

Particulars	Note Number	Figures at the end of Current Reporting Period	Figures at the end of Previous Reporting Period
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	149,98,750	149,98,750
(b) Reserves and surplus	2	110,69,554	536,39,810
		<u>260,68,304</u>	<u>686,38,560</u>
2 Non-current liabilities			
(a) Long-term borrowings	3	588,69,366	164,75,000
(b) Other long-term liabilities	4	15,56,306	4,58,376
		<u>604,25,673</u>	<u>169,33,376</u>
3 Current liabilities			
(a) Short-term borrowings	3	145,14,609	4,60,000
(b) Trade payables	5	104,24,680	177,11,709
(c) Other current liabilities	6	136,39,747	83,90,354
(d) Short-term provisions	7	5,96,479	-
		<u>391,75,515</u>	<u>265,62,063</u>
TOTAL		<u><u>1256,69,492</u></u>	<u><u>1121,34,000</u></u>
B ASSETS			
4 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	59,33,715	51,59,168
(ii) Intangible assets	9	2,04,566	2,67,363
(iii) Intangible assets under development	10	910,21,530	805,21,530
(b) Long-term loans and advances	11	27,32,688	25,65,288
		<u>998,92,499</u>	<u>885,13,349</u>
5 Current assets			
(a) Inventories	12	43,13,195	19,78,699
(b) Trade receivables	13	168,91,795	179,58,688
(c) Cash and cash equivalents	14	11,31,269	7,67,924
(d) Short-term loans and advances	15	34,40,734	29,15,340
		<u>257,76,993</u>	<u>236,20,651</u>
TOTAL		<u><u>1256,69,492</u></u>	<u><u>1121,34,000</u></u>

Other Explanatory notes forming part of the financial statement

21 - 35

In terms of our report of even date attached.

for Nath Ahuja & Company

Chartered Accountants

ICAI Firm Registration Number : 001083N

N N Ahuja

Proprietor

Membership No. : 080178

New Delhi

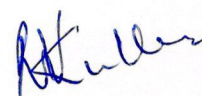
30th May, 2015

For and on behalf of the Board of Directors of Roam1 Telecom Limited



Gokul Tandon
Director

DIN : 00441563



Rajendra Virupaksha Kulkarni
Director

DIN : 00988255

Statement of Profit and Loss for the year ended 31 March, 2015

In Indian Rupees

Particulars	Note Number	Figures at the end of	
		Current Reporting Period	Previous Reporting Period
A CONTINUING OPERATIONS			
Income			
Revenue from operations (net)	15	621,53,284	403,41,255
Other income		1,055	-
Total Revenue		621,54,339	403,41,255
Expenses			
Purchases of stock-in-trade		421,65,956	266,71,434
Changes in inventories of stock-in-trade	16	(23,34,496)	(19,78,699)
Employee benefit expense	17	307,54,710	141,24,582
Other operating expenses	18	273,58,305	137,93,021
Finance cost	19	49,64,069	5,12,960
Depreciation and amortisation expenses	20	18,16,051	5,19,029
Total Expenses		1047,24,595	536,42,327
Profit / (Loss) before exceptional items and tax		(425,70,256)	(133,01,072)
Add: Exceptional items		-	-
Profit / (Loss) before tax		(425,70,256)	(133,01,072)
Tax expense:			
Less: Current tax	33	-	-
Less: Deferred tax		-	-
Total tax expense		-	-
Loss after tax from continuing operations	1	(425,70,256)	(133,01,072)
Loss for the year from total operations		(425,70,256)	(133,01,072)
Earnings per equity share	29		
Basic and diluted			
~for Nominal Value of Share Rs. 10/-		(28.38)	(15.22)
~for Nominal Value of Share Rs. 5/-		(14.19)	(7.61)
Other Explanatory notes forming part of the financial statement	21 - 35		

In terms of our report of even date attached.

for Nath Ahuja & Company
Chartered Accountants
ICAI Firm Registration Number : 001083N

N N Ahuja
Proprietor
Membership No. : 080178

New Delhi
30th May, 2015

For and on behalf of the Board of Directors of Roam1 Telecom Limited



Gokul Tandon
Director
DIN : 00441563

Rajendra Virupaksha Kulkarni
Director
DIN : 00988255

Cash Flow Statement for the year ended 31 March, 2015

In Indian Rupees

Particulars	Note Number	Figures at the end of Current Reporting Period	Figures at the end of Previous Reporting Period
A Cash flow from operating activities			
Profit / (Loss) before tax from operations		(425,70,256)	(133,01,072)
Adjustments for:			
Depreciation and amortisation on continuing operations		18,16,051	5,19,029
Preliminary expenses written off		-	5,807
Finance costs		49,64,069	5,12,960
Profit / (Loss) before working capital changes		(357,90,136)	(122,63,276)
Movement in working capital :			
(Increase) / decrease in inventories		(23,34,496)	(19,78,699)
(Increase) / decrease in trade receivables		10,66,893	(179,58,688)
(Increase) / decrease in other receivables, loans and advances		(2,00,043)	(54,26,342)
(Decrease) / increase in trade payables, other current and long term liabilities		(9,39,707)	265,31,968
(Decrease) / increase in provisions		5,96,479	-
Cash generated from operations		(376,01,009)	(110,95,037)
Taxes paid, net		4,92,751	36,866
Net cash flow (used in) / from operating activities (A)		(380,93,760)	(111,31,903)
B Cash flow from investing activities			
Capital expenditure on fixed assets and Intangible Assets under Development		(130,27,801)	(72,72,897)
Dividend received from subsidiary companies		-	-
Net cash flow (used in) / from investing activities (B)		(130,27,801)	(72,72,897)
C Cash flow from financing activities			
Receipt from borrowings		564,48,976	167,10,000
Issue of equity shares		-	22,98,750
Finance Cost		(49,64,069)	(5,12,960)
Net cash flow (used in) / from financing activities (C)		514,84,907	184,95,790
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		3,63,345	90,990
Add: Balance of Cash and cash equivalents as at the beginning of the year		7,67,924	6,76,934
Cash and cash equivalents as at the end of the year [Refer note (a) below]		11,31,269	7,67,924
a) Components of cash and cash equivalents			
Balances with bank in current accounts		21,348	(1,08,118)
Cash on hand		11,09,920	8,76,041
		11,31,269	7,67,924

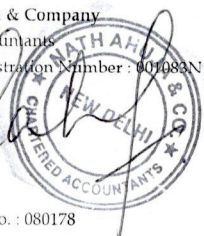
Notes:

- Figures in bracket indicate cash outflow
- The above cash flow statement has been prepared under the indirect method set out in AS-3 'Cash Flow Statement' notified under the Companies (Accounting Standard) Rules, 2006 (as amended).
- Previous year figures have been regrouped and recast wherever necessary to conform to the current year classification.

In terms of our report of even date attached.

for Nath Ahuja & Company
Chartered Accountants
ICAI Firm Registration Number : 001088N

N N Ahuja
Proprietor
Membership No. : 080178



New Delhi
30th May, 2015

For and on behalf of the Board of Directors of Roam1 Telecom Limited

Gokul Tandon
Director
DIN : 00441563

Rajendra Virupaksha Kulkarni
Director
DIN : 00988255

Notes to the financial statements for the year ended 31 March, 2015

1. Share capital
[Item No. 1(a)]

Authorized:	
12,50,000	Class - A Equity Shares of Rupees 10 each
5,00,000	Class - B Equity Shares of Rupees 5 each
	(31 March 2015: 12,50,000 Class A Equity Shares of Rupees 10 each)
	(31 March 2015: 5,00,000 Class B Equity Shares of Rupees 5 each)
Issued:	
12,50,000	Class - A Equity Shares of Rupees 10 each
4,99,750	Class - B Equity Shares of Rupees 5 each
	(31 March 2015: 50,000 Class A Equity Shares of Rupees 10 each)
Subscribed and paid-up:	
12,50,000	Class - A Equity Shares of Rupees 10 each
4,99,750	Class - B Equity Shares of Rupees 5 each
	(31 March 2015: 50,000 Class A Equity Shares of Rupees 10 each)

As at 31 March, 2015	As at 31 March, 2014
125,00,000	125,00,000
25,00,000	25,00,000
150,00,000	150,00,000
125,00,000	125,00,000
24,98,750	24,98,750
149,98,750	149,98,750
125,00,000	125,00,000
24,98,750	24,98,750
149,98,750	149,98,750

Additional information:

(a) The movement in subscribed and paid-up share capital is set out below:

Class - A Equity Shares of Rupee 10/- each

As of April 1, 2013	
Additions	
As of March 31, 2014	
Additions ^(a)	
As of March 31, 2015	

Class - B Equity Shares of Rupee 5/- each

As of April 1, 2013	
Additions	
As of March 31, 2014	
Additions ^(b)	
As of March 31, 2015	

Number of Shares	Amount
50,000	5,00,000
12,00,000	120,00,000
12,50,000	125,00,000
-	-
12,50,000	125,00,000
-	-
4,99,750	24,98,750
4,99,750	24,98,750
-	-
4,99,750	24,98,750

- (a) 12,00,000 Class - A Equity Shares of face value of Rupees 10 per share were allotted to Virtualsoft Systems Limited, as a sale consideration for buying Virtual's International SIM Card division as a going concern on Slump Sale basis in FY 2013-2014
(b) 9,99,500 Class - B Equity Shares of face value of Rupees 5 per share were allotted to Promoter group on preferential basis.

(b) Shareholder holding more than 5% shares in the company:

Name of the shareholders	As of 31 March, 2015		As of 31 March, 2014	
	No. of Shares	%	No. of Shares	%
(a) Virtualsoft Systems Limited	12,00,000	68.58	12,00,000	69
(b) Manpreet Singh	4,29,001	24.52	4,29,001	25
(c) Manmohan Singh	20,940	1.2	20,940	1.20

(c) Terms/Rights attached to equity shares:

The Company has only two class of equity shares 1.) having par value of Rupee 10/- per share; and 2.) having par value of Rupee 5/- per share. Each holder of equity shares is entitled to one vote per share irrespective of the class of equity share. The company declares and pays dividend in Indian rupees. The dividend (if proposed) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual general Meeting.



Notes to the financial statements for the year ended 31 March, 2015

2. Reserves and surplus
[Item No. 1(b)]

- (a) Securities Premium Reserve
Balance as per last balance sheet
Premium on issue of Equity shares
- (b) Deficit in the Statement of Profit and loss
Balance as per last balance sheet
Add: Loss for the year
Net deficit in Statement of Profit and loss

As at 31 March, 2015
672,00,000
-
672,00,000
-135,60,190
-425,70,256
-561,30,446
110,69,554

As at 31 March, 2014
-
672,00,000
672,00,000
-2,59,119
-133,01,072
-135,60,190
536,39,810

3. Borrowings
[Item No. 3(a) and 4(a)]

UnSecured Borrowings

- (a) Loans from related parties
(i) From directors
(ii) From other related parties
- (a) Loans from non-related parties
(i) From Bank

As at 31 March, 2015			As at 31 March, 2014		
Long-term	Short-term	Total	Long-term	Short-term	Total
581,03,795	-	581,03,795	164,75,000	60,000	165,35,000
	-	-		4,00,000	4,00,000
7,65,571	145,14,609	152,80,181	-	-	-
588,69,366	145,14,609	733,83,976	164,75,000	4,60,000	169,35,000

Additional information:

- (a) UnSecured loan from directors carry interest @ 8%, also the maturity is dependent on the funds available with the company.
(b) Short term loan from bank consists of Bank Overdraft with interest rate of 15.5%.

4. Other long-term liabilities
[Item No. 3(b)]

Security deposit received[^]

As at 31 March, 2015
15,56,306
15,56,306

As at 31 March, 2014
4,58,376
4,58,376

[^] Security deposit received represent refundable security deposits received from subscribers on activation of connections granted thereto and are repayable on disconnection, net of outstanding, if any and security deposits received from channel partners.



Notes to the financial statements for the year ended 31 March, 2014

5. Trade payables
[Item No. 4(b)]

- (a) Creditors for supplies/services
(b) Creditors for Capital Expenditure
(b) Advance received from customers

As at 31 March, 2015	As at 31 March, 2014
83,44,504	153,69,930
13,84,590	-
6,95,586	23,41,779
<u>104,24,680</u>	<u>177,11,709</u>

- (1) Creditors for Capital Expenditure is payable to Virtual Soft System Limited (Holding Company)

6. Other current liabilities
[Item No. 4(c)]

- (a) Expenses payable
(b) Accrued salaries and benefits
(c) Revenue taxes payable
(d) Advance from Holding Company
(d) Other liabilities

As at 31 March, 2015	As at 31 March, 2014
1,42,661	3,66,245
42,26,838	19,02,477
27,95,757	57,06,710
41,11,611	-
23,62,880	4,14,923
<u>136,39,747</u>	<u>83,90,354.31</u>

Additional Information

- (1) Other liabilities represent interest payable on Directors Loan

7. Short-term provisions
[Item No. 4(d)]

- (a) Provision for Gratuity
(b) Provision for Expenses
(c) Provision for Leave Encashment
(d) Provision for Audit fees

As at 31 March, 2015	As at 31 March, 2014
1,22,885	-
2,871	-
3,28,973	-
1,41,750	-
<u>5,96,479</u>	<u>-</u>

Additional information:

- (1) Provision for gratuity has been valued and certified by the management.
(2) Provision for leave encashment has been valued and certified by the management.



Notes to the financial statements for the year ended 31 March, 2015

8. Tangible assets
[Item No. 5(a)(i)]

	Furniture and Fixtures	Office Equipments	Computers	Total
Gross Block				
As of April 1, 2013	-	-	-	-
Additions	-	-	-	-
Addition on account of Slump sale	1,30,132	36,07,616	18,77,652	56,15,400
Disposals	-	-	-	-
As of March 31, 2014	1,30,132	36,07,616	18,77,652	56,15,400
Additions	76,380	16,69,479	7,81,942	25,27,801
Disposals/Sale	-	-	-	-
As of March 31, 2015	2,06,512	52,77,095	26,59,594	81,43,201
Accumulated Depreciation				
As of April 1, 2013	-	-	-	-
Charge for the year	5,505	2,71,579	1,79,148	4,56,232
Elimination on account of disposals	-	-	-	-
As of March 31, 2014	5,505	2,71,579	1,79,148	4,56,232
Charge for the year	16,540	9,19,002	8,17,712	17,53,254
Elimination on account of disposals	-	-	-	-
As of March 31, 2015	22,045	11,90,581	9,96,860	22,09,486
Net Block				
As of April 1, 2013	-	-	-	-
As of March 31, 2014	1,24,627	33,36,037	16,98,504	51,59,168
As of March 31, 2015	1,84,467	40,86,514	16,62,734	59,33,715



Notes to the financial statements for the year ended 31 March, 2015

9. Intangible assets
[Item No. 5(a)(ii)]

Gross Block

As of April 1, 2013

Additions

Addition on account of slump sale

Disposals

As of March 31, 2014

Additions

Disposals/Sale

As of March 31, 2015

Accumulated Depreciation

As of April 1, 2013

Charge for the year

Elimination on account of disposals

As of March 31, 2014

Charge for the year

Elimination on account of disposals

As of March 31, 2015

Net Block

As of April 1, 2013

As of March 31, 2014

As of March 31, 2015

	Mobile application software	CRM (Software)	Trade Mark	Total
As of April 1, 2013	-	-	-	-
Additions	-	-	-	-
Addition on account of slump sale	2,97,810	-	32,350	3,30,160
Disposals	-	-	-	-
As of March 31, 2014	2,97,810	-	32,350	3,30,160
Additions	-	-	-	-
Disposals/Sale	-	-	-	-
As of March 31, 2015	2,97,810	-	32,350	3,30,160
As of April 1, 2013	-	-	-	-
Charge for the year	59,562	-	3,235	62,797
Elimination on account of disposals	-	-	-	-
As of March 31, 2014	59,562	-	3,235	62,797
Charge for the year	59,562	-	3,235	62,797
Elimination on account of disposals	-	-	-	-
As of March 31, 2015	1,19,124	-	6,470	1,25,594
As of April 1, 2013	-	-	-	-
As of March 31, 2014	2,38,248	-	29,115	2,67,363
As of March 31, 2015	1,78,686	-	25,880	2,04,566

10. Intangible assets under development
[Item No. 5(a)(iii)]

CRM Software

Website under development

As at 31 March, 2015
909,91,530
30,000
<u>910,21,530</u>

As at 31 March, 2014
804,91,530
30000
<u>805,21,530</u>



Notes to the financial statements for the year ended 31 March, 2015

11. Long-term Loans and Advances
[Item No. 4(c)]

Unsecured, Considered good
Electricity, telephone and other deposits
Deposits with creditors
Rental deposits
Preliminary expenses to the extent not written off

As at 31 March, 2015	As at 31 March, 2014
2,20,920	14,920
13,31,762	13,97,305
11,74,200	11,41,450
5,806	11,613
<u>27,32,688</u>	<u>25,65,288</u>

12. Inventories
[Item No. 4(b)]

Stock-in-trade [refer note (a) and (b) below]

As at 31 March, 2015	As at 31 March, 2014
43,13,195	19,78,699
<u>43,13,195</u>	<u>19,78,699</u>

Additional information:

- (a) The Stock in trade represents the value of ERCV amount and the International Roaming Cards lying idle with the company.
(b) The Management has taken and valued the Closing Stock-in-trade at the lower of cost and net realizable value as per AS-2, and certified that it has been physically verified at reasonable interval.



Notes to the financial statements for the year ended 31 March, 2015

13. Trade Receivables
 [Item No. 4(c)]

Unsecured, unless otherwise stated
 Outstanding for a period exceeding six months
 Considered good
 Considered doubtful
 Less: provision for doubtful receivables

 Other receivables
 Considered good

As at 31 March, 2015	As at 31 March, 2014
30,67,619	40,99,491
-	-
-	-
<u>30,67,619</u>	<u>40,99,491</u>
138,24,176	138,59,197
<u>138,24,176</u>	<u>138,59,197</u>
<u><u>168,91,795</u></u>	<u><u>179,58,688</u></u>

14. Cash and Bank balances
 [Item No. 4(d)]

Cash and Cash equivalents
 (a) Balances with Banks
 In current accounts
 (b) Cheques on hand
 (c) Cash on hand

As at 31 March, 2015	As at 31 March, 2014
21,348	(1,08,118)
-	-
<u>11,09,920</u>	<u>8,76,041</u>
<u>11,31,269</u>	<u>7,67,924</u>
<u><u>11,31,269</u></u>	<u><u>7,67,924</u></u>

Additional information:

- (a) The negative balance in the bank is due to the fact that some cheques are issued at year end in excess of the amount available with the bank, in anticipation of the realization of some of the customers cheques. This negative amount represent book overdraft only.



Notes to the financial statements for the year ended 31 March, 2015

15. Short-term Loans and Advances

[Item No. 4(b)]

Unsecured, considered good

Interest free advances to employees [refer note (a) below]

Balances with government authorities:

as tax deducted at source

as Input service tax credit

Prepaid Expense

	As at 31 March, 2014	As at 31 March, 2014
	28,42,752	20,02,167
	5,29,617	36,866
	-	8,76,308
	68,365	-
	<u>34,40,734</u>	<u>29,15,340</u>

Additional information:

(a) Interest free advances to employees includes Rupees. 14,99,326/- due from directors

16. Revenue from Operations

[Item No. 4(c)]

Sale of Services

Voice Revenue [refer note (a) below]

Others [refer note (b) below]

	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	621,53,284	379,32,799
	-	24,08,456
	<u>621,53,284</u>	<u>403,41,255</u>

Additional information:

(a) Voice Revenue is from International Roaming Cards and includes unbilled revenue of Rupees. 10,00,000/-

(b) Others include revenue share from the vendors under long-term partnership contract.

17. Changes in inventories of stock-in-trade

[Item No. 4(c)]

ERCV and SIM Cards

Opening Stock-in-trade

Closing Stock-in-trade

	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	19,78,699	-
	43,13,195	19,78,699
	<u>-23,34,496</u>	<u>-19,78,699</u>



Notes to the financial statements for the year ended 31 March, 2015

17. Employees benefit expenses
[Item No. 4(b)]

	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Salaries and wages	267,56,980	135,45,342
Directors remuneration	18,00,000	3,00,000
Contribution to provident and other funds	7,93,518	-
Staff welfare expenses	8,16,854	2,79,240
Provision for gratuity	1,22,885	-
Provision for Leave encashments	3,28,973	-
Incentive	1,35,500	-
	<u>307,54,710</u>	<u>141,24,582</u>

Additional information:

(b) The company has not made any provision for the possible liability of bonus.

18. Other operating expenses
[Item No. 4(c)]

	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Custom duty and freight	8,19,411	3,38,970
Preliminary expenses written off	-	5,807
Power, fuel and electricity	9,44,451	5,37,284
Communication expenses	23,47,204	11,78,699
Rent including lease rent	33,20,543	20,72,730
Repairs and office maintenance	9,49,207	6,43,953
Rate, fees and subscription	16,72,782	2,25,031
Loss on account of foreign exchange	3,06,102	4,60,097
Sales commission, discounts and rebates	32,07,914	17,51,583
Advertising, publicity and business promotion	7,51,861	7,46,874
Meetings, conference and events	4,29,249	4,36,200
Legal, professional and consultancy	64,67,012	17,12,199
Travelling and conveyance	39,67,731	25,06,994
Office supplies, printing and stationery	7,22,446	2,94,237
Payment to auditors	1,57,500	1,57,500
Bank charges	4,98,175	2,14,299
Charity and donations	-	10,000
Other administrative expenses	7,96,716	5,00,565
	<u>273,58,305</u>	<u>137,93,021</u>

19. Finance cost
[Item No. 4(c)]

	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Interest expenses		
-On directors loans	23,65,700	4,98,107
-On bank loan	15,99,567	-
-On others	9,98,802	14,853
	<u>49,64,069</u>	<u>5,12,960</u>

Additional information:

(a) Interest expenses on others represent interest paid on delayed tax payments of service tax and TDS.

20. Depreciation and amortization
[Item No. 4(c)]

	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Depreciation on tangible assets	17,53,254	4,56,232
Amortization of intangible assets	62,797	62,797
	<u>18,16,051</u>	<u>5,19,029</u>



21 Corporate information

Roam1 Telecom Limited is a subsidiary of Virtualsoft Systems Limited (a BSE listed company). The company is providing International Roaming Card Services & Solutions.
The Registered Office of the company is:- S-101, Panchsheel Park, New Delhi-110017 and Corporate Office is currently located at C-123, Okhla Phase -I, New Delhi- 110020

22 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act 2013 ('Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use in India (Indian GAAP). The financial statements have been prepared on accrual basis under the historical cost convention.

23 Summary of significant accounting policies

23.1 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

23.2 Inventories

Inventories are valued at the lower of cost (on weighted average basis) and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

23.3 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

23.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

23.5 Depreciation and amortization

Depreciation has been provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for asset purchased / sold during a period is proportionately charged except in respect of the following :

- a.) Intangible assets being Trade Mark which are amortized over the estimated useful life of 10 years.
- b.) Intangible assets being Software Development on Roam1 Phone which are amortized over the estimated useful life of 5 years.
- c.) No depreciation has been charged by the management on the CRM Software.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

23.6 Revenue recognition

Sale of goods

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.

Sale of services

Revenues from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred.

Other Income

Interest income is accounted on accrual basis.



Other Explanatory Notes to the financial statements for the year ended 31 March, 2015

23.7 Unbilled Revenue

Unbilled revenue represent revenue recognized in respect of services provided from the last bill cycle date to the end of the reporting period. These are billed in subsequent periods as per the terms of the billing plans/contractual arrangements.

23.8 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

23.9 Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

23.10 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences

Exchange differences arising on settlement of short-term foreign currency monetary assets and liabilities are recognized as income or expense in the Statement of Profit and Loss.

23.11 Employee benefits

Types of employee benefits

Employee benefits include Provident Fund, Gratuity fund, Compensated absences.

Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.



Other Explanatory Notes to the financial statements for the year ended 31 March, 2015

23.12 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/(loss) amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

23.13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

23.14 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deffered tax is not recognised as virtual certainty doesnot exist.

No provision for taxes has been made in the Current year on account of brought forward losses.

23.15 Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date, if any. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

23.16 Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised

23.17 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.



Other Explanatory Notes to the financial statements for the year ended 31 March, 2015

24. Disclosures under Accounting Standard 11 on "Effects on Change in Foreign Exchange Rates"

(a) Foreign currency exposure not hedged by any derivative instrument or otherwise

Particulars	Currency code	As of 31 March, 2015		As of 31 March, 2014	
		In Foreign Currency	In Indian Rupees	In Foreign Currency	In Indian Rupees
Receivables	USD	8,124	5,08,508	12,458	7,48,720
	SGD	9,000	4,13,820	9,000	4,32,990
	LKR	25,000	11,465	25,000	11,465
Payables	USD	20,953	13,11,439	31,624	19,00,567
	SGD	18,250	8,39,111	43,444	20,90,111
	LKR	-	-	36,013	16,515

(b) Outstanding forward contracts entered by the company for the purpose of hedging its foreign currency exposure

The company do not hedge its foreign currency exposure, accordingly it does not have any outstanding forward contracts

25 Disclosures under Accounting Standard 15 on "Employees benefits"

Roam 1 Telecom Ltd makes Provident Fund,ESI and EDLI contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 3,57,564/- (Year ended 31 March 2014 , NIL/-) for Provident Fund contributions in the Statement of Profit and Loss. Rs 4,21,393/- towards ESIC (Year ended 31st March 2014, NIL) and Rs 14,561/- (Year ended 31 March 2014 , NIL/-) towards EDLI. Provision for gratuity has been made as per Management Policy. Provision for leave encashment have not been made during the year. The Company makes provision for leave encashment

26. Disclosures under Accounting Standard 17 on "Segment Reporting"

The company is engaged in the business of providing International Roaming Cards Services and Solutions which is a single segment as per Accounting Standard (AS) 17 notified under the Companies (Accounting Standard) Rules, 2006 (as amended) by the Central Government.

Company does not operate in other geographical areas other than India, hence there are no geographical segments required to be reported by the company

27. Disclosures under Accounting Standard 19 on "Leases"

(a) Total of minimum future lease payments under non-cancelable operating leases for various periods are as follows

	As of 31 March, 2015	As of 31 March, 2014
Amount payable not later than one year	31,77,456	27,73,682
Amount payable later than one year but not later than five years	76,98,804	97,75,364
Amount payable later than five years	-	-

(b) The company has entered into operating lease agreements that are renewable on a periodic basis and cancelable at company's option.

(c) The company has not entered into sublease agreements in respect of these leases.



28. Disclosures under Accounting Standard 18 on "Related Party Transactions"

(a) List of related parties

(i) Holding Company
Virtual Soft Systems Limited

(ii) Key Managerial Personnel (KMP)

Mr. Gokul Tandan
Mr. Manpreet Singh
Mr. Rajendra V Kulkarni
Mr. Reet Mohinder Singh Ahluwalia

(iii) Enterprises over which KMP / Relatives of KMP can exercise significant influence

Multiple Zone India Private Limited
Multiple Zones Services LLP
M.R. Capital Private Limited
Arms Communication Private Limited
Shrine Advisor Private Limited
Marble Arch Estate Private Limited

(b) Details of transactions carried out with related parties in the ordinary course of business during the period:

Related Parties	Nature of Transaction	Ob/ Liab Tfrs		Payment	Loan Received / Expenses Incurred	TDS	Closing Balance
		Cr. (+ve)	De. (-ve)				
(i) Holding Company							
Virtualsoft Systems Limited	Running Account	70,17,715	-	116,55,654	87,49,550	9,27,810	41,11,611
	CRM Development Charges	-	-	78,00,000	101,12,400	-	13,84,590
(ii) Key Managerial Personnel (KMP)							
Mr. Manpreet Singh	Imprest	1,52,657	-	5,30,418	3,77,761	-	-
	Unsecured Loan	60,000	-	7,60,000	7,00,000	-	-
	Salary	-	-	9,64,383	12,00,000	2,35,617	14,99,325
	Advance Given	15,25,000	-	25,675	-	-	-
Mr. Gokul Tandan	Unsecured Loan	164,75,000	-	39,71,617	456,00,412	-	581,03,795
	Interest on Unsecured Loan	4,14,923	-	1,69,000	23,52,175	2,35,218	23,62,880
	Director Remuneration	1,420	-	1,75,000	6,00,000	46,356	3,80,064
	Imprest	2,706	-	4,13,812	4,32,783	-	21,077
Mr. Reet M S Ahluwalia	Unsecured Loan	-	-	-	-	-	-
	Unsecured Loan	-	-	1,50,000	1,50,000	-	-
Mr. Rajendra V Kulkarni	Legal and Professional Fees	-	-	-	-	-	-
	Imprest	12,489	-	2,61,888	2,49,399	-	-
(iii) Enterprises over which KMP / Relatives of KMP can exercise significant influence							
Multiple Zone India (P) Ltd.	Unsecured Loan	4,00,000	-	14,00,000	10,00,000	-	-
Arms Communications Pvt. Ltd.	Advertisement Expenses	-	-	20,00,000	20,00,000	-	-
M.R. Capital (P) Ltd.	CRM Development Charges	5,761	-	14,53,564	16,85,400	1,50,000	87,567
Multiple Zones Services LLP	Communication Expenses	89,218	-	17,63,807	18,36,431	1,61,842	-
Shrine Advisor Private Limited	Professional Expense	-	-	2,55,900	2,80,900	25,000	-
Marble Arch Estate (P) Ltd.	Staff Welfare	-	-	2,17,560	2,22,000	4,440	-



30. Other disclosures as per Revised Schedule VI of the Companies Act, 1956

(a) Expenditure in Foreign Currency (on accrual basis)

Capital expenses
Services purchase

(b) Earnings in Foreign Exchange (on accrual basis)

Income from foreign transactions

	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	-	71,444
	409,43,706	253,58,280
	30,99,670	24,08,456

31. Previous year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

32. Reconciliation and confirmations

some of the Balances of Debtors and Creditors and Loans and Advances to/from parties, Security Deposits are subject to reconciliations and confirmations.

33. Provision for tax

In view of losses, no provision for current tax have been made during the year. There is no virtual certainty that in future years there exist the profits against which deferred tax assets can be realized, hence no deferred tax assets has been created on the losses

34. Service tax on Reverse Charge Mechanism

As per Section 66A of the Finance Act, 1994 , provides that service tax be charged on the basis of Reverse Charge Mechanism in respect of telecommunication services from territory outside India. However, the management is of the opinion that no Service Tax is applicable in respect of such purchases .Considering the above the Service Tax liability amounts to Rs.4586673/-. However the company has not made any such provision.

35. Intangible assets under development

The company is developing a software called CRM for providing telecom services. The expenses of Rs.10500000/- incurred during the year has been capitalized . The management is of the opinion that since the process is still going on & hence no amortization is required during this year

