03,736	35,96,371	48,69,85,720	1,22,60,054	4,13,16,852
b.	Trade payables		68,36,374	38,82,32,344	7,89,221	13,03,06,269	5,93,642	6,77,96,853
c.	Other financial current liability		17,60,05,422	46,40,15,481	8,13,58,181	29,99,62,620	6,60,50,340	5,60,08,853
d.	Current borrowings		3,32,15,262	54,33,97,034	1,92,772	35,14,05,412	1,56,583	1,56,583
			<b>22,95,86,530</b>	<b>1,78,53,48,595</b>	<b>8,59,36,545</b>	<b>1,26,86,60,021</b>	<b>7,90,60,619</b>	<b>16,52,79,141</b>

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 37. FINANCIAL INSTRUMENTS (Contd.)

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
Investments in equity instruments at fair value through other comprehensive income	Book value method	Audited financial statements	Nil

5 Reconciliation of Level 3 fair value measurements for the year ended March 31, 2018 and 31 March 2017:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening Balance	3,16,03,500	2,80,56,750
<b>Total gain or losses</b>		
in other comprehensive income	50,25,000	35,46,750
<b>Closing Balance</b>	<b>3,66,28,500</b>	<b>3,16,03,500</b>

### Financial Risk Management Objectives & Policies

#### Risk management framework

The Group is exposed to credit risk, liquidity risk and market risk. The group'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 group has the risk management policies and systems in place and are reviewed regularly to reflect changes in market conditions and the group's activities. The group'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 group.

#### a). Credit Risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arises from the operating activities primarily (trade receivables) and from its financing activities including cash and cash equivalents, deposits with banks, derivatives and other financial instruments. The carrying amount of financial assets represents the maximum credit exposure and is as follows:

#### Trade & other receivables:

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

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 37. FINANCIAL INSTRUMENTS (Contd.)

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

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

Amount in (₹)

Ageing	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Ageing of gross carrying amount</b>			
less than 180 days	1,54,05,18,842	59,18,67,325	2,05,94,964
181-365 days	56,13,11,660	17,66,185	7,95,735
More than 1 year	2,14,97,186	33,81,100	6,84,438
<b>Gross carrying amount</b>	<b>2,12,33,27,688</b>	<b>59,70,14,610</b>	<b>2,20,75,137</b>
Expected credit loss	-	-	-
<b>Net carrying amount</b>	<b>2,12,33,27,688</b>	<b>59,70,14,610</b>	<b>2,20,75,137</b>

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

Credit risk from balances with banks and other financial instruments is managed by group 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 group considers that its cash and cash equivalents have low credit risk based on external credit ratings of counterparties.

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

#### Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses recognised represent the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2018, March 31, 2017 and April 1, 2016 was as follows:

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Non current financial assets</b>			
Loans	55,42,476	43,66,616	6,33,632
Other financial assets	2,04,25,487	-	29,44,04,143
<b>Current financial assets</b>			
Trade receivables	2,12,33,27,688	59,70,14,610	2,20,75,137
Cash & cash equivalents	87,03,77,744	60,35,70,632	43,12,92,553
Bank balances other than cash & cash equivalents	31,82,84,316	9,36,85,044	4,73,36,712
Other financial assets	48,30,37,033	51,14,95,765	26,86,58,239
<b>TOTAL</b>	<b>3,82,09,94,744</b>	<b>1,81,01,32,667</b>	<b>1,06,44,00,416</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 37. FINANCIAL INSTRUMENTS (Contd.)

#### b). Liquidity Risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time or at a reasonable price. The group'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 group'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.

As at March 31, 2018	Less than 1 year	1-5 years	More than 5 years	Total
Secured loans from bank and financial institutions	-	38,97,03,736	-	<b>38,97,03,736</b>
Interest accrued but not due on borrowings	65,22,955	-	-	<b>65,22,955</b>
Current Maturities of Long term Debts	14,87,36,376	-	-	<b>14,87,36,376</b>
Current borrowings	38,97,03,736			<b>38,97,03,736</b>
Unpaid Dividends	6,83,275	-	-	<b>6,83,275</b>
Trade payables	38,82,32,344	-	-	<b>38,82,32,344</b>
Amount due to subsidiary group	64,91,684	-	-	<b>64,91,684</b>
Employee payable	3,08,57,693	-	-	<b>3,08,57,693</b>
Expense payable	21,41,70,184	-	-	<b>21,41,70,184</b>
<b>TOTAL</b>	<b>1,18,53,98,247</b>	<b>38,97,03,736</b>	-	<b>1,57,51,01,983</b>

As at March 31, 2017	Less than 1 year	1-5 years	More than 5 years	Total
Secured loans from bank and financial institutions	-	48,69,85,720	-	<b>48,69,85,720</b>
Interest accrued but not due on borrowings	61,15,523	-	-	<b>61,15,523</b>
Current Maturities of Long term Debts	11,56,99,676	-	-	<b>11,56,99,676</b>
Current borrowings	1,92,772			<b>1,92,772</b>
Unpaid Dividends	3,56,650	-	-	<b>3,56,650</b>
Trade payables	7,89,221	-	-	<b>7,89,221</b>
Amount due to subsidiary group	57,06,634	-	-	<b>57,06,634</b>
Employee payable	2,57,23,849	-	-	<b>2,57,23,849</b>
Expense payable	12,21,26,616	-	-	<b>12,21,26,616</b>
<b>TOTAL</b>	<b>27,67,10,941</b>	<b>48,69,85,720</b>	-	<b>76,36,96,661</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**37. FINANCIAL INSTRUMENTS** (Contd.)

As at April 1, 2016	Less than 1 year	1-5 years	More than 5 years	Total
Secured loans from bank and financial institutions	-	4,13,16,852	-	<b>4,13,16,852</b>
Interest accrued but not due on borrowings	-	-	-	-
Current Maturities of Long term Debts	1,55,03,882	-	-	<b>1,55,03,882</b>
Current borrowings	1,56,583	-	-	<b>1,56,583</b>
Unpaid Dividends	-	-	-	-
Trade payables	6,77,96,853	-	-	<b>6,77,96,853</b>
Amount due to subsidiary group	11,72,524	-	-	<b>11,72,524</b>
Employee payable	2,02,02,656	-	-	<b>2,02,02,656</b>
Expense payable	1,88,29,503	-	-	<b>1,88,29,503</b>
<b>TOTAL</b>	<b>12,36,62,001</b>	<b>4,13,16,852</b>	-	<b>16,49,78,853</b>

**c). 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) Foreign currency risk**

The primary market risk to the group is foreign exchange risk. The group uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognisance of the natural hedge, the group takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

The following table analyses foreign currency risk from financial instruments as of March 31, 2018:

Particulars	Financial Asset		Financial Liability
	Trade Receivable	Other Financial Assets	Other Financial Liability
Euro	2,33,36,431	-	-
USD	8,80,177	-	14,47,55,740
CNY	21,64,628	-	-
OMR	10,74,225	-	-
PHP	23,09,654	-	-
PLN	18,78,915	-	-
RUS	53,91,010	-	-
SGD	3,37,324	-	-
UAH	1,10,00,264	-	-
<b>TOTAL</b>	<b>4,83,72,630</b>	-	<b>14,47,55,740</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**37. FINANCIAL INSTRUMENTS** (Contd.)

The following table analyses foreign currency risk from financial instruments as of March 31, 2017:

Amount in (₹)

Particulars	Financial Asset		Financial Liability
	Trade Receivable	Other Financial Assets	Other Financial Liability
Euro	49,21,132	1,42,76,660	-
AED	-	-	-
USD	78,85,908	-	-
CNY	6,07,971	-	-
OMR	16,23,344	-	-
PHP	9,25,088	-	-
PLN	6,43,301	-	-
RUS	44,12,757	-	-
SGD	27,59,094	-	-
<b>TOTAL</b>	<b>2,37,78,595</b>	<b>1,42,76,660</b>	<b>4,91,16,761</b>

The following table analyses foreign currency risk from financial instruments as of April 01, 2016:

Amount in (₹)

Particulars	Financial Asset		Financial Liability
	Trade Receivable	Other Financial Assets	Other Financial Liability
Euro	27,66,380	82,90,410	-
AED	-	-	3,97,34,445
OMR	15,73,300	-	-
PHP	2,75,644	-	-
PLN	24,75,163	-	-
RUS	10,75,582	-	-
<b>TOTAL</b>	<b>81,66,069</b>	<b>82,90,410</b>	<b>3,97,34,445</b>

**Foreign Currency Sensitivity**

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

0.25% Increase and decrease in foreign exchanges rates will have the following impact on profit before tax.

Particulars	2017-18		2016-17	
	0.25% Increase	0.25% Decrease	0.25% Increase	0.25% Decrease
Euro Sensitivity	58,341	(58,341)	32,017	(32,017)
USD Sensitivity	2,200	(2,200)	-	-
CNY Sensitivity	5,412	(5,412)	1,520	(1,520)
OMR Sensitivity	2,686	(2,686)	4,058	(4,058)
PHP Sensitivity	5,774	(5,774)	1,952	(1,952)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**37. FINANCIAL INSTRUMENTS** (Contd.)

Particulars	2017-18		2016-17	
	0.25% Increase	0.25% Decrease	0.25% Increase	0.25% Decrease
PLN Sensitivity	4,697	(4,697)	1,608	(1,608)
RUS Sensitivity	13,478	(13,478)	11,032	(11,032)
SGD Sensitivity	843	(843)	6,898	(6,898)
UAH Sensitivity	27,501	(27,501)	-	-
<b>Increase / (decrease) in profit or loss</b>	<b>1,20,932</b>	<b>(1,20,932)</b>	<b>59,085</b>	<b>(59,085)</b>

**ii) Interest Rate Risk and Sensitivity**

The group's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates expose the group 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 group and impact of floating rate borrowings on group's profitability.

**Interest Rate Risk Exposure**

Amount in (₹)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	(Amount in Rs.)	% of Total	(Amount in Rs.)	% of Total	(Amount in Rs.)	% of Total
Fixed Rate Borrowings	1,07,84,21,884	99.68%	95,38,98,036	99.98%	5,07,98,847	99.69%
Variable Rate Borrowings	34,15,262	0.32%	1,92,772	0.02%	1,56,583	0.31%
<b>Total Borrowings</b>	<b>1,08,18,37,146</b>	<b>100.00%</b>	<b>95,40,90,808</b>	<b>100.00%</b>	<b>5,09,55,430</b>	<b>100.00%</b>

**Sensitivity on variable rate borrowings**

Particulars	Impact on Profit & Loss Account		Impact on Equity	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Interest Rate Increase by 0.25%	-	-	-	-
Interest Rate decrease by 0.25%	-	-	-	-

**Capital Management**

The group'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 group's Capital management is to maximise shareholder's value. The group manages its capital and makes adjustment to it in light of the changes in economic and market conditions.

The group 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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**37. FINANCIAL INSTRUMENTS** (Contd.)

Amount in (₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Borrowings (Non current) - Including current maturity</b>	53,84,40,112	60,26,85,396	5,07,98,847
Borrowings (Current)	54,33,97,034	35,14,05,412	1,56,583
Less: Cash and cash equivalents including bank balances	(87,03,77,744)	(60,35,70,632)	(43,12,92,553)
<b>Total Debt (A)</b>	<b>21,14,59,402</b>	<b>35,05,20,176</b>	<b>(38,03,37,123)</b>
Total Equity	2,60,54,33,195	1,65,67,11,105	1,19,66,36,838
<b>Capital and Net debt (B)</b>	<b>2,81,68,92,597</b>	<b>2,00,72,31,281</b>	<b>81,62,99,715</b>
<b>Gearing ratio (A/B)</b>	<b>7.51%</b>	<b>17.46%</b>	<b>-46.59%</b>

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

**38. First Time Adoption of Ind AS**

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

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

**II Reconciliations**

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

- Balance Sheet as at April 01, 2016 and March 31, 2017
- Statement of Profit and loss for the year ended March 31, 2017
- Equity as at April 01, 2016 and March 31, 2017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 38. First Time Adoption of Ind AS (Contd.)

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

Amount in (₹)

	Note	As at March 31, 2017			As at March 31, 2016		
		IGAAP*	Adjustments	Ind AS	IGAAP*	Adjustments	Ind AS
<b>Non-current asset</b>							
<b>Property, plant &amp; equipment</b>		71,84,39,928	-	71,84,39,928	15,38,86,091	-	15,38,86,091
Intangible Assets		6,58,33,126	-	6,58,33,126	8,82,36,779	-	8,82,36,779
Investments in subsidiaries, associates & joint venture		1,17,053		1,17,053	1,17,053		1,17,053
Financial Assets					-	-	
Investments	a	30,50,55,701	1,51,03,500	32,01,59,201	1,65,00,000	1,15,56,750	2,80,56,750
Loans	b	57,45,550	(13,78,934)	43,66,616	8,92,500	(2,58,868)	6,33,632
Other Financial Assets		-	-	-	29,44,04,143	-	29,44,04,143
Deferred Tax Assets (Net)	c	-	-	-	38,99,801	(23,80,691)	15,19,110
Other non-current assets	b	-	13,33,044	13,33,044	3,60,000	2,41,297	6,01,297
		<b>1,09,51,91,358</b>	<b>1,50,57,610</b>	<b>1,11,02,48,968</b>	<b>55,82,96,367</b>	<b>91,58,488</b>	<b>56,74,54,855</b>
<b>Current Asset</b>							
Financial Assets							
Trade receivables		59,70,14,609	-	59,70,14,609	2,20,75,136	-	2,20,75,136
Cash and cash equivalents		60,35,70,632	-	60,35,70,632	43,12,92,553	-	43,12,92,553
Bank Balances other than above		9,36,85,044	-	9,36,85,044	4,73,36,711	-	4,73,36,711
Loans		-	-	-	-	-	-
Other financial assets		51,14,95,765	-	51,14,95,765	26,86,58,239	-	26,86,58,239
Current Tax Assets (Net)		-	-	-	-	-	-
Other current assets		5,48,55,005	-	5,48,55,005	4,37,22,348	-	4,37,22,348
		<b>1,86,06,21,055</b>	<b>-</b>	<b>1,86,06,21,055</b>	<b>81,30,84,987</b>	<b>-</b>	<b>81,30,84,987</b>
<b>TOTAL</b>		<b>2,95,58,12,413</b>	<b>1,50,57,610</b>	<b>2,97,08,70,023</b>	<b>1,37,13,81,354</b>	<b>91,58,488</b>	<b>1,38,05,39,842</b>
<b>EQUITY &amp; LIABILITIES</b>							
<b>Equity</b>							
Equity share capital		10,24,50,000	-	10,24,50,000	10,24,50,000	-	10,24,50,000
Other equity	a,b,c,d	1,54,27,99,672	1,14,61,432	1,55,42,61,104	1,08,50,28,352	91,58,488	1,09,41,86,840
		<b>1,64,52,49,672</b>	<b>1,14,61,432</b>	<b>1,65,67,11,104</b>	<b>1,18,74,78,352</b>	<b>91,58,488</b>	<b>1,19,66,36,840</b>
<b>Non Controlling Interest</b>		13,60,291	-	13,60,291	10,17,380	-	10,17,380
<b>Liability</b>							
<b>Non current liabilities</b>							
Financial liabilities							
Borrowings		48,69,85,720	-	48,69,85,720	4,13,16,852	-	4,13,16,852
Provisions		1,23,42,926	4,83,650	1,28,26,576	1,10,38,757	-	1,10,38,757
Deferred tax Liabilities		19,46,232	31,11,320	50,57,552	-	-	-
		<b>50,12,74,878</b>	<b>35,94,970</b>	<b>50,48,69,848</b>	<b>5,23,55,609</b>	<b>-</b>	<b>5,23,55,609</b>
<b>Current liabilities</b>							
Financial liabilities							
Borrowings		35,14,05,412	-	35,14,05,412	1,56,583	-	1,56,583
Trade payables		13,03,06,269	-	13,03,06,269	6,77,96,852	-	6,77,96,852
Other financial liabilities		29,99,62,620	-	29,99,62,620	2,77,88,706	-	2,77,88,706
Other current liabilities		1,73,41,025	-	1,73,41,025	3,01,21,415	-	3,01,21,415
Provisions		2,59,974	1,208	2,61,182	2,03,872	-	2,03,872
Current tax liabilities (net)		86,52,272	-	86,52,272	44,62,584	-	44,62,584
		<b>80,79,27,572</b>	<b>1,208</b>	<b>80,79,28,780</b>	<b>13,05,30,012</b>	<b>-</b>	<b>13,05,30,012</b>
<b>TOTAL</b>		<b>2,95,58,12,413</b>	<b>1,50,57,610</b>	<b>2,97,08,70,023</b>	<b>1,37,13,81,353</b>	<b>91,58,488</b>	<b>1,38,05,39,841</b>

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**38. First Time Adoption of Ind AS (Contd.)**

B. Reconciliation of total comprehensive income of the year ended March 31, 2017

Amount in (₹)

		For the year ended March 31, 2017		
		IGAAP*	Adjustments	Ind AS
<b>REVENUE:</b>				
Revenue from Operations		6,34,95,88,420	-	6,34,95,88,420
Other Income	b	2,30,63,074	17,02,308	2,47,65,382
<b>Total Revenue</b>		<b>6,37,26,51,494</b>	<b>17,02,308</b>	<b>6,37,43,53,802</b>
<b>EXPENSES:</b>				
Cost Of Services		4,67,81,51,199	-	4,67,81,51,199
Employee benefits expense	d	41,69,68,373	3,12,407	41,72,80,780
Finance Cost		5,50,07,269	-	5,50,07,269
Depreciation and amortisation expense		25,97,16,992	-	25,97,16,992
Other expenses	b	43,06,93,676	1,38,098	43,08,31,774
<b>Total Expenses</b>		<b>5,84,05,37,509</b>	<b>4,50,505</b>	<b>5,84,09,88,014</b>
<b>Profit Before tax ( I-II)</b>		<b>53,21,13,985</b>	<b>12,51,803</b>	<b>53,33,65,788</b>
<b>Tax expense:</b>				
a) Current tax		2,66,24,530	-	2,66,24,530
b) MAT Credit Entitlement		(1,19,70,601)		(1,19,70,601)
c) Deferred tax	c	1,78,16,634	57,017	1,78,73,651
d) Tax for earlier years		(2,98,099)	-	(2,98,099)
<b>Total Tax Expenses</b>		<b>3,21,72,464</b>	<b>57,017</b>	<b>3,22,29,481</b>
<b>Net profit for the period</b>		<b>49,99,41,521</b>	<b>11,94,786</b>	<b>50,11,36,307</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that will not be reclassified to profit or loss</b>				
(i) Re-measurements gain/(loss) on defined benefit plans	d	-	(1,72,451)	(1,72,451)
(ii) Tax on (i) above	c	-	57,017	57,017
(iii) Changes in fair value of financial assets if designated to OCI				
	a	-	35,46,750	33,75,750
(iv) Tax on (iii) above	c	-	(7,30,631)	(6,95,405)
<b>Items that will be reclassified to profit or loss</b>				-
Exchange difference on translation of foreign operations		-	(3,74,83,678)	(3,74,83,678)
<b>Total</b>		<b>-</b>	<b>(3,47,82,993)</b>	<b>(3,49,18,767)</b>
<b>Total comprehensive income for the year (VII+ VIII)</b>		<b>49,99,41,521</b>	<b>(3,35,88,207)</b>	<b>46,62,17,540</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 38. First Time Adoption of Ind AS (Contd.)

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

Amount in (₹)

Particulars	Notes	March 31, 2017	April 01, 2016
Total Equity (Shareholder's fund) as Per Previous GAAP		1,54,27,99,672	1,08,50,28,352
<b>Adjustments</b>			
Impact of fair value of Investments	a	1,51,03,500	1,15,56,750
Fair valuation of financials assets (net)	b	(45,890)	(17,571)
Provision for employee benefits	d	(4,84,858)	-
Deferred Tax on above	c	(31,11,320)	(23,80,691)
		<b>1,55,42,61,103</b>	<b>1,09,41,86,840</b>

D. There is not significant reconciliation between cash flow prepared under previous GAAP and Ind As.

#### Notes to Reconciliation Adjustments

##### a Non Current Investments

For investment in unquoted Instrument, Company has elected to fair value through OCI.(FVTOCI)

##### b Security deposits

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

##### c Deferred Tax Assets

- Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP.
- In addition, the various transitional adjustments lead to different temporary differences resulting in recognition of deferred tax. Such deferred tax asset has been recognized in retained earnings.

##### d Remeasurements of post-employment benefit obligations

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

### III Exemptions & exceptions availed:

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

#### A Ind AS optional exemptions:

##### i. Deemed Cost:

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

**38. First Time Adoption of Ind AS (Contd.)**

**ii. Investments in subsidiaries, associates and joint ventures:**

The company has elected to avail the exemption in para D15, Ind AS 101 and has continued with the carrying amount of investments in subsidiaries, joint ventures and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments.

**iii. Designation of previously recognized financial instruments:**

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

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

**B Ind AS mandatory exceptions:**

**i. Estimates**

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

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

**ii. Classification and measurement of financial assets:**

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

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

**iii. Derecognition of financial assets and liabilities:**

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

**iv. Impairment of financial assets:**

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 39. Income Taxes

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

Amount in (₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Current Income Tax</b>		
Current year	19,95,57,816	2,66,24,530
Adjustment in respect of current income tax for earlier year	3,98,713	(2,98,099)
<b>Total</b>	<b>19,99,56,529</b>	<b>2,63,26,431</b>
Deferred Tax	(5,08,23,686)	59,03,050
MAT credit entitlement	-	-
Tax credit entitlement	(64,31,247)	-
<b>Total</b>	<b>14,27,01,596</b>	<b>3,22,29,481</b>

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

Amount in (₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Deferred tax</b>		
Re-measurements of defined benefit plans	1,42,200	(57,017)
Changes in fair value of financial assets if designated to OCI	10,35,150	7,30,631
<b>Total</b>	<b>11,77,350</b>	<b>6,73,614</b>

#### c. Reconciliation of Tax expense

Amount in (₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Accounting profit	1,10,80,92,763	53,33,65,796
Tax expense @ 28.84%*	31,95,73,953	-
Tax expense @ 33.063%#	-	17,63,46,733
<b>Tax effect of expenses that are not deductible for tax purpose</b>		
Effect of expenses not deductible in determining taxable profit	2015734	-
Effect of dividend income taxed at lower rate i.e. 17.304%	(57,73,508)	(20,67,065)
Effect of tax credit as per 1150	(64,31,247)	-
Effect of carried forward losses	(50,13,480)	-
MAT credit entitlement	-	-
Other items	(16,16,69,856)	(13,00,79,586)
	(17,68,72,357)	(13,21,46,651)
<b>Tax Expense</b>	<b>14,27,01,596</b>	<b>4,42,00,082</b>

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

# PY:\* tax rate of 33.063% includes corporate tax of 30%, 7% surcharge and Secondary and Higher Education Cess of 3% on the tax amount



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**40. The Company has to following subsidiaries/ Step down subsidiaries which are Consolidated:**

<b>Name of the Company</b>	<b>Country of incorporation</b>	<b>Percentage of principal activities Holding</b>	<b>Financial Year End</b>
BLS E-Services Private Limited	India	100% ( Direct)	31.03.2018
BLS E-Solutions Private Limited	India	100% ( Direct)	31.03.2018
BLS IT Services Private Limited	India	100% ( Direct)	31.03.2018
BLS International FZE, UAE	United Arab Emirates	100% ( Direct)	31.03.2018
BLS International Services, UAE	United Arab Emirates	100% ( Indirect)	31.03.2018

\* Consolidated financials statements of Subsidiary of BLS International FZE which consists of audited financials statements of BLS International FZE and unaudited financial statements of following subsidiaries of BLS International FZE.

BLS International Services Norway A.S	Norway	75% ( Indirect)	31.03.2018
BLS International Services Singapore PTE. LTD.	Singapore	100% ( Indirect)	31.03.2018
BLS International Services Canada INC.	Canada	100% ( Indirect)	31.03.2018
BLS International Services Malaysia SDN BHD	Malaysia	100% ( Indirect)	31.03.2018
BLS International Services (UK) Limited	England	100% ( Indirect)	31.03.2018
Consular Outsourcing BLS Services Inc.	USA	100% ( Indirect)	31.03.2018

\* The Company also have certain other Joint ventures/ Associates, where there is absence of control/ significance influence and where the agreement for revenue sharing is of such nature that they are not required to be consolidated for the purpose of preparation of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**41. Additional information as per schedule III of the Companies Act, 2013 for entities consolidated as subsidiaries**

Amount in (₹)

Name of Entity	Net Assets i.e. Total Assets minus total Liabilities		Share in Profit/ Loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated Net Assets	Amount	As % of consolidated Profit/ Loss	Amount	As % of consolidated Profit/ Loss	Amount	As % of consolidated Profit/ Loss	Amount
1	2	3	4	5	6	7	8	9
<b>Parent</b>								
BLS International Service Limited	9.70%	25,27,17,148	10.94%	10,55,87,870	21.42%	42,86,691	11.15%	10,98,74,561
<b>Subsidiary</b>								
<b>a. Indian</b>								
BLS E- Services Pvt. Ltd	4.26%	11,11,11,534	9.15%	8,82,90,829	0.06%	12,554	8.96%	8,83,03,383
BLS E- Solutions Pvt. Ltd	4.50%	11,73,45,684	11.19%	10,80,32,222	0.14%	27,868	10.97%	10,80,60,090
BLS IT- Services Pvt. Ltd	4.32%	11,25,12,773	10.93%	10,55,01,693	0.07%	13,602	10.71%	10,55,15,295
<b>b. Foreign</b>								
<b>BLS FZE and its subsidiaries</b>								
BLS International FZE	21.85%	56,93,13,680	16.32%	15,75,36,905			15.99%	15,75,36,905
<b>BLS International Services UAE</b>	54.84%	1,42,86,90,606	45.59%	44,01,39,786			44.67%	44,01,39,786
BLS International Services Australia PTY. LTD.	0.00%	-	0.67%	64,31,143			0.65%	64,31,143
BLS International Services Canada INC.	0.29%	75,45,341	0.00%	16,234			0.00%	16,234
BLS International Services Norway AS	0.11%	28,89,421	-0.04%	(3,41,433)			-0.03%	(3,41,433)
BLS International Services Singapore PTE LTD.	1.05%	2,72,96,751	0.74%	71,62,641			0.73%	71,62,641
BLS International Services Malaysia SDN BHD	0.38%	98,76,157	0.10%	9,62,700			0.10%	9,62,700
BLS International Services USA	-0.12%	(31,59,562)	-0.32%	(31,26,813)			-0.32%	(31,26,813)
BLS International Services UK	0.06%	14,98,274	0.13%	12,65,699			0.13%	12,65,699
<b>Total</b>	101.24%	2,63,76,37,807	105.39%	1,01,74,59,475	21.69%	43,40,715	103.69%	1,02,18,00,190
<b>Adjustment arising out of consolidation</b>	-1.20%	(3,13,31,896)	-5.39%	(5,20,34,928)	0.00%	-	-5.28%	(5,20,34,928)
<b>Minority Interest :</b>								
Non- Controlling interest in all subsidiaries	-0.03%	(8,72,716)	0.00%	(33,380)			0.00%	(33,380)
FCTR					78.31%	1,56,68,885	1.59%	1,56,68,885
<b>Consolidation net assets/ profit after tax</b>	100.00%	<b>2,60,54,33,195</b>	100.00%	<b>96,53,91,167</b>	100.00%	2,00,09,600	100.00%	98,54,00,767

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**42. Segment Information**

**Business segments**

The group's business activity falls within a single business segment i.e. rendering of Visa and other allied services. Therefore, segment reporting in terms of "Accounting Standard 17 Segment Reporting" is not applicable.

**Geographical segments**

Although the group's major operating divisions are managed on worldwide basis. Further, disclosure has been done in compliance with Accounting Standard on segmental reporting.

		Amount in (₹)	
Sl. No.	Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
		Audited	Audited
<b>Geographical segment</b>			
<b>A</b>	<b>Segment revenue</b>		
	a) Middle East	3,28,78,86,647	2,84,79,56,059
	b) Asia -Pacific	80,25,48,082	87,30,88,228
	c ) North America	1,59,23,08,552	1,63,88,27,916
	d ) Europe	10,03,64,491	6,03,15,566
	e) South Africa	-	-
	f) India	2,33,69,31,767	1,17,08,45,155
	<b>Gross income from operations</b>	<b>8,12,00,39,539</b>	<b>6,59,10,32,924</b>
	Less : Inter segment	22,95,21,646	24,21,02,270
	<b>Total revenue</b>	<b>7,89,05,17,893</b>	<b>6,34,89,30,654</b>
<b>B</b>	<b>Segment results</b>		
	Profit before tax and interest from each segment		
	a) Middle East	69,53,74,110	49,89,65,460
	b) Asia -Pacific	81,25,340	96,22,743
	c ) North America	(31,10,579)	33,23,084
	d ) Europe	8,90,886	13,71,572
	e) Others	64,31,144	(1,86,274)
	f) India	52,41,39,642	7,52,76,478
		<b>1,23,18,50,543</b>	<b>58,83,73,062</b>
	Less: Finance cost	12,37,57,780	5,50,07,269
	<b>Total profit before tax</b>	<b>1,10,80,92,763</b>	<b>53,33,65,793</b>
		<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>
<b>C</b>	<b>Segment assets</b>		
	a) Middle East	2,66,14,63,480	1,97,29,62,901
	b) Asia -Pacific	4,94,08,171	4,31,84,871
	c ) North America	8,21,65,166	10,48,09,302
	d ) Europe	3,06,14,556	45,44,635
	e) Others	-	5,92,425
	f) India	2,84,03,66,918	1,49,54,48,539
	g) Unallocated corporate assets	-	-
	Less: Inter segment assets	96,62,60,204	65,06,72,648
		<b>4,69,77,58,087</b>	<b>2,97,08,70,024</b>
<b>D</b>	<b>Segment liabilities</b>		
	a) Middle East	82,30,57,347	58,04,76,953
	b) Asia -Pacific	1,22,35,262	1,73,14,416
	c ) North America	7,77,79,387	9,75,57,786

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

### 42. Segment Information (Contd.)

Sl. No.	Particulars	Amount in (₹)	
		For the year ended 31st March, 2018	For the year ended 31st March, 2017
	d ) Europe	2,62,26,862	1,91,071
	e) Others	-	60,08,674
	f) India	2,24,66,79,779	1,27,63,48,477
	g) Unallocated corporate liabilities	-	-
	Less: Inter segment Liabilities	1,09,45,26,461	66,50,98,747
		<b>2,09,14,52,175</b>	<b>1,31,27,98,628</b>
<b>E</b>	<b>Capital expenditure</b>		
	a) Middle East	7,39,22,523	3,55,30,889
	b) Asia -Pacific	7,52,551	1,09,81,770
	c ) North America	5,89,555	-
	d ) Europe	74,27,413	-
	e) Others	-	-
	f) India	4,02,18,379	75,86,46,369
		<b>12,29,10,420</b>	<b>80,51,59,028</b>
<b>F</b>	<b>Depreciation /obsolesce</b>		
	a) Middle East	3,76,25,703	3,54,44,376
	b) Asia -Pacific	50,02,090	43,98,876
	c ) North America	34,68,790	30,36,258
	d ) Europe	7,23,266	-
	e) Others	52,246	1,10,182
	f) India	34,91,23,077	21,67,27,300
		<b>39,59,95,173</b>	<b>25,97,16,992</b>

### 43. 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 group 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

**44.** The Government of Punjab has terminated master service agreement entered with all the three Indian subsidiaries vide its letter dated January 30, 2018. These contracts were the only source of revenue for these companies. However, the management is making efforts to secure others contracts/business in these companies and of the view that going concern assumption is not effected.

The amount receivable by three Indian subsidiaries from Government of Punjab aggregating to Rs. 2,038,400,693 (including Rs. 37,053,267 for reimbursement of diesel expenses) as on March 31, 2018 for which recovery is slow. However, the management is confident that there is no impairment in the value of the amount to be received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended March 31, 2018

**45. THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006**

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

	<b>Nature of Transaction</b>	<b>2017-18</b>	<b>2016-17</b>
a)	Principal amount and Interest due thereon remaining unpaid to any supplier as on	-	-
b)	Interest paid by the group in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
d)	the amount of interest accrued and remaining unpaid.	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

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

**47.** Notes 1 to 46 are annexed to and form an integral part of financial statements.

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

**Harish Gupta**  
Partner  
Membership number: 098336

For and on behalf of the board of directors of  
**BLS International Services Limited**

**(Shikhar Aggarwal)**  
Jt. Managing Director  
DIN No. 06975729  
4, Sankaracharya Marg,  
Civil Lines  
New Delhi 110054

**(Nikhil Gupta)**  
Managing Director  
DIN No. 00195694  
501, Monarch Bldg,  
2nd Hassanabad Lane  
Santacruz (west) Mumbai  
400054

Place : New Delhi  
Date : May 22, 2018

**(Ajay Milhotra)**  
Chief Finance Officer  
C-8, Defence Colony  
New Delhi 110024

**(Balaji)**  
Company Secretary  
Membership No. 33952  
RZ-80A, South Extension  
Part-1, Uttam Nagar,  
Delhi 110059

# Notice

**NOTICE IS HEREBY GIVEN THAT THE THIRTY FOURTH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF BLS INTERNATIONAL SERVICES LIMITED WILL BE HELD ON WEDNESDAY, THE 19TH DAY OF SEPTEMBER 2018 AT 3:00 P.M. AT SRI SATHYA SAI AUDITORIUM, PRAGATI VIHAR, LODHI ROAD, NEW DELHI-110024 TO TRANSACT THE FOLLOWING BUSINESSES:-**

## **ORDINARY BUSINESS:**

1. Adoption of Financial Statements (Standalone & Consolidated) for the Financial Year ended 31st March, 2018 together with the Report of Directors and Auditors thereon.
2. To declare a final dividend of ₹ 0.50 per equity share for the financial year 2017-18.
3. To re-appoint Statutory Auditor to hold office from the conclusion of this Annual General Meeting till the conclusion of 39th Annual General Meeting and to authorize the Board to fix their remuneration. M/s S.S. Kothari Mehta & Co. Chartered Accountants, (FRN – 000468N), being eligible to offer themselves for re-appointment.

### **Ordinary Resolution**

**“RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s S.S. Kothari Mehta & Co. Chartered Accountants, (FRN – 000756N), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 39th AGM of the Company to be held in the year 2023 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

4. To appoint a Director in place of Mr. Nikhil Gupta, Director who retires by rotation and being eligible, offers himself for reappointment.

## **SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or

without modification(s), the following resolution(s) as **SPECIAL RESOLUTION**

**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and all other applicable provisions if any, and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company be and is hereby accorded to the Board of Directors of the company to enter into contracts and/or agreements with parties as detailed in table forming part of the explanatory statement annexed to the notice with respect to Sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such parties to any of subsidiary or associate company or any other transactions of whatever nature up to an amount of Rs. 260 Crores (Rupees Two Hundred and Sixty Crores Only) for the financial year 2018-19 on such terms and conditions as may be decided by the Board.”

**“RESOLVED FURTHER THAT** the Directors of the Company or the Company Secretary of the Company be and are hereby severally authorized to do and perform all such acts, matters, deeds and things as may be necessary, without further referring to the Members of the Company in order to give effect to this resolution.”

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved, ratified and confirmed in all respects.”

**For and on Behalf of the Board  
BLS International Services Limited**

**Bala Ji**

DATE: 08 August 2018

*Company Secretary*

PLACE: New Delhi

Membership No. A33952

## NOTES:

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 in respect of the business specified above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. Only registered members of the Company holding shares as on the cut-off date decided for the purpose, being 12th September 2018, or any proxy appointed by such registered member may attend and vote at the Annual General Meeting as provided under the provisions of the Companies Act, 2013.
4. Electronic copy of the Notice of the aforesaid Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the aforesaid Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. The cut-off date is decided for the purpose of reckoning the number of shareholders eligible to receive notice of AGM is 17th August 2018.
5. Voting Rights: Shareholders holding Equity Shares shall have one vote per share as shown against their holding and shareholders.
6. **VOTING THROUGH ELECTRONIC MEANS**  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Securities (India) Limited (CDSL).
7. **Book Closure:** Dividend on Equity Shares as recommended by the Board of Directors for the Financial Year 2017-18, if approved at the meeting, will be paid on or after 25th September 2018 to those eligible members whose names appear:
  1. As Beneficial owners, as on 12th September 2018 as per the list to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in Dematerialized form, and
  2. As Members in the Register of Members of the Company in respect of shares held in Physical Form, after giving effect to all valid share transfers in physical form lodged with the Company or its RTA on or before as on 12th September 2018.

**Note: Please read the instructions printed below before exercising your vote.**

**The instructions for shareholders voting electronically are as under:**

- i. The voting period begins on 16th September 2018 from 09:00 a.m. and ends on 18th September 2018 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 12th September 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii. Click on Shareholders.
- iv. Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that
- x. Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Other Instructions:**

- A. Pooja Anand & Associates, Practicing Company Secretaries (COP No. 16631) has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- B. The Scrutinizer shall, immediately after the conclusion of evoting, first count the votes casted, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than two working days of the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- C. The results declared along with the Scrutinizers Report shall be placed on the website of the Company and on the website of CDSL within two days of declaration of result on 21st September 2018 and will be communicated to the designated stock exchanges where the shares of the company are listed.

All the documents referred to in the accompanying notice and Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 will be available at the registered office of the Company during the business hours on all working days upto the date of declaration of the result.

**For and on Behalf of the Board  
BLS International Services Limited**

**Bala Ji**

Company Secretary

Membership No. A33952

DATE: 08 August 2018

PLACE: New Delhi

## EXPLANATORY STATEMENT (Pursuant To Section 102 of the Companies Act, 2013)

### ITEM NO. 5

In terms of proviso to Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (herein after referred as SEBI Regulations), all transactions with Related Parties, which are material in nature, are subject to the approval of the Members of the Company by way of Special Resolution and the Related Parties shall abstain from voting on such resolutions.

For this purpose, the term "Material transaction" shall mean any transaction entered either individually or taken together with previous transactions during a financial year, that exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The estimated value of the transactions relating to ongoing sale, purchase or receipt of products, goods and materials or availing or rendering of services and leasing of property of any kind (movable or immovable) with BLS International Services Ltd. during the financial year 2018-19 are likely to exceed the threshold prescribed under Regulation 23 of SEBI Regulations and will be considered material and therefore would require the approval of Shareholders of the Company by way of Special Resolution.

The particulars of the Contracts/Arrangements/Transactions pursuant to sub- rule (3) of Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 read along with Regulation 23 of SEBI Regulations are as follows:

Name of the Related Parties	Nature of Transactions	Duration of the Transaction	Previous year Amount (Rs.)	Maximum Amount of the Transaction (Rs.)
BLS International FZE	Sale of Service and Remuneration in the form of Salary	One Year	75 Crores	100 Crores
BLS International Visa Services – Austria	Sale of Services	One Year	10 Crores	15 Crores
BLS International Visa Services –Baltic	Sale of Services	One Year	10 Crores	15 Crores
BLS International Visa Services Poland SP.Z.O.O.	Sale of Services	One Year	10 Crores	15 Crores
BLS International Visa Services Philippine Inc	Sale of Services	One Year	10 Crores	15 Crores
BLS International – Singapore	Sale of Services	One Year	25 Crores	35 Crores
Basant India Limited	Sale of Services	One Year	NA	10 Crore
BLS E-Services Pvt Ltd.	Sale of Services	One Year	10 Crores	10 Crores
BLS E-Solutions Pvt Ltd.	Sale of Services	One Year	10 Crores	10 Crores
BLS IT Services Pvt Ltd.	Sale of Services	One Year	10 Crores	10 Crores
BLS Kendras Pvt Ltd	Sale of Services	One Year	NA	20 Crores
Mr. Nikhil Gupta	Remuneration in the Form of Salary	One Year	1 Crore	1.25 Crores
Mr. Shikhar Aggarwal	Remuneration in the Form of Salary	One Year	1 Crore	1.20 Crores
Mr. Karan Aggarwal	Remuneration in the Form of Salary	One Year	NA	75 Lakhs
Ms. Riya Aggarwal	Remuneration in the Form of Salary	One Year	NA	60 Lakhs
Mr. Ajay Milhotra	Remuneration in the Form of Salary	One Year	75 Lakhs	90 Lakhs
Mr. Bala Ji	Remuneration in the Form of Salary	One Year	25 Lakhs	30 Lakhs
Mr. Gaurav Aggarwal	Remuneration in the Form of Salary	One Year	33 Lakhs	45 Lakhs

**For and on Behalf of the Board  
BLS International Services Limited**

**Bala Ji**

Company Secretary  
Membership No. A33952

DATE: 08 August 2018

PLACE: New Delhi

## Details of Director retiring by rotation / seeking re-appointment at the Meeting.

### Mr. Nikhil Gupta

Age	60 years
Qualifications	Member of Indian Institute of Chartered Accountant of India (ICAI)
Experience (including expertise in specific functional area) / Brief Resume	Wide Experience in Taxation and Accountancy
Remuneration last drawn (including sitting fees, if any)	Rs. 12,00,000/- per annum. (Mr. Nikhil Gupta has also drawn a remuneration of Rs. 72,00,000/- during the year from BLS International FZE, wholly owned subsidiary of BLS International Services Limited, making it a total Remuneration of Rs. 84,00,000 for the year 2017-18.)
Remuneration proposed to be paid	As per existing approved terms and conditions
Date of first appointment on the Board	13/08/2016
Shareholding in the Company as on March 31, 2018	NIL
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of the Board attended during the financial year (2017-18)	5
Directorships of other Boards as on March 31, 2018	NIL
Membership / Chairmanship of Committees of other Boards as on March 31, 2018	NIL

**For and on Behalf of the Board  
BLS International Services Limited**

DATE: 08 August 2018  
PLACE: New Delhi

**Bala Ji**  
Company Secretary  
Membership No. A33952

# Statutory Forms



## BLS INTERNATIONAL SERVICES LIMITED

**Regd. Office:** G-4B-1, Extension, Mohan Co-Operative Industrial Estate,  
Mathura Road, New Delhi – 110044

Email: compliance@blsinternational.net; Website : www.blsinternational.com

### Form No. MGT-11

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

CIN	L51909DL1983PLC016907
Name of the Company	BLS INTERNATIONAL SERVICES LIMITED
Registered office	G-4B-1 Extension, Mohan Co-Operative, Industrial Estate, Mathura Road, New Delhi – 110044

Name of the member (s)	
Registered address	
E-mail Id	
Folio No/DP Id & Client Id	

I/We, being the member (s) of.....shares of the above named company, hereby appoint:

Name: .....

Address: .....

E-mail Id: .....

Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company to be held on **Wednesday, the 19th Day September 2018 at 3:00 p.m.** at **Sri Sathya Sai Auditorium, Pragati Vihar, Lodhi Road, New Delhi-110024**, and any adjournment thereof in respect of such resolutions as are indicated below:

Signed this.....day of..... 2018

Signature of Shareholder.....

Signature of Proxy holder(s) .....

Affix  
Revenue  
Stamp

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**





## BLS INTERNATIONAL SERVICES LIMITED

**Regd. Office:** G-4B-1, Extension, Mohan Co-Operative Industrial Estate,  
Mathura Road, New Delhi – 110044

Email: [compliance@blsinternational.net](mailto:compliance@blsinternational.net); Website : [www.blsinternational.com](http://www.blsinternational.com)

S.no	Particulars	For*	Against*
1.	Adoption of Financial Statements (Standalone & Consolidated) for the Financial Year ended 31st March, 2018 together with the Report of Directors and Auditors thereon.		
2.	To declare a final dividend of ₹ 0.50 per equity share for the financial year 2017-18.		
3.	To re-appoint Statutory Auditor to hold office from the conclusion of this Annual General Meeting till the conclusion of 39th Annual General Meeting and to authorize the Board to fix their remuneration. M/s S.S. Kothari Mehta & Co. Chartered Accountants, (FRN – 000756N), being eligible to offer themselves for re-appointment.		
4.	To appoint a Director in place of Mr. Nikhil Gupta, Director who retires by rotation and being eligible, offers himself for reappointment.		
5.	Approval for Related Party Transactions		

### Notes:

- \* Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- \* A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company.  
Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.
- \* This form of Proxy, to be effective, should be deposited at the Registered Office of the Company at REGD. OFFICE: G-4B-1, EXTENSION, MOHAN CO-OPERATIVE INDUSTRIAL ESTATE, MATHURA ROAD, NEW DELHI – 110044 not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.



## BLS INTERNATIONAL SERVICES LIMITED

**Regd. Office:** G-4B-1, Extension, Mohan Co-Operative Industrial Estate,  
Mathura Road, New Delhi – 110044

**Corporate Office:** 912, Indra Prakash Building, 21 Barakhambha Road, New Delhi-110001

**CIN:** L51909DL1983PLC016907 **Email Id:** compliance@blsinternational.net

### ATTENDANCE SLIP

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**

Joint Shareholders may obtain additional Attendance Slip on request at the venue of the meeting.

D.P. ID*	
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Master Folio No.	
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Client ID*	
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NAME AND ADDRESS OF THE SHAREHOLDER:

No. of Share(s) held:

I/We hereby record my/our presence at the 34th Annual General Meeting of the company to be held on Wednesday, the 19th Day September 2018 at 3:00 p.m. at Sri Sathya Sai Auditorium, Pragati Vihar, Lodhi Road, New Delhi-110024

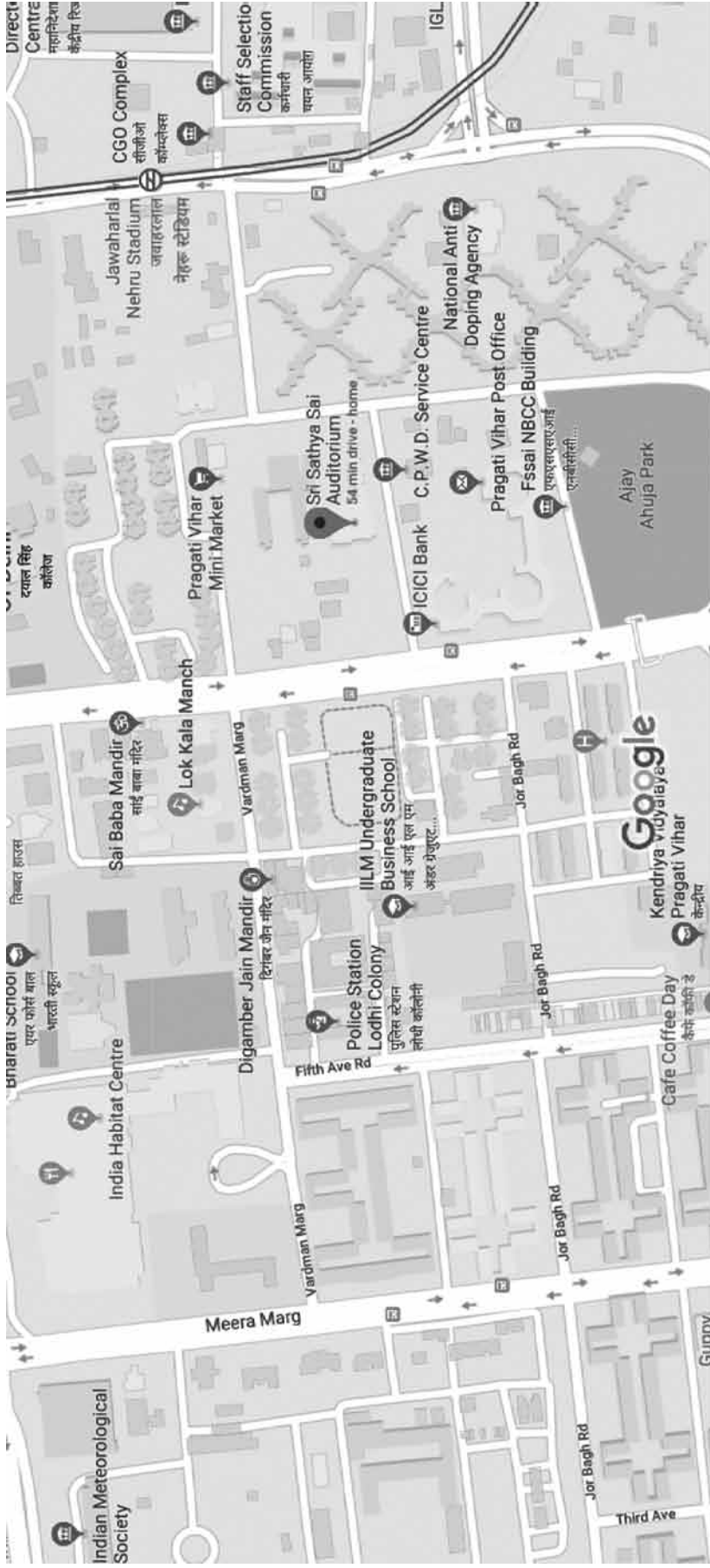
Signature of the Shareholder or Proxy

\*Applicable for investors holding shares in electronic form





# AGM Route Map





## BLS INTERNATIONAL SERVICES LIMITED

**Regd. Office:** G-4B-1, Extension, Mohan Co-Operative Industrial Estate,  
Mathura Road, New Delhi – 110044

Email: compliance@blsinternational.net; Website : www.blsinternational.com

### Form No. MGT-12

### Polling Paper

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21 (1)(c) of the Companies  
(Management and Administration) Rules, 2014]

Name of the Company	BLS INTERNATIONAL SERVICES LIMITED
CIN	L51909DL1983PLC016907
Registered office	G-4B-1 Extension, Mohan Co-Operative, Industrial Estate, Mathura Road, New Delhi – 110044

### BALLOT PAPER

S.no	Particulars	Details
1.	Name of the first named shareholder (In Block Letters)	
2.	Postal Address	
3.	Registered Folio No / *Client Id No (*Applicable to investors holding shares in dematerialized Form)	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Resolution enumerated below by recording my assent or dissent to the said Resolution in the following manner:

S.no	Particulars	No. of Shares held by me	For*	Against*
1.	Adoption of Financial Statements (Standalone & Consolidated) for the Financial Year ended 31st March, 2018 together with the Report of Directors and Auditors thereon.			
2.	Declare a final dividend of ₹ 0.50 per equity share for the financial year 2017-18.			
3.	To re-appoint Statutory Auditor to hold office from the conclusion of this Annual General Meeting till the conclusion of 39th Annual General Meeting and to authorize the Board to fix their remuneration. M/s S.S. Kothari Mehta & Co. Chartered Accountants, (FRN – 000756N), being eligible to offer themselves for re-appointment.			
4.	To appoint a Director in place of Mr. Nikhil Gupta, Director who retires by rotation and being eligible, offers himself for reappointment.			
5.	Approval for Related Party Transactions			

Place:

Date:

(Signature of Shareholder)









**Registered Office:**

G-4B-1 Extension, Mohan  
Co-operative Indl. Estate, Mathura Road,  
New Delhi – 110001, India  
T: (91-11) 45795002  
F:(91-11) 23755264  
W: [www.blsinternational.com](http://www.blsinternational.com)