

Date: 11th June 2023

To,

BSE Ltd
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai -400001
Through: BSE Listing centre
Script Code: 538881

Subject: Submission of Statement on impact of audit qualification on the Audited (Standalone & Consolidated) Financial Results for the quarter and financial year ended on 31st March, 2023 with respect to your mail dated 06th June 2023 regarding Non-compliance with Regulation 33 of SEBI (LODR) Regulations, 2015 for period ended March 31, 2023

Dear Sir/Ma'am

As per the subject mentioned above and In continuation to our letter dated 30th May, 2023 and reference and pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the statement on impact of audit qualification on the Audited (Standalone & Consolidated) Financial Results for the quarter and financial year ended on 31st March, 2023.

This is for your information and record.

Thanking you,

Yours faithfully,

For Virtualsoft Systems Limited

MUKTA Digitally signed
by MUKTA AHUJA
AHUJA Date: 2023.06.11
12:30:38 +05'30'

(Mukta Ahuja)

Company Secretary & Compliance Officer

VIRTUALSOFT SYSTEMS LIMITED

(CIN No.: L72200DL1992PLC047931)

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

Corp. Office: 59, Okhla Industrial Estate, Phase-III, New Delhi - 110 020

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ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023. [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	S. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	120.10	120.10
	2.	Total Expenditure	212.07	212.07
	3.	Net Profit/(Loss)	(91.98)	(91.98)
	4.	Earnings Per Share	(0.89)	(0.89)
	5.	Total Assets	1209.82	1209.82
	6.	Total Liabilities	2217.06	2217.06
	7.	Net Worth	(1007.24)	(1007.24)
	8.	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification

S. No	Particulars	Remarks
a.	Details of Audit Qualification:	Following qualification has been given by the Auditors in the audit report on Standalone Financial Statements of the Company: The Company's net worth has been completely eroded. The net worth of the company as on 31.03.2023 is Rs. 1007.24 Lakhs (Previous Year Rs. 914.39 Lakhs). The accumulated losses in the reporting year ended 31.03.2023 amount to Rs. 2057.00 Lakhs (Previous year Rs. 1964.15 Lakhs) as per the books of accounts maintained.
b.	Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Second Time

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d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	We would like to inform you that during the financial year ending March 2023, we have appointed professional consultant and paid Rs. 47.50 lacs to the consultant to improve, build new features on CRM for e commerce platforms and for selling web services and e-sims. Our Subsidiary Roam1 Telecom Ltd is authorised to sell sim cards for international travel. The above CRM will enable us to increase our revenue in both companies and be able to cover the losses of past years. Our development plans were delayed especially due to covid in last two years.
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	NA
	i. Management's estimation on the impact of audit qualification:	NA
	ii. If management is unable to estimate the impact, reasons for the same:	NA
	iii. Auditors' Comments on (i) or (ii) above:	NA

For Krishna Neeraj & Associates
Chartered Accountants
FRN: 023233N

CA. Krishna Kr Neeraj
Partner
Membership No 506669

For on behalf of the Board

Gokul Naresh Tandan
Managing Director

Ashima Puri
Chairman of Audit Committee

Athar Ahmad
Chief Financial Officer

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Telecom Subsidiary **ROAM** Telecom Limited

Demand Gen & Virtual Event Division vReach™

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023. [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	S. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	359.25	359.25
	2.	Total Expenditure	774.40	774.40
	3.	Net Profit/(Loss)	(415.15)	(415.15)
	4.	Earnings Per Share	(2.52)	(2.52)
	5.	Total Assets	2197.22	2197.22
	6.	Total Liabilities	4381.58	4381.58
	7.	Net Worth	(2184.36)	(2184.36)
	8.	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification

S. No	Particulars	Remarks
a.	Details of Audit Qualification:	Following qualification has been given by the Auditors in the audit report on Consolidated Financial Statements of the Company: The group's net worth has been completely eroded. The net worth of the group as on 31.03.2023 is Rs. 2184.35 Lakhs (Previous Year Rs. 1928 19 Lakhs) The accumulated losses in the reporting year ended 31.03.2023 amount to Rs. 3988.63 Lakhs (Previous year Rs. 3732.47 Lakhs) as per the books of accounts maintained
b.	Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Second Time

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d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	We would like to inform you that during the financial year ending March 2023, we have appointed professional consultant and paid Rs. 47.50 lacs to the consultant to improve, build new features on CRM for e commerce platforms and for selling web services and e-sims. Our Subsidiary Roam1 Telecom Ltd is authorised to sell sim cards for international travel. The above CRM will enable us to increase our revenue in both companies and be able to cover the losses of past years. Our development plans were delayed especially due to covid in last two years.
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	NA
	i. Management's estimation on the impact of audit qualification:	NA
	ii. If management is unable to estimate the impact, reasons for the same:	NA
	iii. Auditors' Comments on (i) or (ii) above:	NA

For Krishna Neeraj & Associates
Chartered Accountants
FRN: 028233N

CA. Krishna Kr Neeraj
Partner
Membership No 506669

For on behalf of the Board

Gokul Naresh Tandan
Managing Director

Ashima Puri
Chairman of Audit Committee

Athar Ahmad
Chief Financial Officer

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Telecom Subsidiary: **ROAM** Telecom Limited

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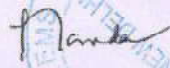
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023

(Amount in lakhs)

PARTICULARS	Quarter Ended			YEAR ENDED	
	31.03.2023	31.12.2022	31.03.2022	31.03.2022	31.03.2023
	(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
1. Income from Operations					
a) Net Sales/ Income From Operations	87.85	17.00	75.00	119.37	120.10
c) Other Income	-	-	0.22	0.22	-
Total Income (a+b)	87.85	17.00	75.22	119.59	120.10
2. Expenses					
a. Cost of Materials Consumed	-	-	-	-	-
b. Purchase of Stock In Trade	76.16	12.00	65.50	101.50	88.16
c. Change in the inventories of Finished Goods, Work in Progress and Stock in Trade	-	-	-	-	-
d. Depreciation & Amortisation expenses	2.84	-	1.56	1.56	2.84
e. Employee Benefit Expenses	14.38	12.52	12.27	40.35	49.47
f) Finance cost	-	-	-	-	-
g). Other expenditure	19.89	16.45	7.27	27.78	71.60
Total Expenses	113.27	40.97	86.60	171.19	212.07
3. Profit/(Loss) before Exceptional items and Extraordinary items and TAX (1-2)	(25.43)	(23.97)	(11.38)	(51.60)	(91.98)
4. Exceptional Items	-	-	-	-	-
5. Profit/(Loss) before Extraordinary Items and tax (3-4)	(25.43)	(23.97)	(11.38)	(51.60)	(91.98)
6. Extraordinary items	-	-	-	-	-
7. Profit/(Loss) before Tax (5-6)	(25.43)	(23.97)	(11.38)	(51.60)	(91.98)
8. TAX Expenses					
Current Tax	-	-	-	-	-
Deferred Tax	-	-	-	-	-
Total Tax Expenses	-	-	-	-	-
9. Net Profit/(Loss) for the period (7-8)	(25.43)	(23.97)	(11.38)	(51.60)	(91.98)
10. Other Comprehensive income/(Loss)					
(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) Remeasurments of post-employment benefit obligations	(0.86)	-	(0.15)	(0.15)	(0.86)
Other Comprehensive income/(Loss) for the period (Net of Tax Expense)	-	-	-	-	-
11. Total Comprehensive income for the period (9+10)	(26.29)	(23.97)	(11.53)	(51.75)	(92.84)
12. Paid-up equity share capital	1,029.76	1,029.76	1,029.76	1,029.76	1,029.76
13. Earning Per Share before and alter extraordinary Items (from Continuing Operations)					
(of Rs. 10/- each)					
(a) Basic (Rs.)	(0.25)	(0.23)	(0.11)	(0.50)	(0.89)
(b) Diluted (Rs.)	(0.25)	(0.23)	(0.11)	(0.50)	(0.89)

NOTES:

- 1) The above results were considered and taken on record by the board of directors in their meeting held on 30th May, 2023
- 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
- Company. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business
- 5) Number of complaints received and disposed during the quarter- NIL and number of complaints lying unresolved at the commencement and end of quarter-NIL.
- 6) In view of brought forward losses the company, no provision for income tax and deferred tax assets has been created
- 7) 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 May 2023


Gokul Naresh Tandan
Managing Director

New Delhi, May, 30th, 2023

VIRTUALSOFT SYSTEMS LIMITED

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

PHONE No. 01142701491

secretarial@virtsoft.com -www.virtsoft.com

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH,2023

(Amount in lakhs)

PARTICULARS	QUARTER ENDED			YEAR ENDED	
	31.03.2023	31.12.2022	31.03.2022	31.03.2022	31.03.2023
	(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
1. Income from Operations					
a) Net Sales/ Income From Operations	113.00	65.68	110.34	308.16	358.70
c) Other Income	0.55	-	0.47	0.47	0.55
Total Income (a+b)	113.55	65.68	110.81	308.63	359.25
2. Expenses					
a. Cost of Materials Consumed	-	-	-	-	-
b. Purchase of Stock In Trade	102.39	49.13	94.04	237.27	262.62
c. Change in the inventories of Finished Goods, Work in Progress and Stock in Trade	-	-	(6.98)	1.67	6.99
d. Depreciation & Amortisation expenses	8.33	-	5.87	5.87	8.33
e. Employee Benefit Expenses	68.01	61.72	68.58	208.73	248.64
f) Finance cost	(0.70)	2.61	8.59	14.27	10.90
g). Other expenditure	56.04	62.94	23.23	125.69	236.92
Total Expenses	234.07	176.40	193.33	593.50	774.40
3. Profit/(Loss) before Exceptional items and Extraordinary items and TAX (1-2)	(120.52)	(110.72)	(82.52)	(284.87)	(415.15)
4. Exceptional Items	-	-	-	-	-
5. Profit/(Loss) before Extraordinary Items and tax (3-4)	(120.52)	(110.72)	(82.52)	(284.87)	(415.15)
6. Extraordinary items	-	-	0.16	0.16	-
7. Profit/(Loss) before Tax (5-6)	(120.52)	(110.72)	(82.68)	(284.71)	(415.15)
8. TAX Expenses					
Current Tax	-	-	-	-	-
Deferred Tax	-	-	-	-	-
Total Tax Expenses	-	-	-	-	-
9. Net Profit/(Loss) for the period (7-8)	(120.52)	(110.72)	(82.68)	(284.71)	(415.15)
Less: Share of Minority in Current Year Profits/Loss	(92.78)	(43.92)	(92.78)	(112.93)	(155.25)
	(27.74)	(66.80)	10.10	(171.78)	(259.90)
10. Other Comprehensive income/(Loss)					
(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) Remeasurments of post-employment benefit obligations	3.76	-	3.76	3.76	3.73
Other Comprehensive income/(Loss) for the period (Net of Tax Expense)	-	-	-	-	-
11. Total Comprehensive income for the period (9+10)	(23.98)	(66.80)	13.86	(168.02)	(256.17)
12. Paid-up equity share capital	1,029.76	1,029.76	1,029.76	1,029.76	1,029.76
13. Earning Per Share before and alter extraordinary Items (from Continuing Operations)					
(of Rs. 10/- each)					
(a) Basic (Rs.)	(0.27)	(0.65)	0.10	(1.67)	(2.52)
(b) Diluted (Rs.)	(0.27)	(0.65)	0.10	(1.67)	(2.52)

Notes

- 1)The above results were considered and taken on record by the board of directors in their meeting held on 30th May 2023.
- 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) Number of complaints received and disposed during the quarter- NIL and number of complaints lying unresolved at the commencement and end of quarter-NIL.
- 6) In view of brought forward losses the company, no provision for income tax and deferred tax assets has been created
- 7) 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 May 2023.

New Delhi, 30th May,2023

Gokul Nareesh Taudal
Managing Director



Statement of Assets and Liabilities as 31, March-2023				
	STANDLONE		CONSOLIDATED	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
	(Audited)	(Audited)	(Audited)	(Audited)
	Figure in Lacs			
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	15.14	14.90	58.79	44.71
(b) Intangible assets	90.11	90.11	816.50	817.70
(c) Intangible assets under development	-	-	1,029.26	1,023.26
(d) Right-of-use assets	-	-	-	-
(e) Financial Assets				
(i) Investments	926.30	926.30	-	-
(ii) Loans	1.15	1.15	9.63	9.82
(iii) Others	-	-	-	-
(f) Other non current assets	-	-	-	-
Total Non-Current Assets	1,032.70	1,032.46	1,914.18	1,895.49
Current Assets				
(a) Inventories	-	-	-	6.99
(b) Financial Assets				
(i) Trade Receivables	85.78	69.73	102.89	84.50
(ii) Cash and cash equivalents	49.62	20.53	54.14	21.97
(iii) Other Bank Balances	2.50	2.50	2.50	2.50
(iv) Loans	-	-	19.48	19.22
(v) Other current financial Assets	1.91	1.91	1.91	1.91
(c) Other current assets	37.30	118.85	102.10	174.59
Total Current Assets	177.11	213.52	283.03	311.68
Total Assets	1,209.82	1,245.98	2,197.22	2,207.17
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	1,029.76	1,029.76	1,029.76	1,029.76
(b) Other Equity	(2,037.00)	(1,944.16)	(3,214.12)	(2,950.76)
Total Equity	(1,007.24)	(914.40)	(2,184.36)	(1,921.00)
Minority Interest			(371.87)	(223.82)
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowing	2,099.23	1,984.63	4,214.74	3,850.11
(ii) Other Financial Liabilities	-	-	-	-
(iii) Lease Liabilities	-	-	-	-
(b) Provisions	15.22	12.65	48.38	46.75
(b) Deferred Tax Liabilities (Net)	-	-	-	-
(c) Other non-current liabilities	-	-	-	-
Total Non-Current Liabilities	2,114.45	1,997.28	3,891.24	3,673.04
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowing	-	-	131.19	100.12
(ii) Trade payables	96.72	65.08	135.10	81.74
(iii) Lease Liabilities	-	-	-	-
(iii) Other Financial Liabilities	0.71	0.72	2.60	6.40
(b) Other current liabilities	4.16	96.47	218.16	263.75
(c) Provisions	1.02	0.83	3.28	3.12
Total Current Liabilities	102.61	163.10	490.33	455.13
Total Equity and Liabilities	1,209.82	1,245.98	2,197.22	2,207.17

For Virtual Soft Systems Limited


Gokul Naresh Tandan
Managing Director

VIRTUALSOFT SYSTEMS LIMITED

(CIN No.: L72200DL1992PLC047931)

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VIRTUALSOFT SYSTEMS LIMITED		
CIN: L72200DL1992PLC047931		
Statement of Standlone of Cash Flow for the Year ended 31 March 2023		
	(Audited)	Figures in Rs./lacs
PARTICULARS	Year ended 31.03.2023	Year ended 31.03.2022
Cash flow from operating activities	(91.98)	(51.60)
Profit after tax		
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization	2.84	1.56
(Profit)/Loss on sale of property, plant and equipment		
Other comprehensive income	(0.86)	(0.15)
Defered tax		
Interest expense		
Other non operating income		(0.22)
Operating profit before working capital changes	(90.00)	(50.41)
Movements in working capital:		
(Decrease)/increase in trade payables and other liabilities	(60.66)	45.31
(Decrease)/increase other current Asset		
(Decrease)/increase in short-term provisions	0.18	0.13
(Decrease)/increase liability for current tax		
Decrease/(increase) in trade receivable	(16.06)	(26.88)
(Decrease)/increase in trade other Payable		
Decrease/(increase) in inventories		
Decrease/(increase) in other bank balances		
Decrease/(increase) in short term loans		
Decrease/(increase) in other current assets	81.55	(24.42)
Cash generated from operations	(84.99)	(56.27)
Direct taxes paid		
Net cash flow from/(used in) operating activities (A)	(84.99)	(56.27)
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets.	(3.08)	(6.92)
Proceeds from sale of property, plant and equipment		
Decrease/(increase) in non-current investments		
(Decrease)/increase in long-term provisions	2.56	1.97
Decrease/(increase) in other non-current assets		
Increase/(decrease) in other non-current Financial Liabilities		
Decrease/(increase) in long term loans Assets		1.24
Interest received/income		0.22
Net cash flow from investing activities (B)	(0.52)	(3.49)
Cash flow from financing activities		
Proceeds from issuance of equity share capital		
Proceeds/(Repayment) of long-term borrowings & Lease liabilities	114.60	72.34
Proceeds/(Repayment) of short-term borrowings & lease liabilities		
Equity Dividend including taxes thereon		
Interest paid		
Net cash flow from / (used in) financing activities (C)	114.60	72.34
Net increase/(decrease) in cash and cash equivalents (A + B +C)	29.09	12.58
Cash and cash equivalents at the beginning of the year	20.53	7.94
Cash and cash equivalents at the end of the year	49.62	20.52
Components of cash and cash equivalents		
Cash in hand	15.38	19.98
Cheques/ drafts in hand		
With banks in current account	33.52	(0.17)
Unpaid dividend accounts	0.71	0.71
in deposit accounts		
Total cash and cash equivalents [Refer Note No. 16]	49.61	20.52
For VirtualSoft Systems Limited		

(CIN No.: L72200DL1992PLC047931)

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Gokul Naresh Tandan

Managing Director

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VIRTUALSOFT SYSTEMS LIMITED
CIN: L72200DL1992PLC047931
Consolidated Cash Flow Statement for the Year ended 31 March 2023

Figures in Rs./lacs **VIRTUALSOFT**
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PARTICULARS	Year ended 31.03.2023 Audited	Year ended 31.03.2022 Audited
Cash flow from operating activities	(415.14)	(284.72)
Profit after tax		
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization	8.33	5.87
(Profit)/Loss on sale of property, plant and equipment		
Other comprehensive income	3.73	3.76
Deferred tax		
Interest expense	10.90	14.27
Interest income	(0.55)	(0.47)
Other non operating income		
Operating profit before working capital changes	(392.73)	(261.29)
Movements in working capital:		
(Decrease)/increase in trade payables and other liabilities	3.97	(38.74)
(Decrease)/increase other current Asset		
(Decrease)/increase in short-term provisions	0.16	0.18
(Decrease)/increase liability for current tax		
Decrease/(increase) in trade receivable	(18.39)	20.69
(Decrease)/increase in trade other Payable		
Decrease/(increase) in inventories	6.99	1.67
Decrease/(increase) in other bank balances		
Decrease/(increase) in short term loans	(0.27)	(0.77)
Decrease/(increase) in other current assets	72.49	14.18
Cash generated from operations	(327.78)	(264.08)
Direct taxes paid		
Net cash flow from/(used in) operating activities (A)	(327.78)	(264.08)
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital	(27.21)	(7.44)
Proceeds from sale of property, plant and equipment		
Decrease/(Increase) in non-current investments		
(Decrease)/increase in long-term provisions	1.63	(3.48)
Decrease/(increase) in other non-current assets		
Increase/(decrease) in other non-current Financial Liabilities		
Decrease/(increase) in long term loans Assets	0.19	3.37
Interest received/Income	0.55	0.47
Net cash flow from investing activities (B)	(24.84)	(7.08)
Cash flow from financing activities		
Proceeds from issuance of equity share capital		
Proceeds/(Repayment) of long-term borrowings & Lease liabilities	364.62	295.94
Proceeds/(Repayment) of short-term borrowings & lease liabilities	31.07	(3.51)
Equity Dividend including taxes thereon		
Interest paid	(10.91)	(14.27)
Net cash flow from / (used in) financing activities (C)	384.78	278.16
Net increase/(decrease) in cash and cash equivalents (A + B + C)	32.16	7.00
Cash and cash equivalents at the beginning of the year	20.53	
Cash and cash equivalents at the end of the year	52.69	7.00
Components of cash and cash equivalents		
Cash in hand		
Cheques/ drafts in hand	18.19	20.61
With banks in current account		
Unpaid dividend accounts	34.24	0.64
in deposit accounts	0.71	0.71
Total cash and cash equivalents [Refer Note No. 16]	53.14	21.96

For VirtualSoft Systems Limited

VIRTUALSOFT SYSTEMS LIMITED

(CIN No.: L72200DL1992PLC047931)

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

Corp. Office: 59, Okhla Industrial Estate, Phase III, New Delhi- 110 020

Gokul Naresh Tandan
Managing Director

T: +91 11 49045050, 42701491 | E: sales@virtsoft.com | W: www.virtsoft.com, www.vreach.net

**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 31ST MARCH, 2023.**

Opinion

We have audited the accompanying statement of audited standalone financial results of Virtualsoft Systems Limited for the Quarter and year ended 31st March, 2023 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, 2023 as well as for the year ended March 31, 2023 and other financial information of the company for the quarter and year ended March 31, 2023.

Basis of Qualified 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.

The Company's net worth has been completely eroded. The net worth of the company as on 31.03.2023 is Rs. 1007.24 Lakhs (Previous Year Rs. 914.39 Lakhs). The accumulated losses in the reporting year ended 31.03.2023 amount to Rs. 2057.00 Lakhs (Previous year Rs. 1964.15 Lakhs) as per the books of accounts maintained.

Management's and Board of Directors' Responsibility for the Standalone 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 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 2023 is negative amounting to (-) Rs. 1007.24 Lakhs 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, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 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 Kr. Neeraj
Partner
Membership No. 506669

UDIN: 23506669BGVZOI6826

Place: New Delhi

Date: 30.05.2023



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 31ST MARCH, 2023.

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 31st March, 2023 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:

- includes the results of its subsidiary given above
- is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- 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, 2023, net profit and other comprehensive income for the year ended March 31, 2023 and other financial information of the company for the quarter and year ended March 31, 2023.

Basis of Qualified 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.

The group's net worth has been completely eroded. The net worth of the group as on 31.03.2023 is Rs. 2184.35 Lakhs (Previous Year Rs. 1928.19 Lakhs). The accumulated losses in the reporting year ended 31.03.2023 amount to Rs. 3988.63 Lakhs (Previous year Rs. 3732.47 Lakhs) as per the books of accounts maintained.



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



Krishna Neeraj & Associates
Chartered Accountants

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 31st March 2023 is negative amounting to Rs. (-) 1928.19 Lakhs with accumulated losses of Rs. 3988.63 Lakhs as on 31st March 2023 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, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 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 Kr Neeraj
Partner
Membership No. 506669

UDIN: **23506669BGVZOJ8078**

Place: New Delhi
Date: 30.05.2023



Date: 30th May 2023

**BSE Limited
Phroze Jeejeebhoy Towers,
Dalai Street, Mumbai-400 011
BSE Scrip Code: 531126**

Kind Attn: S. Subraminian DCS-CRD

Sub: Declaration pursuant to Regulation 33(3) (d) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Ma'am,

With reference to above, we hereby state that the Statutory Auditor of the Company M/s. Krishna Neeraj & Associates., Chartered Accountants have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company for the quarter and financial year ended March 31, 2023 in Compliance with the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We request you to kindly take the above information on record and oblige.

Thanking You,

Yours faithfully,

FOR Virtualsoft Systems Limited

GOKUL NARESH TANDAN
Digitally signed by
GOKUL NARESH TANDAN
Date: 2023.05.30 18:12:40
+05'30'

**Gokul Naresh Tandan
Managing Director
(DIN: 00441563)**

VIRTUALSOFT SYSTEMS LIMITED

(CIN No.: L72200DL1992PLC047931)

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

Corp. Office: 59, Okhla Industrial Estate, Phase-III, New Delhi-110 020

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