

MPS Infotecnics Limited

CIN: L30007DL1989PLC131190
An ISO 9001 - 2008 Company



February 14, 2019

To,
The Manager-Listing
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra (East)
Mumbai-400051

The Manager-Listing
BSE Limited,
Floor 25, P.J. Towers,
Dalaal Street,
Mumbai-400001

NSE Symbol: VISESHINFO

Scrip Code: 532411

Subject: Outcome of the Board Meeting and submission of Un-audited financial results for the quarter and nine months ended 31st December 2018 along with Limited Review Report as required under regulation 33 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Dear Sir,


This is to inform you that pursuant to Regulation 33 of SEBI (listing Obligation & Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company in its meeting held today i.e. February 14, 2019 at the registered office of the Company at 703, Arunachal Building, 19 Barakhamba Road, Connaught Place, New Delhi-110001, which commenced at 5.30 p.m. and concluded at 10.15 p.m., has, inter alia, considered and approved the Un-audited Financial Results (Standalone & Consolidated) for the quarter and nine months ended 31st December, 2018 along with Limited Review Report as submitted by M/s. Nemani Garg Aggarwal & Co., Chartered Accountants, the Statutory Auditors of the Company.

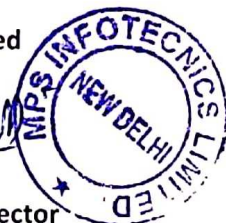
Copies of the said Un-audited financial results and Limited Review Report are enclosed herewith for your record and reference.

Kindly acknowledge receipt and request you to take the same in your records.

Thanking you,

Yours faithfully,
For MPS Infotecnics Limited


Peeyush Aggarwal
Chairman & Managing Director



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
E-mail : info@viseshinfo.com

MPS INFOTECNICS LIMITED

CIN: L30007DL1989PLC131190

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

Statement of Un-audited Standalone Financial Results for the Quarter and Nine Months Ended 31st December, 2018

(Rs. In Lacs)

| | Particulars | Quarter ended 31st December 2018 | Quarter ended 30th September 2018 | Quarter ended 31st December 2017 | Year to date figures for the period ended 31st December 2018 | Year to date figures for the period ended 31st December 2017 | Year ended 31st March 2018 |
|--|---|----------------------------------|-----------------------------------|----------------------------------|--|--|----------------------------|
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Revenue from operations | 12.90 | 597.42 | 1,839.57 | 1,688.86 | 6,894.01 | 7,705.11 |
| 2 | Other Income (Net) | 0.32 | 0.13 | 682.57 | 0.63 | 684.77 | 685.87 |
| 3 | TOTAL INCOME (1+2) | 13.23 | 597.55 | 2,522.14 | 1,689.49 | 7,578.78 | 8,390.98 |
| 4 | Expenses | | | | | | |
| a) | Cost of material consumed | | - | - | | - | - |
| b) | Purchase of Stock in trade | 8.06 | 584.76 | 1,828.25 | 1,652.81 | 6,829.90 | 7,622.44 |
| c) | Changes in inventories of finished goods, Work-in-Progress and Stock-in-trade | (0.00) | 3.39 | - | 12.01 | - | (8.62) |
| d) | Employees Benefit Expenses | 7.13 | 18.03 | 31.40 | 49.60 | 118.86 | 151.61 |
| e) | Finance Cost | 15.07 | 15.26 | 7.17 | 45.24 | 205.21 | 321.17 |
| f) | Depreciation and amortization expense | 192.69 | 37.41 | 55.75 | 267.52 | 111.47 | 162.53 |
| g) | Other expenses | 24.30 | 25.11 | 20.08 | 75.34 | 105.36 | 142.03 |
| | TOTAL EXPENSES | 247.26 | 683.96 | 1,942.65 | 2,102.53 | 7,370.80 | 8,391.15 |
| 5 | Profit / (loss) before exceptional and extraordinary items & Tax (3-4) | (234.03) | (86.41) | 579.49 | (413.04) | 207.98 | (0.18) |
| 6 | Exceptional items | | - | | | - | - |
| 7 | Profit / (loss) before extraordinary items & Tax (5-6) | (234.03) | (86.41) | 579.49 | (413.04) | 207.98 | (0.18) |
| | Prior Period Items | - | - | - | | - | - |
| 8 | Extraordinary Items | - | - | (356.66) | | (356.83) | - |
| 9 | Profit before Tax (7-8) | (234.03) | (86.41) | 936.15 | (413.04) | 564.81 | (0.18) |
| 10 | Tax Expenses | | | | | | |
| | (a) Current Tax | - | - | 25.00 | - | 25.00 | - |
| | (b) Earlier years (Net) | - | - | - | | - | (360.29) |
| | (b) Deferred Tax | 132.49 | 129.03 | (40.21) | 321.33 | (49.32) | 108.98 |
| 11 | Profit / (Loss) for the period for continuing Operations (9-10) | (366.52) | (215.44) | 951.36 | (734.37) | 589.13 | 251.13 |
| 12 | Profit / (loss) from discontinuing operations | - | - | - | | - | - |
| 13 | Tax expense from discontinuing operations | - | - | - | | - | - |
| 14 | Profit / (loss) from discontinuing operations after Tax (12-13) | - | - | - | - | - | - |
| 15 | Profit / (Loss) for the period (11+14) | (366.52) | (215.44) | 951.36 | (734.37) | 589.13 | 251.13 |
| 16 | Other Comprehensive Income / (Expense)-net of tax | 0.75 | 0.74 | - | 2.24 | - | 3.69 |
| 17 | Total Comprehensive Income for the Period (15+16) | (365.77) | (214.70) | 951.36 | (732.13) | 589.13 | 254.81 |
| | Paid-up Equity Shares (face value of Re. 1/- per Share) | 37,744.37 | 37,744.37 | 37,744.37 | 37,744.37 | 37,744.37 | 37,744.37 |
| 18 | Earning per share | | | | | | |
| | a) Basic | (0.010) | (0.006) | 0.025 | (0.019) | 0.016 | 0.007 |
| | b) Diluted | (0.010) | (0.006) | 0.025 | (0.019) | 0.016 | 0.007 |
| Unaudited Standalone Segment information for the quarter and half year ended 31st December 2018 | | | | | | | |
| | Particulars | Quarter ended 31st December 2018 | Quarter ended 30th September 2018 | Quarter ended 31st December 2017 | Year to date figures for the period ended 31st December 2018 | Year to date figures for the period ended 31st December 2017 | Year ended 31st March 2018 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Segment Revenue | | | | | | |
| | (Net sale / income from each segment should be disclosed under this head) | | | | | | |
| a) | IT Solutions & Products | 0.60 | - | 38.56 | 11.52 | 153.43 | 196.55 |
| b) | IT Enabled Services | 12.31 | 17.12 | 8.86 | 38.53 | 33.54 | 50.14 |
| c) | Telecommunications | (0.00) | 580.30 | 1,792.15 | 1,638.82 | 6,707.04 | 7,458.43 |
| | Total | 12.90 | 597.42 | 1,839.57 | 1,688.86 | 6,894.01 | 7,705.11 |



| | | | | | | | |
|----|---|-----------------|----------------|----------------|-----------------|-----------------|-----------------|
| 2 | Segment Results Profit (+) / Loss (-) before tax and interest from each segment | | | | | | |
| a) | IT Solutions & Products | (4.07) | (0.55) | (1.18) | (4.36) | (4.30) | (3.24) |
| b) | IT Enabled Services | (18.65) | 4.37 | 1.71 | (14.14) | 5.09 | 4.13 |
| c) | Telecommunications | - | (33.34) | (40.44) | (70.40) | (159.90) | (186.41) |
| | Total | (22.72) | (29.52) | (39.91) | (88.90) | (159.11) | (185.52) |
| | Less: (i) Interest | 15.07 | 15.26 | 7.17 | 45.24 | 205.21 | 321.17 |
| | (ii) Other un-allocable Expenditure net off | 196.56 | 41.77 | 56.00 | 279.53 | 112.47 | 179.36 |
| | (iii) Un-allocable income | 0.32 | 0.13 | 682.57 | 0.63 | 684.77 | 685.87 |
| | Total Profit before Tax | (234.03) | (86.41) | 579.49 | (413.04) | 207.98 | (0.18) |

3 Capital Employed: Since Fixed Assets used in the company's business cannot be specifically identified with any of the reportable segments as these are used interchangeably among segments, hence segment wise disclosure on capital employed has not been furnished.

During the period under review, the depreciation and amortisation expenses has been increased as the same were inadvertently not fully provided in earlier two quarters, which has now been rectified.

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 February 14, 2019.
- (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) In the AGM held on 29th September 2018, M/s. Nemani Garg Aggarwal & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company. M/s. Nemani Garg Aggarwal & Co., Statutory Auditors have not reviewed the previous period financial results of the Company. M/s. Nemani Garg Aggarwal & Co., has relied upon the financial results of the previous quarters / period reviewed by the erstwhile auditors of the Company.
- (5) The Telecommunication segment had been contributing the maximum revenues in the past, however, there has been a significant decline in the said sector for the past more than a year. The decline in business / revenues from Telecommunication segment is mainly due to very tough competition from various online operators also by the service providers, like Vodafone, Airtel, Idea, Jio, to name a few who have been providing the same services. Further there has been a decline in overall business operations of the Company which is mainly due to tough competition from the organised as well as unorganised sector in the IT sector.
- (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 deo, etc., which not only provides messaging services also provides video calling, the business of the subsidiaries have declined considerably.
- (7) 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 presently is negligible.
- (8) The qualifications made by the Auditors in their Audit Report on the accounts of the Company for the year ended 31st March 2018 and explanation of the Board thereon and undated position as on date are as under:
Auditors' Qualification: (a) The Company has shown in the Balance Sheet, Bank Balance in Banco Efisa (Lisbon, Portugal) amounting to Rs. 350,955,439/- (In USD 8,883,210.75) Which the bank has adjusted and the matter is in court of Law. Consequently the Bank balance show in the balance Sheet is overstated by Rs. 350,977,439/-
(b) The Company has increased its Authorised Capital from Rs. 52.45 Crores to Rs. 377.50 crores during the period from FY 2010-11 to FY 2012-13, RoC fees towards the same stands payable, under the head other current liabilities in the Financial Statements.
Explanation: (a) As regards auditors qualification at S.No. 6(a) 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. In view of the matter being sub-judice.
(b) As regards auditors' qualification at Serial No. 6(b), it is submitted that the company has filed a writ petition bearing no. WP (C) 5199/2015 before the Hon'ble Delhi High Court challenging the applicability of provisions prescribed under para 3 of table B under registration of offices and fees rules 2014. The Writ Petition has been disposed of by the Hon'ble Court vide its order dated 15th January 2019 and the Company is in the process of filing Special Leave Petition before the Hon'ble Supreme Court challenging the orders passed by the Hon'ble Delhi High Court. The Company has no additional explanation to offer.
- (9) In exercise of powers given by SEBI vide letter reference SEBI/HO/ISD/OW/P/2017/26891 dated November, 2, 2017, the National Stock Exchange vide interim order dated 10th January 2018, modified the actions envisaged in SEBI's letter dated August 7, 2017 and directed trading in securities of the Company as it stood prior to issuance of letter dated August 7, 2017 by SEBI; National Stock Exchange of India to appoint an independent forensic auditor; the promoters and directors of the company are permitted to buy the securities of the company. The shares held by the promoters and directors in the company shall not be allowed to be transferred for sale by depositories. Pursuant to the said letter of SEBI, NSE appointed M/S. M.K. Aggarwal & Co., Chartered Accountants as the Forensic Audit of the Company to conduct Forensic Audit. The Forensic Auditors appointed by NSE has submitted their report to the Exchange and the Exchange vide its letter bearing reference no. NSE/LIST/70705 dated January 3, 2019 has forwarded the report to the company and sought further clarification to certain observations made by the Forensic Auditors in their report. The Company vide its letter dated 21st January 2019 has sought time to submitting its response.

Place: New Delhi
Date: 14th February 2019



For and on behalf of the Board

Peeyush Aggarwal
Chairman & Managing Director

NEMANI GARG AGARWAL & CO.

**CHARTERED ACCOUNTANTS
1517, DEVIKA TOWER, 6, NEHRU PLACE,
NEW DELHI- 110 019.**

& Ch. No.5, Kamadgiri Aptt., Kaushambi, Ghaziabad-201010

Tel.-011-26448022/33;0120-4374727

Email ID: sknemani@sknemani.com,nemani61@gmail.com

To,
The Board of Directors
MPS Infotecnics Limited
(formerly Visesh Infotecnics Ltd.)

We have reviewed the accompanying statement of standalone unaudited financial results of MPS Infotecnics Limited (formerly known as Visesh Infotecnics Limited) for the quarter and nine month period ended 31st December 2019. 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 in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements 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.

Basis of Qualified conclusion

The Company has shown in the balance sheet, bank balance in Banco Effisa (Lisbon Portugal) amounting to Rs. 347,892,163/- (in USD8883210.75) which the Bank has adjusted and the matter is in court of law. Consequently the bank balance shown in balance sheet is overstated by Rs.347,892,163/-.

The Company has 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. 5.25 crores toward the same stands payable, under the head "other Current Liabilities" in the Financial Statements.

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.

For Nemani Garg Agarwal & Co.
Chartered Accountants
Firm Reg. No. 010192N


S.K. Nemani
Partner
M.No. 037222



Place: New Delhi
Date: 14th February 2019

MPS INFOTECNICS LIMITED

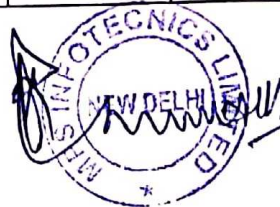
CIN: L30007DL1989PLC131190

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

Statement of Un-audited Consolidated Financial Results for the Quarter and Nine Months Ended 31st December 2018

(Rs. In Lacs)

| | Particulars | Quarter ended 31st December 2018 | Quarter ended 30th September 2018 | Quarter ended 31st December 2017 | Year to date figures for the period ended 31st December 2018 | Year to date figures for the period ended 31st December 2017 | year ended 31st March 2018 |
|----|---|-------------------------------------|---|--|--|--|-------------------------------|
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Revenue from operations | 12.90 | 597.42 | 1,895.82 | 1,688.86 | 6,959.58 | 7,776.73 |
| 2 | Other Income (Net) | 0.32 | 0.13 | 682.57 | 0.63 | 684.77 | 685.87 |
| 3 | TOTAL INCOME (1+2) | 13.23 | 597.55 | 2,578.39 | 1,689.49 | 7,644.36 | 8,462.60 |
| 4 | Expenses | | | | | | |
| a) | Cost of material consumed | - | - | - | - | - | - |
| b) | Purchase of Stock in trade | 8.06 | 584.76 | 1,883.84 | 1,652.81 | 6,894.62 | 7,693.19 |
| c) | Changes in inventories of finished goods, Work-in-Progress and Stock-in-trade | (0.00) | 3.39 | - | 12.01 | - | (8.62) |
| d) | Employees Benefit Expenses | 7.13 | 18.03 | 31.40 | 49.60 | 118.86 | 151.61 |
| e) | Finance Cost | 15.07 | 15.26 | 7.17 | 45.24 | 205.21 | 321.17 |
| f) | Depreciation and amortization expense | 192.69 | 37.41 | 55.75 | 267.52 | 111.47 | 162.53 |
| g) | Other expenses | 24.30 | 25.11 | 20.94 | 75.34 | 106.45 | 143.29 |
| | TOTAL EXPENSES | 247.26 | 683.96 | 1,999.10 | 2,102.53 | 7,436.60 | 8,463.16 |
| 5 | Profit / (loss) before exceptional and extraordinary items & Tax (3-4) | (234.03) | (86.41) | 579.29 | (413.04) | 207.76 | (0.56) |
| 6 | Exceptional items | - | - | - | - | - | - |
| 7 | Profit / (loss) before extraordinary items & Tax (5-6) | (234.03) | (86.41) | 579.29 | (413.04) | 207.76 | (0.56) |
| | Prior Period Items | - | - | - | - | - | - |
| 8 | Extraordinary Items | - | - | (360.29) | - | 3.46 | - |
| 9 | Profit before Tax (7-8) | (234.03) | (86.41) | 939.58 | (413.04) | 204.30 | (0.56) |
| 10 | Tax Expenses | - | - | - | - | - | - |
| | (a) Current Tax | - | - | 25.00 | - | - | 360.29 |
| | (b) Earlier years (Net) | - | - | - | - | - | (108.98) |
| | (b) Deferred Tax | 132.49 | 129.03 | (31.93) | 321.33 | (17.40) | - |
| 11 | Profit / (Loss) for the period for continuing Operations (9-10) | (366.52) | (215.44) | 946.50 | (734.37) | 221.70 | 250.74 |
| 12 | Profit / (loss) from discontinuing operations | - | - | - | - | - | - |
| 13 | Tax expense from discontinuing operations | - | - | - | - | - | - |



| | | | | | | | |
|----|---|-----------|-----------|-----------|-----------|-----------|-----------|
| 14 | Profit / (loss) from discontinuing operations after Tax (12-13) | - | - | - | - | - | - |
| 15 | Profit / (Loss) for the period (11+14) | (366.52) | (215.44) | 946.50 | (734.37) | 221.70 | 250.74 |
| 16 | Other Comprehensive Income / (Expense)- net of tax | 0.75 | 0.74 | - | 2.24 | - | 3.69 |
| 17 | Total Comprehensive Income for the Period (15+16) | (365.77) | (214.70) | 946.50 | (732.13) | 221.70 | 254.43 |
| | Paid-up Equity Shares (face value of Re. 1/- per Share) | 37,744.37 | 37,744.37 | 37,744.37 | 37,744.37 | 37,744.37 | 37,744.37 |
| 18 | Earning per share | | | | | | |
| | a) Basic | (0.010) | (0.006) | 0.025 | (0.019) | 0.006 | 0.007 |
| | b) Diluted | (0.010) | (0.006) | 0.025 | (0.019) | 0.006 | 0.007 |



Unaudited Consolidated Segment Information for the quarter and half year ended 31st December 2018

| Particulars | Quarter ended 31st December 2018 | Quarter ended 30th September 2018 | Quarter ended 31st December 2017 | Year to date figures for the period ended 31st December 2018 | Year to date figures for the period ended 31st December 2017 | year ended 31st March 2018 |
|--|----------------------------------|-----------------------------------|----------------------------------|--|--|----------------------------|
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 Segment Revenue | | | | | | |
| (Net sale / income from each segment should be disclosed under this head) | | | | | | |
| a) IT Solutions & Products | 0.60 | - | 38.56 | 11.52 | 153.43 | 196.55 |
| b) IT Enabled Services | 12.31 | 17.12 | 8.86 | 38.53 | 33.54 | 50.14 |
| c) Telecommunications | (0.00) | 580.30 | 1,848.40 | 1,638.82 | 6,707.04 | 7530.04 |
| Total | 12.90 | 597.42 | 1895.82 | 1,688.86 | 6894.01 | 7776.73 |
| 2 Segment Results Profit (+) / Loss (-) before tax and interest from each segment | | | | | | |
| a) IT Solutions & Products | (4.07) | (0.55) | (0.92) | (4.36) | (4.30) | (3.24) |
| b) IT Enabled Services | (18.65) | 4.37 | 2.18 | (14.14) | 5.09 | 4.13 |
| c) Telecommunications | - | (33.34) | (41.38) | (70.40) | (159.90) | (186.80) |
| Total | (22.72) | (29.52) | (40.12) | (88.90) | (159.11) | (185.91) |
| Less: (i) Interest | 15.07 | 15.26 | 7.17 | 45.24 | 205.21 | 321.17 |
| (ii) Other un-allocable Expenditure net off | 196.56 | 41.77 | 56.00 | 279.53 | 112.47 | 179.36 |
| (iii) Un-allocable income | 0.32 | 0.13 | 682.57 | 0.63 | 684.77 | 685.87 |
| Total Profit before Tax | (234.03) | (86.41) | 579.29 | (413.04) | 207.98 | (0.56) |
| 3 Capital Employed: Since Fixed Assets used in the company's business cannot be specifically identified with any of the reportable segments as these are used interchangeably among segments, hence segment wise disclosure on capital employed has not been furnished. | | | | | | |

During the period under review, the depreciation and amortisation expenses has been increased as the same were inadvertently not fully provided in earlier two quarters, which has now been rectified.

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 February 14, 2019. |
| (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) | In the AGM held on 29th September 2018, M/s. Nemani Garg Aggarwal & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company. M/s. Nemani Garg Aggarwal & Co., Statutory Auditors have not reviewed the previous period financial results of the Company. M/s. Nemani Garg Aggarwal & Co., has relied upon the financial results of the previous quarters / period reviewed by the erstwhile auditors of the Company. |
| (5) | The Telecommunication segment had been contributing the maximum revenues in the past, however, there has been a significant decline in the said sector for the past more than a year. The decline in business / revenues from Telecommunication segment is mainly due to very tough competition from various online operators also by the service providers, like Vodafone, Airtel, Idea, Jio, to name a few who have been providing the same services. Further there as been a decline in overall business operations of the Company which is mainly due to tough competition fro the organised as well as unorganised sector in the IT sector. |
| (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 abd mobile messaging exchange. However, with the development of various mobile application worldwide, like whatsapp, Hike, Google deo, etc., which not only provides messaging services also provides video calling, the business of the subsidiaries have declined considerably. |
| (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., whicha 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 presently is negligible. |
| (8) | The qualifications made by the Auditors in their Audit Report on the accounts of the Company for the year ended 31st March 2018 and explanation of the Board thereon and undated position as on date are as under: |
| | Auditors' Qualification: (a) The Company has shown in the Balance Sheet, Bank Balance in Banco Efisa (Lisbon, Portugal) amounting to Rs. 350,955,439/- (In USD 8,883,210.75) Which the bank has adjusted and the matter is in court of Law. Consequently the Bank balance show in the balance Sheet is overstated by Rs. 350,977,439/- |
| | (b) The Company has increased its Authorised Capital fro Rs. 52.45 Crores to Rs. 377.50 crores during the period from FY 2010-11 to FY 2012-13, RoC fees towards the same stands payable, under the head other current liabilities in the Financial Statements. |
| | Explanation: (a) As regards auditors qualification at S.No. 6(a) 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. In view of the matter being sub-judice. |
| | (b) As regards auditors' qualification at Serial No. 6(b), it is submitted that the company has filed a writ petition bearing no. WP (C) 5199/2015 before the Hon'ble Delhi High Court challenging the applicability of provisions prescribed under para 3 of table B under registration of offices and fees rules 2014. The Writ Petition has been disposed of by the Hon'ble Court vide its order dated 15th January 2019 and the Company is in the process of filing Special Leave Petition before the Hon'ble Supreme Court challenging the orders passed by the Hon'ble Delhi High Court. The Company has no additional explanation to offer. |
| (9) | In exercise of powers given by SEBI vide letter reference SEBI/HO/ISD/OW/P/2017/26891 dated November, 2, 2017, the National Stock Exchange Vide interim order dated 10th January 2018, modified the actions envisaged in SEBI's letter dated August 7, 2017 and directed trading in securities of the Company as it stood prior to issuance of letter dated August 7, 2017 by SEBI; National Stock Exchange of India to appoint an independent forensic auditor; the promoters and directors of the company are permitted to buy the securities of the company. The shares held by the promoters and directors in the company shall not be allowed to be transferred for sale by depositories. Pursuant to the said letter of SEBI, NSE appointed M/S. M.K. Aggarwal & Co., Chartered Accountants as the Forensic Audit of the Company to conduct Forensic Audit. The Forensic Auditors appointed by NSE has submitted their report to the Exchange and the Exchange vide its letter bearing reference no. NSE/LIST/70705 dated January 3, 2019 has forwarded the report to the company and sought further clarification to certain observations made by the Forensic Auditors in their report. The Company vide its letter dated 21st January 2019 has sought time to submitting its response. |
| | <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: left;"> <p>Place: New Delhi Date: 14th February 2019</p> </div> <div style="text-align: center;">  </div> <div style="text-align: right;"> <p>For and on behalf of the Board  Peeyush Aggarwal Chairman & Managing Director</p> </div> </div> |

NEMANI GARG AGARWAL & CO.

**CHARTERED ACCOUNTANTS
1517, DEVIKA TOWER, 6, NEHRU PLACE,
NEW DELHI- 110 019.**

**& Ch. No.5, Kamadgiri Aptt., Kaushambi, Ghaziabad-201010
Tel.-011-26448022/33;0120-4374727**

Email ID: sknemani@sknemani.com,nemani61@gmail.com

Auditor's Report on Quarterly Consolidated Financial Results and Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of
MPS Infotecnics Limited
(formerly Visesh Infotecnics Limited)

We have audited the quarterly consolidated financial results of M/S. MPS Infotecnics Limited (formerly Visesh Infotecnics Limited) for the quarter and half year ended 31st December 2018 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the three (3) subsidiaries included in the consolidated quarterly financial results, whose consolidated interim financial statements reflect total revenue of Rs. Nil as at 31st December 2018 as informed by the management to us. Since there is no business in these subsidiary companies these interim financial statements and other financial information has/have been furnished to us by the management, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such interim financial statements is based solely on the information provided by the management.



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In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:

- (i) include the quarterly financial results and year to date of the following entities (list of entities included in consolidation);
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (iii) give a true and fair view of the consolidated net profit/loss and other financial information for the quarter ended 31st December 2018 as well as the consolidated year to date results for the period from 1st April 2018 to 31st December 2018.
- (iv) That we were appointed as Statutory Auditors of the company in their AGM held on 29th September 2018. We have relied upon the reports of the erstwhile Auditors of the Company for the previous periods / quarters.

For Nemani Garg Agarwal & Co.

Chartered Accountants

Firm Reg. No. 010192N



S.K. Nemani

Partner

M.No. 037222

Place: New Delhi

Date: 14th February 2019

