

# MPS Infotecnics Limited

CIN: L30007DL1989PLC131190  
An ISO 9001 - 2008 Company



September 29, 2018

## BSE Limited

Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai- 400 001

## The National Stock Exchange of India Ltd

Exchange Plaza, Plot No. C/1, Block – G  
Bandra Kurla Complex, Bandra – East  
Mumbai – 400 051

Stock Code: 532411

Stock Code: VISESHINFO

### Sub: Submission of clarification w.r.t. the Audited Financial Results submitted by the Company for the financial year 2017-18

Dear Sir,

In reference to the captioned subject, the Company feels sheer dissatisfaction in submitting its clarification for the inadvertence error occurred on the part of the Company at the time of finalization of the Audited Financial Results of the Company for the financial year 2017-18. We sincerely submit our apology alongwith the precise clarification in reference to the captioned subject. The detailed *in-seriatim* clarification is submitted herein below for your ready reference:

- The Ministry of Corporate Affairs vide its notification dated February 16, 2015 mandated applicability of Indian Accounting Standards (herein after referred as IND-AS) for particular class of companies and simultaneously Securities and Exchange Board of India vide its circular dated July 5, 2016 reiterated the applicability and procedure for implementation of IND-AS.
- The management of the Company promptly upon the said notification took all the necessary actions to adopt and implement the IND-AS in its day-to-day accounting procedures and started to submit and publish its quarterly results from the quarter ending June 30, 2016, however, preparing the audited financial results for the financial year 2016-17 as per IND-AS was not applicable to the Company, hence the audited financial results for the financial year 2016-17 was not prepared in accordance within the scope of IND-AS.
- Further, the said IND-AS was mandated for all the class of Companies from the financial year 2017-18 and the Company has meanwhile adapted all the internal accounting procedures and policies as per IND-AS and was regular and promptly compliant in submitting all its quarterly un-audited financial results upto December 2017, in accordance with Regulation 33 of SEBI (LODR) Regulations, 2015.

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**Regd. Office :** 703, Arunachal Building,  
19, Barakhamba Road, New Delhi-1

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- It was the time when the audited financial results for the quarter and year ended March 31, 2018 were been finalized by the Company in consultation with the Statutory Auditor. However, being the first financial year of preparing the standalone and consolidated audited financial results as per the IND-AS, the Company was unaware of the proper presentation and implementation of the IND-AS.
- The standalone audited financial results submitted by the Company were made accurately in accordance with the applicability of IND-AS. However, at the time of finalization of the consolidated financial results of the Company for the financial year 2017-18 there were some inadvertent error occurred as specified below:
  - a. Wherein the consolidated 'Finance Cost' under the heading 'Expenses' got missed out and it was not considered in calculating the 'Total Expenses' carried out by the Company for the financial year 2017-18.
  - b. In the heading 'Tax Expenses' – Consolidated Deferred Tax was mentioned as Rs. 1142.60 Lakhs instead of Rs. (108.98) Lakhs, this error was merely due to the inadvertent manual formulae error occurred at the time of doing the data entry of the figures.
- Due to this error the entire figures in the consolidated financial results after the total expenses were incorrect, resulting in showing of total profit for the period as INR 1,680.21 lakhs instead of INR 250.74 lakhs though it is important to mention here that the figures of Balance Sheet including General Reserve, as already submitted is correct.
- This inadvertent error was brought to the notice of the management of the Company at the time of proof reading of the Audited financial statements for the Financial Year 2017-18 was provided by the printer. Upon realization of the inadvertent error the management of the Company took all the necessary actions to figure out the reasons and the extent of the error and it was sighted that the consolidated finance cost was missed out in calculating the total consolidated expenses and consequently the calculation of figure under the head Tax Expense especially Deferred Tax went wrong.
- The Management of the Company has decided to submit this clarification alongwith the revised Consolidated Audited Financial Results for the financial year 2017-18, so as to present a true and fair position of the financial statements of the Company.
- We further, reiterate that the above error occurred due to inadvertence with no malafide intention of the Company to submit any wrongful or misleading financial statements of the Company. It is pertinent to mention here that there has been no spurt in volume and price of the securities of the Company due to the above incorrect consolidated financial results. It may also be noted that the members and all stakeholders have been provided with the corrected audited financial statements



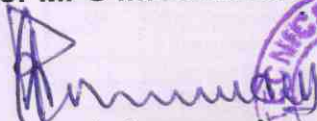
for the Financial Year 2017-18 which had been sent to the members and all the stakeholders along with the notice inviting the members and all the stakeholders to attend the Annual General Meeting to be held on 29<sup>th</sup> September 2018.

- Since some of the figures of the Consolidated financial statements submitted with the Exchange are not correct, hence we are hereby submitting the rectified Consolidated Audited Financial results for the financial year 2017-18 alongwith this clarification letter and request your kind-self to consider the same and allow the Company to file / submit the revised and rectified Consolidated Audited Financial Results for the financial year 2017-18 with the Stock Exchange for allowing the stakeholders of the Company to take informed decision before investing in the securities of the Company.
- We assure that this inadvertence error has not caused any harm to the investors at large and there was no malafide intention of the Company to support these kinds of practices.
- As a diversified corporate conglomerate with best governance practice, the company has neither in past nor in future has intention to support these errors. We assure your good office to be more diligent and careful in all our future correspondence and shall try to abide by the rules and regulation stipulated by the regulatory authority.

In view of the above we request your kind-self to kindly take the above clarification on record and acknowledge the receipt.

Thanking you in anticipation.

**For MPS Infotecnics Limited**



**Peeyush Aggarwal**  
**Managing Director**  
**DIN: 00090423**



# MPS INFOTECNICS LIMITED

(Formerly VISESH INFOTECNICS LIMITED)

(An ISO 9001:2008 Company)

CIN: L30007DL1989PLC131190

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

**Statement of Audited Consolidated Financial Results for the Quarter and Year Ended 31st March, 2018**

Rs. In Lacs

S.No	Particulars	Quarter Ended			Year Ended	
		31-Mar-18 (Audited)	31-Dec-17 (Unaudited)	31-Mar-17 (Audited)	31-Mar-18 (Audited)	31-Mar-17 (Audited)
I	Revenue from operations	817.15	1,895.82	3,421.46	7,776.73	20,328.15
II	Other income	1.10	682.57	1.92	685.87	145.74
III	<b>Total Revenue (I + II)</b>	<b>818.25</b>	<b>2,578.39</b>	<b>3,423.38</b>	<b>8,462.60</b>	<b>20,473.89</b>
IV	<b>Expenses:</b>					
	Cost of materials consumed		-	-		-
	Purchases of Stock-in-Trade	798.57	1,883.84	3,359.60	7,693.19	20,036.42
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(8.62)	-	0.24	(8.62)	21.80
	Employee benefits expense	32.75	31.40	56.85	151.61	194.68
	Finance costs	115.96	7.17	10.15	321.17	40.04
	Depreciation and amortization expense	51.06	55.75	26.22	162.53	106.84
	Other expenses	36.84	20.94	71.20	143.29	223.81
	<b>Total expenses (IV)</b>	<b>1,026.55</b>	<b>1,999.10</b>	<b>3,524.26</b>	<b>8,463.16</b>	<b>20,623.59</b>
V	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>	<b>(208.30)</b>	<b>579.29</b>	<b>(100.88)</b>	<b>(0.56)</b>	<b>(149.70)</b>
VI	Exceptional items/Prior Period Items/Extraordinary items	(3.46)	(360.29)	-	-	-
VII	<b>Profit before extraordinary items and tax (V - VI)</b>	<b>(204.84)</b>	<b>939.58</b>	<b>(100.88)</b>	<b>(0.56)</b>	<b>(149.70)</b>
VIII	<b>Tax expense:</b>					
	(1) Current tax	(25.00)	25.00	-	-	-
	(2) Earlier Years Taxes (Net)	(0.00)	-	-	360.29	-
	(3) Deferred tax	158.31	(31.93)	38.99	(108.98)	61.38
IX	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>	<b>(338.16)</b>	<b>946.50</b>	<b>(61.89)</b>	<b>250.74</b>	<b>(88.32)</b>
X	Profit/(loss) from discontinued operations	-	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-	-
XII	<b>Profit/(loss) from Discontinued operations (after tax) (X-XI)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
XIII	<b>Profit (Loss) for the period (IX+XII)</b>	<b>(338.16)</b>	<b>946.50</b>	<b>(61.89)</b>	<b>250.74</b>	<b>(88.32)</b>
XIV	<b>Other Comprehensive Income(Net of Tax)</b>					
	(i) Items that will not be reclassified to profit or loss	3.69	-	(363.54)	3.69	(0.44)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	(363.10)	-	-
	(iii) Items that will be reclassified to profit or loss	-	-	-	-	-
	(iv) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
XV	<b>Total Comprehensive income for the period(XIII+XIV) (Comprising profit (loss) and other Comprehensive income for the period)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
XVI	<b>Total Comprehensive income for the period (after tax)</b>	<b>(334.47)</b>	<b>946.50</b>	<b>(62.34)</b>	<b>254.43</b>	<b>(88.77)</b>
XVII	Paid up equity shares capital (Face Value of the share Re.1/- per share)	37,744.37	37,744.37	37,744.37	37,744.37	37,744.37
XVII	<b>Earnings per equity share:</b>					
	(1) Basic	(0.009)	0.025	(0.002)	0.007	(0.002)
	(2) Diluted	(0.009)	0.025	(0.002)	0.007	(0.002)

Rs. In Lacs

S.No	Particulars	Quarter Ended			Year Ended	
		31-Mar-18 (Audited)	31-Dec-17 (Unaudited)	31-Mar-17 (Audited)	31-Mar-18 (Audited)	31-Mar-17 (Audited)
1	<b>Segment Revenue</b>					
	(Net sale / income from each segment should be disclosed under this head)					
(a)	IT Solutions & Products	43.12	38.56	84.39	196.55	591.68
(b)	IT enabled Services	16.60	8.86	57.86	50.14	112.38
(c)	Telecommunication	757.44	1,848.40	3,279.21	7,530.05	19,624.09
	<b>Total</b>	<b>817.15</b>	<b>1,895.82</b>	<b>3,421.46</b>	<b>7,776.73</b>	<b>20,328.15</b>
2	<b>Segment Results Profit (+) / Loss (-) before tax and interest from each segment</b>					



(a)	IT Solutions & Products	0.80	(0.92)	(1.04)	(3.24)	(15.09)
(b)	IT enabled Services	(1.43)	2.18	2.27	4.13	10.25
(c)	Telecommunication	(25.93)	(41.38)	(62.27)	(186.80)	(123.99)
	<b>Total</b>	<b>(26.56)</b>	<b>(40.12)</b>	<b>(61.04)</b>	<b>(185.91)</b>	<b>(128.83)</b>
	Less: (i) Interest	115.96	7.17	10.15	321.17	40.04
	(ii) Other Un-allocable Expenditure net off	66.89	56.00	31.61	179.36	126.57
	(iii) Un-allocable income	1.10	682.57	1.92	685.87	145.74
	<b>Total Profit before Tax</b>	<b>(208.30)</b>	<b>579.29</b>	<b>(100.88)</b>	<b>(0.56)</b>	<b>(149.70)</b>

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.

**Notes: -**

- (1) The above rectified results were reviewed by the audit committee and thereafter taken on record by the Board of Directors at its meeting held on May 31, 2018
- (2) Beginning 1st April 2017, the company has for the first time adopted Indian Accounting Standards (Ind AS) with a transition date of 1st April 2016. Accordingly, these un-audited standalone financial results have been prepared in compliance with Ind AS as notified by the Ministry of Corporate Affairs and prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting pronouncements generally accepted in India. Though maximum information have been extracted from the books of accounts maintained by the Company, yet, the implementation of Ind AS is still under implementation.
- (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 Un-audited financial results in the newspapers. However the Standalone un-audited financial results will be made available on the Company's website at www.mpsinfotec.com and on the websites of BSE & NSE. Standalone Un-audited results are as under:

Particulars	Quarter Ended			Year Ended	
	31-Mar-18 (Audited)	31-Dec-17 (Unaudited)	31-Mar-17 (Audited)	31-Mar-18 (Audited)	31-Mar-17 (Audited)
Net sales	811.10	1,839.57	3,328.59	7,705.11	18,643.49
Profit before Tax	(204.70)	936.15	(93.50)	(0.18)	(146.37)
Profit after Tax	(338.00)	951.36	(54.51)	251.13	(85.44)

(5) The financial results for the quarter ended 31st March 2018 represent the difference between the audited figures in respect of the full financial year and published figures upto the third quarter of the financial year.

(6) 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 updated position as on date is attached by way of Statement of impact of Audit Qualifications.

**The Reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with IND AS is given below:**

Particulars	Consolidated 31.03.2017
Total Equity (shareholder's funds) under previous GAAP	(120.37)
Prepaid Interest on Security Deposit	0.26
Interest Income Staff Loan (Amortisation)	0.00
Prior Period Income	-
Prior Period Expense	5.25
Purchases of Stock	(3.63)
Prepaid Expenses on Security Deposit	(0.26)
Interest Expenses Staff Loan Amortisation	(0.00)
Tax Adjustments - Deferred Tax	30.42
<b>Other Comprehensive Income</b>	
Gain or Loss arising out of Fair Valuation of Equity Instrument	(0.45)
<b>Profit &amp; Loss as per IND AS</b>	<b>(88.77)</b>

**Reconciliation of Equity under Ind AS for the year ended 31st March 2018 with Indian GAAP is given below:**

Particulars	Consolidated	Standalone
Equity under previous GAAP	45,628.54	44974.23
REMEASUREMENTS OF THE DEFINED BENEFIT LIABILITY/ASSET	3.69	3.69
GAIN OR LOSS ARISING ON FAIR VALUATION OF EQUITY INSTRUMENT	0.45	0.45
Profit / (Loss) for the Period & Exchange Rate Reserves adjusted directly	252.71	251.13
Equity capital under IndAS as on 31st March 2018	45,885.39	45,229.50

Place: New Delhi  
Date: 31/05/2018

For MPS Infotecnics Limited

Peeyush Kumar Aggarwal  
Managing Director  
Din:00090423

### Audited Consolidated Statement of Assets and Liabilities

(Rs. In Lacs)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
<b>ASSETS</b>		
<b>(1) Non- Current Assets</b>		
(a) Property, Plant and Equipment	2.45	45.68
(d) Goodwill	6,169.11	6,169.11
(e) Other Intangible Assets	3,019.59	553.39
(f) Intangible assets under development	5,644.40	8,260.15
(h) Financial Assets		
- Investments	0.04	0.04
(i) Deferred tax assets		-
(j) Other non-current assets	22,367.48	22,471.42
<b>(2) Current Assets</b>		
(a) Inventories	6,231.72	6,223.10
(b) Financial Assets		
-Investments		-
-Trade Receivables	3,614.78	5,136.04
-Cash and Cash Equivalents	6.86	0.81
-Bank Balances other than Cash and Cash Equivalents	3,491.88	3,514.30
-Loans		
-Others		
(c) Current Tax Assets (Net)		
(d) Other Current Assets	387.06	458.26
<b>TOTAL ASSETS</b>	<b>50,935.37</b>	<b>52,832.30</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share Capital	37,744.37	37,744.37
(b) Other Equity - Reserves & Surplus	8,141.01	7,884.17
<b>LIABILITIES</b>		
<b>(1) Non- Current Liabilities</b>		
<b>(a) Financial Liabilities</b>		
-Borrowings	171.20	153.21
-Trade Payables		
- Other Financial Liabilities other than borrowings and Trade Payables - Deferred Tax Liabilities	268.70	159.72
<b>(2) Current Liabilities</b>		
<b>(a) Financial Liabilities</b>		
-Borrowings	2,057.27	2,205.91
-Trade Payables	1,299.24	1,496.29
-Other Financial Liabilities (Other than borrowings and Trade Payables)		
(b) Other Current Liabilities	1,196.97	2,774.49
(c) Provisions	56.61	414.14
(d) Current Tax Liabilities (Net)		-
<b>Total Equity and Liabilities</b>	<b>50,935.37</b>	<b>52,832.30</b>

