

# MPS Infotecnics Limited

CIN: L30007DL1989PLC131190  
An ISO 9001 - 2008 Company



To,

Date: 11<sup>th</sup> September, 2020

**The Manager-Listing**

National Stock Exchange of India Limited  
Exchange Plaza,C-1,Block-G,  
BandraKurla Complex (E),  
Mumbai-400051

**The Manager-Listing**

BSE Limited  
FLOOR 25, P J Towers,  
Dalal Street,Mumbai-400001

**NSE Symbol-VISESHINFO**

**Scrip Code-532411**

**Sub:Outcome of the Board Meeting-Unaudited Financial Results for the Quarter Ended June 30, 2020**

Dear Sir,

This is to inform you that the Board of Directors of the Company in its Meeting held today i.e. 11<sup>th</sup> September, 2020 which commenced at 4:00 P.M. and concluded at 5:00 P.M., inter-alia considered and approved the Unaudited Financial Results (Standalone & Consolidated) for the Quarter Ended June 30, 2020 along with Limited Review Report submitted by M/S. Nemani Garg Agarwal & Co., Statutory Auditors of the Company.

Copy of the Unaudited Financial Results along with Limited Review Report is annexed herewith for your reference and records.

Further these Financial Results are also available on the Company's website [www.mpsinfotec.com](http://www.mpsinfotec.com) (Under Investor Zone).

Kindly acknowledge receipt and take the same on your records and oblige.

**Thanking You,**

**Yours Faithfully**

**For MPS Infotecnics Limited**

A handwritten signature in blue ink, appearing to read 'Garima Singh', written over a white rectangular area.

**Garima Singh**

**Company Secretary & Compliance Officer**

**Corporate Office :** B-55, Sector - 65, Noida (U.P.)-201301

Ph: +91-0120-4713900, Fax: +91-0120-4324040

**Regd. Office :** 703, Arunachal Building,

19, Barakhamba Road, New Delhi-1

Ph.: 011-43571044, Fax: 011-43571047

**MPS INFOTECNICS LIMITED**

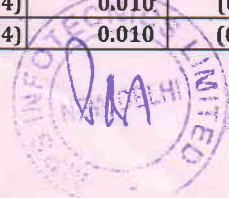
(An ISO 9001:2008 Company)

CIN: L30007DL1989PLC131190

Regd. Office : 703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi 110 001

**Unaudited Standalone Financial Results for the Quarter Ended 30 June, 2020**

		Rs. In Lacs			
S.No	Particulars	Quarter Ended			Year Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Un-audited	Audited	Un-audited	Audited
<b>1</b>	<b>Income</b>				
	(a) Revenue from operations	7.47	10.23	154.79	814.19
	(b) Other income	8.23	0.03	0.16	0.29
<b>2</b>	<b>Total Revenue (a+b)</b>	<b>15.70</b>	<b>10.26</b>	<b>154.95</b>	<b>814.48</b>
<b>3</b>	<b>Expenses:</b>				
	(a) Cost of materials consumed	-	-	-	-
	(b) Purchases of Stock-in-Trade	7.11	10.36	185.37	835.21
	(c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	-	9.64	-	-
	(d) Employee benefits expense	6.36	7.41	6.10	26.01
	(e) Finance costs	15.82	15.79	14.19	41.89
	(f) Depreciation and amortization expense	89.22	89.58	89.58	358.32
	(g) Other expenses	38.00	36.36	26.99	114.70
<b>4</b>	<b>Total expenses</b>	<b>156.51</b>	<b>169.15</b>	<b>322.23</b>	<b>1,376.14</b>
<b>5</b>	<b>Profit before exceptional and extraordinary items and tax (2-4)</b>	<b>(140.81)</b>	<b>(158.89)</b>	<b>(167.28)</b>	<b>(561.66)</b>
<b>6</b>	Exceptional items	-	-	-	-
<b>7</b>	<b>Profit before extraordinary items and tax (5-6)</b>	<b>(140.81)</b>	<b>(158.89)</b>	<b>(167.28)</b>	<b>(561.66)</b>
<b>8</b>	Extraordinary items	-	-	-	-
<b>9</b>	<b>Profit before tax (7-8)</b>	<b>(140.81)</b>	<b>(158.89)</b>	<b>(167.28)</b>	<b>(561.66)</b>
<b>10</b>	Tax expense:				
	(1) Current tax	-	-	-	-
	(2) Deferred tax	(3.30)	(525.78)	98.35	(230.73)
<b>11</b>	<b>Total Tax Expense</b>	<b>(3.30)</b>	<b>(525.78)</b>	<b>98.35</b>	<b>(230.73)</b>
<b>12</b>	<b>Profit (Loss) for the period from continuing operations (9-10)</b>	<b>(137.51)</b>	<b>366.89</b>	<b>(265.63)</b>	<b>(330.93)</b>
<b>13</b>	Profit/(loss) from discontinuing operations	-	-	-	-
<b>14</b>	Tax expense of discontinuing operations	-	-	-	-
<b>15</b>	<b>Profit/(loss) from Discontinuing operations (after tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>16</b>	<b>Profit (Loss) for the period (12+15)</b>	<b>(137.51)</b>	<b>366.89</b>	<b>(265.63)</b>	<b>(330.93)</b>
<b>17</b>	<b>Other Comprehensive Income</b>				
<b>18</b>	(A) (i) Items that will not be reclassified to profit or loss	-	-	-	-
	(ii) Items Tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	(B) (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Items Tax relating to items that will not be reclassified to profit or loss	-	-	-	-
<b>19</b>	<b>Other Comprehensive Income/(Loss) for the year, net of tax</b>	<b>(0.32)</b>	<b>(1.81)</b>	<b>0.18</b>	<b>(1.27)</b>
<b>20</b>	<b>Total Comprehensive Income/(Loss) for the year, net of tax (18+19)</b>	<b>(137.83)</b>	<b>365.07</b>	<b>(265.45)</b>	<b>(332.20)</b>
<b>21</b>	<b>Paid up Equity Shares (Face Value of Rs.1/- each)</b>	<b>37,744.37</b>	<b>37,744.37</b>	<b>37,744.37</b>	<b>37,744.37</b>
<b>22</b>	<b>Earnings per equity share:</b>				
	(1) Basic	<b>(0.004)</b>	<b>0.010</b>	<b>(0.007)</b>	<b>(0.009)</b>
	(2) Diluted	<b>(0.004)</b>	<b>0.010</b>	<b>(0.007)</b>	<b>(0.009)</b>



**Unaudited Standalone Segment wise Results for the Quarter Ended 30 June, 2020**

(Rs in Lacs)

Particulars	Quarter Ended			Year Ended
	30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
	Un-audited	Audited	Un-audited	Audited
<b>1. Segment Revenue</b>				
Segment Revenue (net sale/income from each segment should be disclosed under this head)				
(a) IT Solutions & Products	-	-	-	-
(b) IT Enabled Services	7.47	9.24	9.40	52.58
(c) Telecommunication	-	0.98	145.38	761.61
<b>Total</b>	<b>7.47</b>	<b>10.23</b>	<b>154.79</b>	<b>814.19</b>
<b>2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)#</b>				
(a) IT Solutions & Products	-	-	-	-
(b) IT Enabled Services	(40.14)	(18.62)	0.13	(6.43)
(c) Telecommunication	-	(30.34)	(59.97)	(137.99)
<b>Total</b>	<b>(40.14)</b>	<b>(48.96)</b>	<b>(59.84)</b>	<b>(144.42)</b>
Less: i) Interest	15.82	15.79	14.19	41.89
ii) Other Un-allocable Expenditure net off	93.08	94.18	93.41	375.64
(iii) Un-allocable income	8.23	0.03	0.16	0.29
<b>Total Profit Before Tax</b>	<b>(140.81)</b>	<b>(158.89)</b>	<b>(167.28)</b>	<b>(561.66)</b>

**3. Capital Employed**

Since Fixed Assets used in the Company's Business can not be specifically identified with any of the reportable segments as these are used interchangeably among segments, hence segmentwise disclosure on capital employed has not been furnished.



**NOTES:**

- (1) The above results were reviewed by the audit committee and thereafter taken on record by the Board of Directors at its meeting held on September, 2020.
- (2) Financial results for all the periods have been prepared in accordance with the recognition and measurement principles of IND AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- (3) The figures of the previous periods have been re-cast / re-grouped / re-arranged wherever necessary in conformity with the requirements of the revised Schedule III of the Companies Act, 2013.
- (4) The main business of the Company under Telecommunication segment was of Mobile and DTH recharge, however, due to stiff competition from various telcom operators, e-commerce sites, the recharge business is no more economically viable hence the company is exploring the possibility of trading in Mobile Phones in the domestic as well as international market. During the last financial year, the company had traded in Balckberry mobile phones in the domestic as well as international market and though the Company has suffered trading losses, yet the management hope to recover the losses and make good profit on continued supplies on account of better purchase prices on quantity buying. During the period under review, the company could not trade in mobile phones due to outbreak of COVID 19 pandemic and consequently complete lock down throughout the world.
- (5) Axis Convergence INC and Greenwire Network Limited, wholly owned foreign subsidiaries of the Company were in the business of providing Internet telephony services in the form of VoIP based traffic Exchange and mobile messaging exchange. However, with the development of various mobile application worldwide, like whatsapp, Hike, Google duo, etc., which not only provides messaging services also provides video calling, the business of these subsidiaries have declined and the revenues of the subsidiaries during the quarter is "Nil". Since these subsidiary Companies are no more economically viable, the members, at the Annual General Meeting held on 30th September 2019, had given their consent to sell the investments made by the company in these subsidiaries. The management of the Company is in process of identifying suitable buyer, however at the same time the company is also making efforts to revive the business of these subsidiaries. The revival of these subsidiaries are possible once the company has realised funds from other assets.
- (6) Opentech Thai Network Specialist Company Ltd., subsidiary of the company was in the business of trading in Computer and Computer peripherals. With the business in consumer durable sector including Computer Hardware and peripherals, being conducted Online by giants like Amazon, ebay, flipcart, etc., which are giving lucrative offers to the buyers has resulted in sharp decline in the business of the said subsidiary. The revenues from the said subsidiary during the quarter is "Nil". Since the subsidiary is no more economically viable, the members, at the Annual General Meeting held on 30th September 2019, had given their consent to sell the investments made by the company in the subsidiary. The management of the Company is in process of identifying suitable buyer, however at the same time the company is also making efforts to revive the business of the subsidiary. The revival of the subsidiary company is possible once the company has realised funds from other assets.



(7)	<p>The Statutory Auditors have not made any qualified opinion in the Limited Review Report for the Quarter ended June 30, 2020 submitted to the Board, however, the Auditors in their Audit Report on the Audited Accounts of the Company for the Financial Year ended March 31, 2020 had opinion that :</p>
	<p>(I) In case of the following items shown as intangible Assets / inventory, no provision for impairment of assets has been made in accordance Ind AS 36-</p>
	<p>(a) Capital work-in-progress - Rs. 56 Crores (Software development); (b) Software rights - Rs. 23 crores; (C) Opening Stock (Source Codes) - Rs. 62 Crores; In the absence of valuation reports of above assets the extent of impairment and its impact on profit and loss account, reserves and surplus is not ascertained;</p>
	<p>(II) Investment in subsidiaries Rs. 62 Crores - There are no operations in these overseas subsidiaries and no audit of accounts has been done and no updated information has been received. No provision has been made for the shortfall in value of the investment in accordance with Ind AS 36;</p>
	<p>(III) The Company has shown in the balance sheet, bank balances in Banco Efisa (Lisbon Portugal) amounting to Rs. 347,892,163 (USD 8,883,210.75) which the bank has adjusted and the matter is in the court of law. Consequently the bank balances shown in balance sheet are overstated by Rs. 347,892,163/- The above bank balance relates to FY 2008 09 which is treated as a current asset. No provision has been made for the possible loss on account of above;</p>
	<p>(IV) other non-current assets include other loans and advances of Rs. 223.33 Cr. which are considered to be good for recovery. However as the terms and conditions regarding these loans have not been provided to us we are unable to ascertain and comment on the extent of realisability of this asset;</p>
	<p>(V) The Company had increased its Authorized Capital from Rs. 52.45 Crores to Rs. 377.50 crores during the period from FY-2010-11 to FY 2012-13, ROC fees of Rs. 5.86 crores towards the above stands payable, under the head "Other Current Liabilities";</p>
	<p>(VI) Income Tax for the Assessment year 2013-14 amounting to Rs. 20.80 lacs and interest thereon is still payable.</p>
	<p><b>Explanation of the Board:</b> (I) In the opinion of the management matter regarding valuation of intangible assets, inventory including capital in work in progress, software rights as also any possible impairment needs to be seen in the context of the peculiar nature of the software industry and the prevailing circumstances. The management is confident that these assets will fetch more value than the cost incurred once the business environment stabilises. The management has therefore not considered any provision on account of impairment of intangible assets;</p>
	<p>(II) The management is making efforts to revive the business of subsidiaries and feels confident that investment made in subsidiaries will be realised. It has therefore not made any provision on account of impairment in value of investment in subsidiaries</p>
	<p>(III) the company has filed a civil suit bearing No. 2446/12.2TVLSB before the 10th Lower Court of Lisbon, Portugal. The Company has no additional explanation to offer as the matter is sub-judice.</p>
	<p>(IV) The loans &amp; advances include a sum of Rs. 220 Crores advanced by the Company for establishing a Data Centre at Bareilly. However, the builder Company could not develop the data centre. The management of the company has initiated settlement with the builder and expects to recover the amount. Further these loans and advances are made in the normal course of business which are considered to be good for recovery;</p>
	<p>(V) The Company had initiated writ petition bearing no. WP (C) 5199/2015 pending before the Hon'ble Delhi High Court challenging the applicability of provisions prescribed under para 3 of table B under Companies (Registration of Offices and Fees) Rules, 2014 had been dismissed vide order dated 15/01/2019. An SLP before the Hon'ble Supreme Court has been filed against the orders passed by the Hon'ble Delhi High Court and has been registered as SLP(C)019596/2019. As informed by our Advocates on records, the Hon'ble Apex Court vide its Order dated 09/08/2019 while issuing Notice to Union of India has directed the Company to deposit Rs. 3.22 crores within a period of 6 weeks;</p>
	<p>(VI) provision of Rs. 20.80 lacs has already been made in the Books of accounts for the amount of Income Tax payable for the AY 2013-14. As such this liability has no further impact on the profits / retained earnings of the reported period of the Company</p>



(8)	SEBI had investigated the GDR issue of the Company and SEBI in exercise of the powers conferred upon me under Sections 11(1), 11(4) and 11B of the SEBI Act, 1992 read with Section 19 of the SEBI Act, 1992, interalia, had directed that - (a) Company shall continue to pursue the measures to bring back the outstanding amount of \$ 8.90 million into its bank account in India. It is clarified that Noticee No. 3, Noticee No. 7 and all other present directors of Noticee No. 1 shall ensure the compliance of this direction by Noticee No. 1 and furnish a Certificate from a peer reviewed Chartered Accountant of ICAI along with necessary documentary evidences to SEBI, certifying the compliance of this direction; (b) Company is restrained from accessing the securities market and further prohibited from buying, selling or dealing in securities, directly or indirectly, in any manner whatsoever or being associated with the securities market in any manner, whatsoever, till compliance with directions contained in para 58(a) above and thereafter, for an additional period of two years from the date of bringing back the money. Clifford Capital Partners A.G.S.A, Mr. Peeyush Agrawal, Mr. Sanjiv Bhavnani, Mr. S. N. Sharma, Mr. Adesh Jain, Mr. Karun Jain and Mr. Rajinder Singh are hereby restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities including units of mutual funds, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of 5 years from the date of this order. During the period of restraint, the existing holding of securities including units of mutual funds of these Noticees shall also remain frozen.
(9)	There is a delay in payment of Annual Listing Fees to the stock exchanges where the shares of the Company are listed. In term of circular bearing no. LIST/COMP/OPS/ 16 /2019-2020 dated June 11, 2019 and Notice bearing no. 20190903-37 dated September 3, 2019; action(s) have been initiated against the company, its Promoter and Directors
(10)	The Board of Directors of the company in its meeting held on 1st June 2020 had decided to provide consultancy and advisory services in the field of Solar Power, including but not limited to setting up of Solar Power Plant, its management, supervision, development & trading of software, control the business of transmission of solar power, manufacturing and/or trading in parts of Solar Power Plants, supplying, generation, distribution and dealing in electricity,
	<div style="text-align: right;">  <p><b>For MPS Infotecnics Limited</b>    <b>Peeyush Kumar Aggarwal</b>  Chairperson  DIN: 00090423</p> </div>

Place: New Delhi

Date: September 11, 2020

# Nemani Garg Agarwal & Co.

Chartered Accountants

---

**Independent Auditor's Review Report on Standalone Unaudited Financial Results for the Quarter Ended June 30, 2020 of the MPS Infotecnics Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To,  
The Board of Directors of  
MPS Infotecnics Limited

We have reviewed the accompanying statement of unaudited financial results of MPS Infotecnics Limited for the period ended 30<sup>th</sup> June 2020 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations) as amended read with SEBI circular no. CIR/CFD/CMD1/ 80/2019 dated July 19, 2019 (the Circular). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Our conclusion on the statement is not modified in respect of this matter.

Place: New Delhi  
Date: September 11, 2020

For Nemani Garg Agarwal & Co.  
Chartered Accountants  
(Firm Registration No.010192N)  
DELHI  
  
S.K. Nemani  
Partner  
Membership No.037222

**MPS INFOTECNICS LIMITED**

(An ISO 9001:2008 Company)

CIN: L30007DL1989PLC131190

Regd. Office : 703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi 110 001

**Unaudited Consolidated Financial Results for the Quarter Ended 30 June, 2020**

Rs. In Lacs					
S.No	Particulars	Quarter Ended			Year Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Un-audited	Audited	Un-audited	Audited
1	<b>Income</b>				
	(a) Revenue from operations	7.47	10.23	154.79	814.19
	(b) Other income	8.23	0.03	0.16	0.29
2	<b>Total Revenue (a+b)</b>	<b>15.70</b>	<b>10.26</b>	<b>154.95</b>	<b>814.48</b>
3	<b>Expenses:</b>				
	(a) Cost of materials consumed				
	(b) Purchases of Stock-in-Trade	7.11	10.36	185.37	835.21
	(c) Changes in inventories of finished goods work-in-progress and Stock-in-Trade		9.64		
	(d) Employee benefits expense	6.36	7.41	6.10	26.01
	(e) Finance costs	15.82	15.79	14.19	41.89
	(f) Depreciation and amortization expense	89.22	89.58	89.58	358.32
	(g) Other expenses	38.00	36.36	26.99	114.70
4	<b>Total expenses</b>	<b>156.51</b>	<b>169.15</b>	<b>322.23</b>	<b>1,376.14</b>
5	<b>Profit before exceptional and extraordinary items and tax (2-4)</b>	<b>(140.81)</b>	<b>(158.89)</b>	<b>(167.28)</b>	<b>(561.66)</b>
6	Exceptional items				
7	<b>Profit before extraordinary items and tax (5-6)</b>	<b>(140.81)</b>	<b>(158.89)</b>	<b>(167.28)</b>	<b>(561.66)</b>
8	Extraordinary items				
9	<b>Profit before tax (7-8)</b>	<b>(140.81)</b>	<b>(158.89)</b>	<b>(167.28)</b>	<b>(561.66)</b>
10	Tax expense:				
	(1) Current tax				
	(2) Deferred tax	(3.30)	(525.78)	98.35	(230.73)
11	<b>Total Tax Expense</b>	<b>(3.30)</b>	<b>(525.78)</b>	<b>98.35</b>	<b>(230.73)</b>
12	Profit (Loss) for the period from continuing operations (9-10)	(137.51)	366.89	(265.63)	(330.93)
13	Profit/(loss) from discontinuing operations	-	-	-	-
14	Tax expense of discontinuing operations	-	-	-	-
15	Profit/(loss) from Discontinuing operations (after tax)	-	-	-	-
16	<b>Profit (Loss) for the period (12+15)</b>	<b>(137.51)</b>	<b>366.89</b>	<b>(265.63)</b>	<b>(330.93)</b>
17	<b>Other Comprehensive Income</b>				
18	(A) (i) Items that will not be reclassified to profit or loss	-	-	-	-
	(ii) Items Tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	(B) (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Items Tax relating to items that will not be reclassified to profit or loss	-	-	-	-
19	<b>Other Comprehensive Income/(Loss) for the year, net of tax</b>	<b>(0.32)</b>	<b>(1.81)</b>	<b>0.18</b>	<b>(1.27)</b>
20	<b>Total Comprehensive Income/(Loss) for the year, net of tax (18+19)</b>	<b>(137.83)</b>	<b>365.07</b>	<b>(265.45)</b>	<b>(332.20)</b>
21	<b>Paid up Equity Shares (Face Value of Rs.1/- each)</b>	<b>37,744.37</b>	<b>37,744.37</b>	<b>37,744.37</b>	<b>37,744.37</b>
22	<b>Earnings per equity share:</b>				
	(1) Basic	(0.004)	0.010	(0.007)	(0.009)
	(2) Diluted	(0.004)	0.010	(0.007)	(0.009)

**Unaudited Consolidated Segmentwise Results for the Quarter Ended 30 June, 2020**

(Rs in Lacs)

Particulars	Quarter Ended			Year Ended
	30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
	Un-audited	Audited	Un-audited	Audited
<b>1. Segment Revenue</b>				



Segment Revenue (net sale/income from each segment should be disclosed under this head)				
(a) IT Solutions & Products	-	-	-	-
(b) IT Enabled Services	7.47	9.24	9.40	52.58
(c) Telecommunication	-	0.98	145.38	761.61
<b>Total</b>	<b>7.47</b>	<b>10.23</b>	<b>154.79</b>	<b>814.19</b>
<b>2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)#</b>				
(a) IT Solutions & Products	-	-	-	-
(b) IT Enabled Services	(40.14)	(18.62)	0.13	(6.43)
(c) Telecommunication	-	(30.34)	(59.97)	(137.99)
<b>Total</b>	<b>(40.14)</b>	<b>(48.96)</b>	<b>(59.84)</b>	<b>(144.42)</b>
Less: i) Interest	15.82	15.79	14.19	41.89
ii) Other Un-allocable Expenditure net off	93.08	94.18	93.41	375.64
(iii) Un-allocable income	8.23	0.03	0.16	0.29
<b>Total Profit Before Tax</b>	<b>(140.81)</b>	<b>(158.89)</b>	<b>(167.28)</b>	<b>(561.66)</b>

### 3. Capital Employed

Since Fixed Assets used in the Company's Business can not be specifically identified with any of the reportable segments as these are used interchangeably among segments, hence segmentwise disclosure on capital employed has not been furnished.

#### NOTES:

(1)	The above results were reviewed by the Audit Committee and thereafter taken on record by the Board of Directors at its meeting held on September 11, 2020.																								
(2)	Financial results for all the periods have been prepared in accordance with the recognition and measurement principles of IND AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.																								
(3)	The figures of the previous periods have been re-cast / re-grouped / re-arranged wherever necessary in conformity with the requirements of the revised Schedule III of the Companies Act, 2013.																								
(4)	Pursuant to the provisions of the Listing Regulations, 2015, the management has decided to publish Consolidated Unaudited Financial Results for the Quarter Ended June 30, 2020 in the newspapers, however the Standalone Unaudited Financial Results will be made available on the Company's website at <a href="http://www.mpsinfotec.com">www.mpsinfotec.com</a> & on the website of NSE and BSE. Standalone Financial Results are as under:																								
	<table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="3">Quarter Ended</th> <th>Financial Year Ended</th> </tr> <tr> <th>30-Jun-20</th> <th>31-Mar-20</th> <th>30-Jun-19</th> <th>31-Mar-20</th> </tr> </thead> <tbody> <tr> <td>Total Income*</td> <td>7.47</td> <td>10.23</td> <td>154.79</td> <td>814.19</td> </tr> <tr> <td>Profit before Tax</td> <td>(140.81)</td> <td>(158.89)</td> <td>(167.28)</td> <td>(561.66)</td> </tr> <tr> <td>Profit after Tax</td> <td>(137.51)</td> <td>366.89</td> <td>(265.63)</td> <td>(330.93)</td> </tr> </tbody> </table>	Particulars	Quarter Ended			Financial Year Ended	30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20	Total Income*	7.47	10.23	154.79	814.19	Profit before Tax	(140.81)	(158.89)	(167.28)	(561.66)	Profit after Tax	(137.51)	366.89	(265.63)	(330.93)
Particulars	Quarter Ended			Financial Year Ended																					
	30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20																					
Total Income*	7.47	10.23	154.79	814.19																					
Profit before Tax	(140.81)	(158.89)	(167.28)	(561.66)																					
Profit after Tax	(137.51)	366.89	(265.63)	(330.93)																					
	<b>* Includes Revenue from operations &amp; Other Income</b>																								
(5)	The main business of the Company under Telecommunication segment was of Mobile and DTH recharge, however, due to stiff competition from various telcom operators, e-commerce sites, the recharge business is no more economically viable hence the company is exploring the possibility of trading in Mobile Phones in the domestic as well as international market. During the last financial year, the company had traded in Balckberry mobile phones in the domestic as well as international market and though the Company has suffered trading losses, yet the management hope to recover the losses and make good profit on continued supplies on account of better purchase prices on quantity buying. During the period under review, the company could not trade in mobile phones due to outbreak of COVID 19 pandemic and consequently complete lock down throughout the world.																								
(6)	Axis Convergence INC and Greenwire Network Limited, wholly owned foreign subsidiaries of the Company were in the business of providing Internet telephony services in the form of VoIP based traffic Exchange and mobile messaging exchange. However, with the development of various mobile application worldwide, like whatsapp, Hike, Google duo, etc., which not only provides messaging services also provides video calling, the business of these subsidiaries have declined and the revenues of the subsidiaries during the quarter is "Nil". Since these subsidiary Companies are no more economically viable, the members, at the Annual General Meeting held on 30th September 2019, had given their consent to sell the investments made by the company in these subsidiaries. The management of the Company is in process of identifying suitable buyer, however at the same time the company is also making efforts to revive the business of these subsidiaries. The revival of these subsidiaries are possible once the company has realised funds from other assets.																								
(7)	Opentech Thai Network Specialist Company Ltd., subsidiary of the company was in the business of trading in Computer and Computer peripherals. With the busness in consumer durable sector including Computer Hardware and peripherals, being conducted Online by gients like Amazon, ebay,flipcart, etc., which are giving lucarative offers to the buyers has resulted in sharp decline in the business of the said subsidiary. The revenues from the said subsidiary during the quarter is "Nil". Since the subsidiary is no more economically viable, the members, at the Annual General Meeting held on 30th September 2019, had given their consent to sell the investments made by the company in the subsidiary. The management of the Company is in process of identifying suitable buyer, however at the same time the company is also making efforts to revive the business of the subsidiary. The revival of the subsidiary company is possible once the company has realised funds from other assets.																								
(8)	The Statutory Auditors have not made any qualified opinion in the Limited Review Report for the Quarter ended June 30, 2020 submitted to the Board, however, the Auditors in their Audit Report on the Audited Accounts of the Company for the Financial Year ended March 31, 2020 had opinion that :																								



(I) In case of the following items shown as intangible Assets / inventory, no provision for impairment of assets has been made in accordance Ind AS 36-

(a) Capital work-in-progress - Rs. 56 Crores (Software development); (b) Software rights - Rs. 23 crores; (C) Opening Stock (Source Codes) - Rs. 62 Crores; In the absence of valuation reports of above assets the extent of impairment and its impact on profit and loss account, reserves and surplus is not ascertained;

(II) Investment in subsidiaries Rs. 62 Crores - There are no operations in these overseas subsidiaries and no audit of accounts has been done and no updated information has been received. No provision has been made for the shortfall in value of the investment in accordance with Ind AS 36;

(III) The Company has shown in the balance sheet, bank balances in Banco Efisa (Lisbon Portugal) amounting to Rs. 347,892,163 (USD 8,883,210.75) which the bank has adjusted and the matter is in the court of law. Consequently the bank balances shown in balance sheet are overstated by Rs. 347,892,163/- The above bank balance relates to FY 2008-09 which is treated as a current asset. No provision has been made for the possible loss on account of above;

(IV) other non-current assets include other loans and advances of Rs. 223.33 Cr. which are considered to be good for recovery. However as the terms and conditions regarding these loans have not been provided to us we are unable to ascertain and comment on the extent of realisability of this asset;

(V) The Company had increased its Authorized Capital from Rs. 52.45 Crores to Rs. 377.50 crores during the period from FY-2010-11 to FY 2012-13, ROC fees of Rs. 5.86 crores towards the above stands payable, under the head "Other Current Liabilities";

(VI) Income Tax for the Assessment year 2013-14 amounting to Rs. 20.80 lacs and interest thereon is still payable.

**Explanation of the Board:** (I) In the opinion of the management matter regarding valuation of intangible assets, inventory including capital in work in progress, software rights as also any possible impairment needs to be seen in the context of the peculiar nature of the software industry and the prevailing circumstances. The management is confident that these assets will fetch more value than the cost incurred once the business environment stabilises. The management has therefore not considered any provision on account of impairment of intangible assets;

(II) The management is making efforts to revive the business of subsidiaries and feels confident that investment made in subsidiaries will be realised. It has therefore not made any provision on account of impairment in value of investment in

(III) the company has filed a civil suit bearing No. 2446/12.2TVLSB before the 10th Lower Court of Lisbon, Portugal. The Company has no additional explanation to offer as the matter is sub-judice.

(IV) The loans & advances include a sum of Rs. 220 Crores advanced by the Company for establishing a Data Centre at Bareilly. However, the builder Company could not develop the data centre. The management of the company has initiated settlement with the builder and expects to recover the amount. Further these loans and advances are made in the normal course of business which are considered to be good for recovery;

(V) The Company had initiated writ petition bearing no. WP (C) 5199/2015 pending before the Hon'ble Delhi High Court challenging the applicability of provisions prescribed under para 3 of table B under Companies (Registration of Offices and Fees) Rules, 2014 had been dismissed vide order dated 15/01/2019. An SLP before the Hon'ble Supreme Court has been filed against the orders passed by the Hon'ble Delhi High Court and has been registered as SLP(C)019596/2019. As informed by our Advocates on records, the Hon'ble Apex Court vide its Order dated 09/08/2019 while issuing Notice to Union of India has directed the Company to deposit Rs. 3.22 crores within a period of 6 weeks;

(VI) provision of Rs. 20.80 lacs has already been made in the Books of accounts for the amount of Income Tax payable for the AY 2013-14. As such this liability has no further impact on the profits / retained earnings of the reported period of the Company

(9) SEBI had investigated the GDR issue of the Company and SEBI in exercise of the powers conferred upon me under Sections 11(1), 11(4) and 11B of the SEBI Act, 1992 read with Section 19 of the SEBI Act, 1992, inter alia, had directed that - (a) Company shall continue to pursue the measures to bring back the outstanding amount of \$ 8.90 million into its bank account in India. It is clarified that Noticee No. 3, Noticee No. 7 and all other present directors of Noticee No. 1 shall ensure the compliance of this direction by Noticee No. 1 and furnish a Certificate from a peer reviewed Chartered Accountant of ICAI along with necessary documentary evidences to SEBI, certifying the compliance of this direction; (b) Company is restrained from accessing the securities market and further prohibited from buying, selling or dealing in securities, directly or indirectly, in any manner whatsoever or being associated with the securities market in any manner, whatsoever, till compliance with directions contained in para 58(a) above and thereafter, for an additional period of two years from the date of bringing back the money. Clifford Capital Partners A.G.S.A, Mr. Peeyush Agrawal, Mr. Sanjiv Bhavnani, Mr. S. N. Sharma, Mr. Adesh Jain, Mr. Karun Jain and Mr. Rajinder Singh are hereby restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities including units of mutual funds, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of 5 years from the date of this order. During the period of restraint, the existing holding of securities including units of mutual funds of these Noticees shall also remain frozen.

(10) There is a delay in payment of Annual Listing Fees to the stock exchanges where the shares of the Company are listed. In term of circular bearing no. LIST/COMP/OPS/ 16 /2019-2020 dated June 11, 2019 and Notice bearing no. 20190903-37 dated September 3, 2019; action(s) has been initiated against the company & its promoters and directors.

(11) The Board of Directors of the company in its meeting held on 1st June 2020 had decided to provide consultancy and advisory services in the field of Solar Power, including but not limited to setting up of Solar Power Plant, its management, supervision, development & trading of software, control the business of transmission of solar power, manufacturing and/or trading in parts of Solar Power Plants, supplying, generation, distribution and dealing in electricity;

For MPS Infotecnics Limited

Peeyush Kumar Aggarwal

Chairperson

DIN: 00090423

Place: New Delhi

Date: September 11, 2020

# Nemani Garg Agarwal & Co.

Chartered Accountants

**Independent Auditor's Review Report on Consolidated Unaudited Financial Results for the Quarter Ended June 30, 2020 of the MPS Infotecnics Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To,  
The Board of Directors of  
MPS Infotecnics Limited

We have reviewed the accompanying statement of Consolidated unaudited financial results of "MPS Infotecnics Limited" and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit/(loss) after tax and total comprehensive income/loss for the Quarter Ended June 30, 2020 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations) as amended.

This statement which is the responsibility of the Company's Management and has been approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under section 133 of the Companies Act, 2013 read within relevant rules issued and other accounting principles generally accepted in India. Our responsibility is to express a conclusion and Issue a report on these financial statements based on our review

We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular Issued by SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

The Statement includes the results of the following entities:

<b>Name of Entity</b>	<b>Nature of Relationship</b>
Axis Convergence Inc	Wholly-Owned Subsidiary
Greenwire Network Limited	Wholly-Owned Subsidiary
Opentech Thai Network Specialists Co. Limited	Wholly-Owned Subsidiary

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)

1517, Devika Towers, 6, Nehru Place, New Delhi – 110 019  
Email: [sknemani@sknemani.com](mailto:sknemani@sknemani.com); [nemani61@gmail.com](mailto:nemani61@gmail.com)  
Phones: 0120-2770338740; 011-26448033; +91-9811026144



# **Nemani Garg Agarwal & Co.**

**Chartered Accountants**

---

Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Our conclusion is not modified in respect of this matter.

We did not review the interim financial statements / financial information / financial results of the three (3) subsidiaries included in the consolidated unaudited

The consolidated unaudited financial results includes the interim financial information of above three subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs. Nil, total net profit/ (loss) after tax of Rs. Nil and Rs. Nil and total comprehensive income/ loss of Rs. Nil and Rs. Nil for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our conclusion on the statement is not modified in respect of our reliance on the interim financial information certified by the Management.

**For Nemani Garg Agarwal & Co.**  
**Chartered Accountants**  
**(Firm Registration No.010192N)**



**Place: New Delhi**  
**Date: September 11, 2020**