

BM/20-21/2

30<sup>th</sup> June, 2020

**THE STOCK EXCHANGE MUMBAI,  
Phroze Jeejeebhoy Towers,  
Dalai Street, Mumbai-400 011**

**Kind Attn: S. Subraminian DCS-CRD**

**Sub: Notice of Board Meeting Pursuant to Regulation 29(1) of Listing Agreement to take on record the Audited Financial Results of the Company for the Year ended 31<sup>st</sup> March-2020.**

**Dear Sir /Madam,**

This is to inform that pursuant to Regulation 29 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Meeting of the Board of Directors of the Company was held, Today, Tuesday, 30<sup>th</sup> June, 2020 at 4:00 P.M. at 145, First Floor Okhla Industrial Estate Phase-III, New Delhi-110 020, In pursuant to Clause 41 of the Listing Agreement to the inter-alia, consider and take on record the Audited financial results for the Quarter/Year ended March 31<sup>st</sup>, 2020.

The results will be published in the Newspapers as per the requirement of the Listing Agreement. This is submitted for your kind information and records.

Thanking you,

Yours faithfully,

**FOR VIRTUALSOFT SYSTEMS LIMITED**

*Mukta*  
**Mukta Ahuja**  
Company Secretary\*



**VIRTUALSOFT SYSTEMS LIMITED**

(CIN No.: L72200DL1992PLC047931)

Regd. Office: S-101, Panchsheel Park, New Delhi- 110 017 India

Corp. Office: 145, Okhla Industrial Estate, Phase-III, New Delhi - 110 020

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## VIRTUALSOFT SYSTEMS LIMITED

Regd. Off: S-101 Panchsheel Park, New Delhi - 110017

PHONE No. 011142701491

secretarial@virtsoft.com -www.virtsoft.com

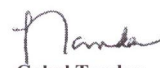

### STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020 (Amount in lakhs)

PARTICULARS	Quarter Ended			YEAR ENDED	
	31.03.2020	31.12.2019	31.03.2019	31.03.2019	31.03.2020
	(Audited)	(Un-Audited)	Audited	(Audited)	(Audited)
<b>1. Income from Operations</b>					
a) Net Sales/ Income From Operations	25.93	32.29	46.86	105.96	90.67
c) Other Income	33.69	0.31	2.38	2.38	34.00
<b>Total Income (a+b)</b>	<b>59.62</b>	<b>32.60</b>	<b>49.24</b>	<b>108.34</b>	<b>124.67</b>
<b>2. Expenses</b>					
a. Cost of Materials Consumed	-	-	-	-	-
b. Purchase of Stock In Trade	22.78	37.73	36.52	85.81	83.16
c. Change in the inventories of Finished Goods, Work in Progress and Stock in Trade	-	-	-	-	-
d. Depreciation & Amortisation expenses	19.61	1.06	2.09	2.09	20.67
e. Employee Benefit Expenses	14.56	12.43	12.21	61.48	51.26
f) Finance cost	6.25	-	-	-	6.37
g). Other expenditure	(9.73)	8.37	33.77	82.63	23.87
<b>Total Expenses</b>	<b>53.47</b>	<b>59.59</b>	<b>84.59</b>	<b>232.01</b>	<b>185.33</b>
<b>3. Profit/(Loss) before Exceptional items and Extraordinary items and TAX (1-2)</b>	6.15	(26.99)	(35.35)	(123.67)	(60.66)
4. Exceptional Items	-	-	-	-	-
<b>5. Profit/(Loss) before Extraordinary Items and tax (3-4)</b>	6.15	(26.99)	(35.35)	(123.67)	(60.66)
6. Extraordinary items	-	-	-	-	-
<b>7. Profit/(Loss) before Tax (5-6)</b>	6.15	(26.99)	(35.35)	(123.67)	(60.66)
<b>8. TAX Expenses</b>					
Curret Tax	-	-	-	-	-
Deferred Tax	-	-	-	-	-
<b>Total Tax Expenses</b>	-	-	-	-	-
<b>9. Net Profit/(Loss) for the period (7-8)</b>	<b>6.15</b>	<b>(26.99)</b>	<b>(35.35)</b>	<b>(123.67)</b>	<b>(60.66)</b>
<b>10. Other Comprehensive income/(Loss)</b>					
(a) items that will not be reclassified to profit and loss in subsequent period, net of tax	-	-	-	-	-
(b) Items that will be reclassified to profit and loss in subsequent period, net of tax	-	-	-	-	-
(C ) Remeasurements of post-employment benefit obligations	-	-	-	3.48	-
<b>Other Comprehensive income/(Loss) for the period ( Net of Tax Expense)</b>	-	-	-	-	-
<b>11. Total Comprehensive income for the period (9+10)</b>	6.15	(26.99)	(35.35)	(120.19)	(60.66)
<b>12. Paid-up equity share capital</b>	1,029.76	1,029.76	1,029.76	1,029.76	1,029.76
<b>13. Earning Per Share before and alter extraordinary Items (from Continuing Operations)</b>					
(of Rs. 10/- each )					
(a) Basic (Rs.)	0.06	(0.26)	(0.34)	(1.20)	(0.59)
(b) Diluted (Rs.)	0.06	(0.26)	(0.34)	(1.20)	(0.59)

#### NOTES:

- 1) The above results were considered and taken on record by the board of directors in their meeting held on 30th June 2020.
- 2) Previous year figures has been re-classified & regrouped whenever necessary to confirm to the current year's classification.
- 3) The company has adopted Indian Accounting Standard Ind AS from April 01, 2017,
- 4) As required under Regulation 33 of SEBI( Listing Obligation & Disclosures requirements) Regulation 2015, completed and unmodified report forwarded to BSE Ltd. The said report does not have any impact on the above results and Notes which need explanation the Limited Review by the Statutory Auditor has been
- 5) The World Health Organisation (WHO) declared the novel Coronavirus (COVID-19) outbreak a global pandemic on March 11, 2020. Consequent to this, Government of India had declared lockdown on March 23, 2020 and therefore, the Company suspended its business operations. COVID-19 has impacted the normal business operations of the Company. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business
- 6) Number of complaints received and disposed during the quarter- NIL and number of complaints lying unresolved at the commencement and end of quarter-NIL
- 7) In view of brought forward losses the company, no provision for income tax and deferred tax assets has been created
- 8) The above results of VSSL as reviewed by the audited committee and the Consolidated financial have been approved by the board at its Meeting held on 30th June 2020.

New Delhi, June, 2020

  
**Gokul Tandan**  
 Managing Director
 

The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business

# VIRTUALSOFT SYSTEMS LIMITED

Regd. Off: S-101 Panchsheel Park, New Delhi - 110017

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## STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH,2020 (Amount in lakhs)

PARTICULARS	QUARTER ENDED			YEAR ENDED	
	31.03.2020	31.12.2019	31.03.2019	31.03.2019	31.03.2020
	(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
<b>1. Income from Operations</b>					
a) Net Sales/ Income From Operations	127.14	142.60	134.71	608.22	555.22
c) Other Income	34.80	0.31	4.43	12.96	37.19
<b>Total Income (a+b)</b>	<b>161.94</b>	<b>142.91</b>	<b>139.14</b>	<b>621.18</b>	<b>592.42</b>
<b>2. Expenses</b>					
a. Cost of Materials Consumed	-	-	-	-	-
b. Purchase of Stock In Trade	92.55	113.63	110.71	346.03	434.23
c. Change in the inventories of Finished Goods, Work in Progress and Stock in Trade	7.34	(24.15)	(1.43)	23.24	1.33
d. Depreciation & Amortisation expenses	24.37	9.19	4.88	30.38	50.56
e. Employee Benefit Expenses	89.89	78.60	88.79	352.04	353.23
f) Finance cost	9.27	2.98	19.32	28.60	21.84
g). Other expenditure	43.74	57.46	103.15	295.82	212.56
<b>Total Expenses</b>	<b>267.16</b>	<b>237.71</b>	<b>325.42</b>	<b>1,076.11</b>	<b>1,073.74</b>
<b>3. Profit/(Loss) before Exceptional items and Extraordinary items and TAX (1-2)</b>	<b>(105.22)</b>	<b>(94.80)</b>	<b>(186.28)</b>	<b>(454.93)</b>	<b>(481.32)</b>
4. Exceptional Items	-	-	-	-	-
<b>5. Profit/(Loss) before Extraordinary Items and tax (3-4)</b>	<b>(105.22)</b>	<b>(94.80)</b>	<b>(186.28)</b>	<b>(454.93)</b>	<b>(481.32)</b>
6. Extraordinary items	-	-	-	-	-
<b>7. Profit/(Loss) before Tax (5-6)</b>	<b>(105.22)</b>	<b>(94.80)</b>	<b>(186.28)</b>	<b>(454.93)</b>	<b>(481.32)</b>
<b>8. TAX Expenses</b>					
Current Tax	-	-	-	-	-
Deferred Tax	-	-	-	-	-
<b>Total Tax Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9. Net Profit/(Loss) for the period (7-8)</b>	<b>(105.22)</b>	<b>(94.80)</b>	<b>(186.28)</b>	<b>(454.93)</b>	<b>(481.32)</b>
Less: Share of Minority in Current Year Profits/Loss	-	-	(158.12)	-	(204.60)
	<b>(105.22)</b>	<b>(94.80)</b>	<b>(28.16)</b>	<b>(454.93)</b>	<b>(276.72)</b>
<b>10. Other Comprehensive income/(Loss)</b>					
(a) items that will not be reclassified to profit and loss in subsequent period, net of tax	-	-	-	-	-
(b) Items that will be reclassified to profit and loss in subsequent period, net of tax	-	-	-	-	-
(C ) Remeasurements of post-employment benefit obligations	-	-	-	(0.90)	-4.72
<b>Other Comprehensive income/(Loss) for the period ( Net of Tax Expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>11. Total Comprehensive income for the period (9+10)</b>	<b>(105.22)</b>	<b>(94.80)</b>	<b>(186.28)</b>	<b>(454.93)</b>	<b>(281.44)</b>
<b>12. Paid-up equity share capital</b>	<b>1,029.76</b>	<b>1,029.76</b>	<b>1,029.76</b>	<b>1,029.76</b>	<b>1,029.76</b>
<b>13. Earning Per Share before and alter extraordinary Items (from Continuing Operations)</b>					
(of Rs. 10 - each )					
(a) Basic (Rs.)	(1.02)	(0.92)	(0.27)	(4.42)	(2.69)
(b) Diluted (Rs.)	(1.02)	(0.92)	(0.27)	(4.42)	(2.69)

### Notes

- 1) The above results were considered and taken on record by the board of directors in their meeting held on 30th June 2020.
- 2) Previous year figures has been re-classified & regrouped whenever necessary to confirm to the current year's classification.
- 3) The company has adopted Indian Accounting Standard Ind AS from April 01, 2017, Accordingly financial results for the financial year 2016-2017 have been prepared following the Ind AS recognition and measurement principles, ended 31.03.2017, have been restated based
- 4) As required under Regulation 33 of SEBI( Listing Obligation & Disclosures requirements) Regulation 2015, completed and unmodified report forwarded to BSE Ltd. The said report does not have any impact on the above results and Notes which need explanation the Limited Review by the Statutory Auditor has been
- 5) The World Health Organisation (WHO) declared the novel Coronavirus (COVID-19) outbreak a global pandemic on March 11, 2020. Consequent to this, Government of India had declared lockdown on March 23, 2020 and therefore, the Company suspended its business operations. COVID-19 has impacted the normal business operations of the Company. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business
- 6) Number of complaints received and disposed during the quarter- NIL and number of complaints lying unresolved at the commencement and end of quarter-NIL
- 7) In view of brought forward losses the company, no provision for income tax and deferred tax assets has been created
- 8) The above results of VSSL as reviewed by the audited committee and the Consolidated financial have been approved by the board at its Meeting held on 30th June 2020.

New Delhi, June, 2020

Gokul Tandan  
Managing Director





## Statement of Assets and Liabilities as 31, March-2020

	STANDLONE		CONSOLIDATED	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
	(Audited)	(Audited)	(Audited)	(Audited)
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant and Equipment	10.33	9.60	57.60	68.35
(b) Intangible assets	45.11	45.11	775.16	776.43
(c) Intangible assets under development	-	-	1,023.26	1,023.26
(d) Right-of-use assets	33.81	-	54.94	-
(e) Financial Assets				
(i) Investments	926.30	926.30	-	-
(ii) Loans	5.07	6.06	19.94	33.00
(iii) Others	-	-	-	-
(f) Other non current assets	0.36	-	0.58	-
<b>Total Non-Current Assets</b>	<b>1,020.97</b>	<b>987.07</b>	<b>1,931.48</b>	<b>1,901.04</b>
<b>Current Assets</b>				
(a) Inventories	-	-	24.80	26.13
(b) Financial Assets				
(i) Trade Receivables	26.52	51.38	86.79	130.02
(ii) Cash and cash equivalents	5.30	12.05	8.74	12.64
(iii) Other Bank Balances	2.50	2.50	2.50	2.50
(iv) Loans	-	0.24	18.32	20.38
(v) Other current financial Assets	1.45	1.19	1.45	1.19
(c) Other current assets	102.63	42.46	134.79	90.29
<b>Total Current Assets</b>	<b>138.39</b>	<b>109.82</b>	<b>277.39</b>	<b>283.15</b>
<b>Total Assets</b>	<b>1,159.36</b>	<b>1,096.89</b>	<b>2,208.87</b>	<b>2,184.19</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	1,029.76	1,029.76	1,029.76	1,029.76
(b) Other Equity	(1,835.59)	(1,773.80)	(2,590.08)	(2,308.65)
<b>Total Equity</b>	<b>(805.83)</b>	<b>(744.04)</b>	<b>(1,560.32)</b>	<b>(1,278.89)</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowing	1,836.00	1,747.39		
(ii) Other Financial Liabilities			3,214.88	2,784.76
(iii) Lease Liabilities	14.11	-	22.92	-
(b) Provisions	14.14	11.00		
(b) Deferred Tax Liabilities (Net)	-	-	47.92	35.09
(c) Other non-current liabilities	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>1,864.25</b>	<b>1,758.39</b>	<b>3,285.72</b>	<b>2,819.85</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowing	-	-	102.02	100.68
(ii) Trade payables	28.06	42.47	67.76	71.89
(iii) Lease liabilities	21.50	-	34.93	-
(iii) Other Financial Liabilities	0.71	1.71	4.79	6.67
(b) Other current liabilities	49.94	37.64	262.44	248.42
(c) Provisions	0.73	0.73	2.71	2.16
<b>Total Current Liabilities</b>	<b>100.94</b>	<b>82.55</b>	<b>474.65</b>	<b>429.82</b>
<b>Total Equity and Liabilities</b>	<b>1,159.36</b>	<b>1,096.89</b>	<b>2,208.87</b>	<b>2,184.19</b>

For Virtual Soft Systems Limited

*Gokul Naresh Tandan*  
**Gokul Naresh Tandan**  
 Managing Director

### VIRTUALSOFT SYSTEMS LIMITED

(CIN No.: L72200DL1992PLC047931)

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**INDEPENDENT AUDITOR'S REPORT ON THE QUARTERLY AND ANNUAL STANDALONE  
AUDITED FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33  
AND 52 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REGULATIONS, 2015,  
AS AMENDED**

To  
The Board of Directors  
Virtualsoft Systems Limited  
New Delhi

**REPORT ON THE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED  
31<sup>ST</sup> MARCH, 2020.**

**Opinion**

We have audited the accompanying statement of audited standalone financial results of Virtualsoft Systems Limited ("The Company") for the quarter and year ended 31<sup>st</sup> December, 2019 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement read with notes therein:

- i. Is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. Gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income for the quarter ended March 31, 2020, net profit and other comprehensive income for the year ended March 31, 2020 and other financial information of the company for the quarter and year ended March 31, 2020.

**Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.



**Management's and Board of Directors' Responsibility for the Standalone Financial Statements**

Delhi : H.O.  
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The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of



Directors in the standalone financial statements.

- Conclude on going concern basis of accounting that the management's and Board of Director's have prepared financials on going concern basis though the company is continuously having negative net worth in last few years. **The company's net worth as on 31 March 2020 is negative amounting to (-) 80,582,746/-which cast serious doubt on the ability of the company to continue as a going concern.**
- Conclude on based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Other Matters

The statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to a limited review by us, as required under the listing regulations.

Our conclusion on the statement is not modified in respect of the above matters except going concern accounting.

For Krishna Neeraj & Associates  
Chartered Accountants  
FRN: 023233N

  
CA. Krishna Neeraj  
Partner  
Membership No. 506669



Place: New Delhi  
Date: 30.06.2020

UDIN: 20506669AAAAD4448



**INDEPENDENT AUDITOR'S REPORT ON THE QUARTERLY AND ANNUAL CONSOLIDATED AUDITED FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 AND 52 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REGULATIONS, 2015, AS AMENDED**

To  
The Board of Directors  
Virtualsoft Systems Limited  
New Delhi

**REPORT ON THE AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>ST</sup> MARCH, 2020.**

**Opinion**

We have audited the accompanying statement of audited consolidated financial results of Virtualsoft Systems Limited ("the Holding Company") and its subsidiary Roam1 Telecom Limited (Together referred to as "The Group") for the quarter and year ended 31<sup>st</sup> March, 2020 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ( the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement read with notes therein:

- i. includes the results of its subsidiary given above
- ii. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income for the quarter ended March 31, 2020, net profit and other comprehensive income for the year ended March 31, 2020 and other financial information of the company for the quarter and year ended March 31, 2020.

**Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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## **Management's and Board of Directors' Responsibility for the Consolidated Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors in the Consolidated financial statements.
- Conclude on going concern basis of accounting that the management's and Board of Director's have prepared financials on going concern basis though the company is continuously having negative net worth in last few years. **The group's net worth as on 31<sup>st</sup> March 2020 is negative amounting to Rs. (-) 259,007,836/-which cast serious doubt on the ability of the company to continue as a going concern.**
- Conclude on based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Other Matters

The statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to a limited review by us, as required under the listing regulations.

Our conclusion on the statement is not modified in respect of the above matters except going concern accounting.

For Krishna Neeraj & Associates  
Chartered Accountants  
FRN: 023233N

CA. Krishna Neeraj  
Partner  
Membership No. 506669



Place: New Delhi  
Date: 30.06.2020

UDIN: 20506669AAAADF3730