MPS Infotecnics Limited

CIN: L30007DL1989PLC131190

To,

Date: 08th December,2020

The Manager-Listing
National Stock Exchange of India Limited
Exchange Plaza,C-1,Block-G,
Bandra Kurla Complex (E),
Mumbai-400051

NSE Symbol-VISESHINFO

Sub: Submission of Annual Report along with Notice of 31st Annual General Meeting

Dear Sir,

This is with regard submission of Annual Report for the Financial Year 2019-20 of the Company submitted yesterday i.e., 07th December, 2020 with NSE NEAPS. In this regard we would like to inform you that due to some technical error Annual Report couldn't upload completely only some of the pages have been uploaded. The mistake done was neither intentional nor deliberate and shall not be repeated in the future.

We therefore request you to kindly allow us to upload the full Annual Report of the Company for the Financial Year 2019-20 with NSE NEAPS and condone the mistake which is technical in nature.

The same is also available on the Company's Website www.mpsinfotec.com under Investor Zone.

Kindly take the above information on record and oblige.

Thanking you in anticipation.

Yours faithfully
For MPS Infotecnics Limited

Garima Singh
Company secretary

Regd. Office : 703, Arunachal Building,
19, Barakhamba Road, New Delhi-1
Ph.: 011-43571044, Fax: 011-43571047
E-mail : info@mpsinfotech.com

MPS INFOTECNICS LIMITED

CIN: L30007DL1989PLC131190

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"We are focused on providing our customers with Solutions that actually solve their business issues & assist their growth through innovative application of technology & information management in an easy to use manner."

…….. Mr. Peeyush Kumar Aggarwal

MPS INFOTECNICS LIMITED

SOLUTIONS UNLIMITED

2019-20
ANNUAL REPORT

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Peeyush Kumar Aggarwal	Managing Director
Mr. Manoj Kumar Jain	Independent Director
Mrs. Madhu Sharma	Independent Director
Mr. Rachit Garg	Non-Executive Director
Mr. Ram NIwas Sharma	Non-Executive Director
Mr. Santosh Pradhan	Additional Director – Non Executive Independent
Mr. Sanjay Sharma	Chief Financial Official
Mrs. Garima Singh	Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s. Nemani Garg Agarwal & Company
Chartered Accountants
1517, Devika Towers, 6,
Nehru Place, New Delhi - 400051.
Ph. No.: 011 26448022/ 33, 9811026144
Email: sknemani@sknemani.com
FRN: 010192N

BANKERS

Allahabad Bank
ICICI Bank
HDFC Bank

REGISTERED OFFICE

703, Arunachal Building,
19, Barakhamba Road,
Connaught Place, New Delhi-110001
Email: info@mpsinfotec.com
Website: www.mpsinfotec.com
CIN: L30007DL1989PLC131190
ACTIVE compliance - ACTIVE compliant

SUBSIDIARIES

- Axis Convergence Inc, Mauritius
  Level 2, Max City Building, Remy, Olliver Street. Port Louis, Mauritius
- Greenwire Network Ltd., Hongkong
  Block A, 15/F, Hillier Commercial Building, 65-67, Bonham Strand East, Sheung Wan, Hongkong
- Opentech Thai Networrk Specialists Co. Ltd.
  8/5, Soi Sukhumvit, 28 (Bannasarn), Sukhumvit Rd., Kolngton, Kolngtoey, Bangkok, Thailand

COMMITTEE OF BOARD

AUDIT COMMITTEE

- **Mrs. Madhu Sharma – Chairperson**
- **Mr. Manoj Kumar Jain – Member**
- **Mr. Peeyush Kumar Aggarwal – Member**

NOMINATION & REMUNERATION COMMITTEE

- **Mrs. Madhu Sharma – Chairperson**
- **Mr. Manoj Kumar Jain – Member**
- **Mr. Rachit Garg – Member**

CORPORATE SOCIAL RESPONSIBILITY

- **Mrs. Madhu Sharma – Chairperson**
- **Mr. Peeyush Kumar Aggarwal – Member**
- **Mr. Manoj Kumar Jain – Member**

STAKEHOLDERS' RELATIONSHIP COMMITTEE

- **Mr. Rachit Garg – Chairperson**
- **Mr. Peeyush Kumar Aggarwal – Member**
- **Mr. Manoj Kumar Jain – Member**

RISK MANAGEMENT COMMITTEE

- **Mr. Manoj Kumar Jain – Chairperson**
- **Mr. Peeyush Kumar Aggarwal – Member**
- **Mrs. Madhu Sharma – Member**

NOTICE OF 31ST ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty First Annual General Meeting of MPS Infotecnics Limited shall be held on Wednesday the 30th day of December, 2020, at 10:00 AM at the Registered Office of the Company situated at 703, Arunachal Building, 19 Barakhamba Road, New Delhi-110001 to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of Financial Statements

To receive, consider and adopt Standalone & Consolidated Annual Financial Statements, comprising of Audited Balance Sheet of the Company as at 31st March, 2020, the Statement of Profit and Loss and Cash Flow Statement for the year ended on 31st March 2020 together with the Report of the Board of Directors and Auditors thereon.

Item No. 2: Re-Appointment of Mr. Ram Niwas Sharma (DIN: 08427985) as Director of the Company liable to retire by rotation

To consider and if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

"RESOLVED THAT, pursuant to the provisions of sub-section (6) of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 the consent of the members of the Company be, and is hereby accorded to the re-appointment of **Mr. Ram Niwas Sharma (DIN: 08427985), the retiring Director,** as a director of the Company liable to retire by rotation.**"**

SPECIAL BUSINESS

Item No. 3: Re-Appointment of Mr. Peeyush Kumar Aggarwal (DIN: 00090423) as Managing Director of the Company

To consider and, if thought fit, pass, with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 196, 197, Schedule V and any other applicable provisions of the Companies Act, 2013 ("Act") read with rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and subject to the approval of Central Government, if any, the approval of members be and is hereby accorded to the re-appoint Mr. Peeyush Kumar Aggarwal as Managing Director of the Company for a period of 3 Years with effect from 3rd January 2021 at a remuneration fixed by the Board on the recommendation of the Nomination & Remuneration Committee and on such terms and conditions mutually agreed upon by the Board and Mr. Peeyush Kumar Aggarwal as specified on the Explanatory Statements pursuant to the provisions of sec 102 (1) of the companies act, 2013 annexed to this Notice.

FURTHER RESOLVED THAT the Board be & is hereby authorize to alter the terms & conditions of the appointment and/or remuneration as fixed by the Board, subject to the same not exceeding the limit as specified under section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force).

Terms and Conditions of Appointment:

(i) Tenure:

Upto Three (3) years w.e.f. 3rd January 2021 or as may be decided by the Board of Directors. His period of office shall not be liable to determination by retire of directors by rotation

(ii) Remuneration:

At present NIL for his tenure of three (3) years commencing from 3rd January 2021.

(iii) Functions:
Mr. Peeyush Kumar Aggarwal shall discharge such duties and functions as may be assigned to him by the Board of Directors from time to time.

(iv) Sitting Fees:
No sitting fees shall be paid to Mr. Peeyush Kumar Aggarwal at present to attend the Board Meetings/Committee Meetings of the Directors.

(v) Termination:
The appointment of Mr. Peeyush Kumar Aggarwal as Managing Director may be terminated by either party by giving to the other one month notice in writing.

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or the Company Secretary of the Company, be and are hereby severally authorized to file the necessary forms with the office of the Ministry of Corporate Affairs, Delhi and are further authorized to complete the other necessary formalities as are required to give effect to above resolutions."

Item No. 4: Re-Appointment of Mrs. Madhu Sharma (DIN: 06947852) as an Independent Director.
To consider and, if thought fit, pass, with or without modification, the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mrs. Madhu Sharma (DIN: 06947852), who holds office of Independent Director up to the date of this Annual General Meeting (i.e. Thirty First Annual General Meeting) and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the approval of members be and is hereby accorded to the re-appointed of Mrs. Madhu Sharma (DIN: 06947852) as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years commencing from the date of this Annual General Meeting (i.e. Thirty First Annual General Meeting) up to the date of the Thirty Sixth (36th) Annual General Meeting of the Company to be held in the financial year 2025.**"**

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Item No. 5: Appointment of Mr. Santosh Pradhan (DIN: 00354664) as an Independent Director of the Company:
To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 149, 160, Schedule IV, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 ('the Act') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015'), as amended time to time, the approval of members be and is hereby accorded to the appointment of Mr. Santosh Pradhan (DIN: 00354664), who was appointed as an Additional, Independent Director to fill the vacancy caused due to resignation of Mr. Shatrughan Sahu, (Independent Director) for the remaining term of Mr. Shatrughan Sahu, in respect of whom the Company has received a notice in writing from a Member

under Section 160 of the Act, signifying its intention to propose Mr. Santosh Pradhan (DIN: 00354664) as a candidate for the office of Independent Director of the Company & who has submitted his Consent pursuant to Section 152 (5) and Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 & a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act & Regulation 16 (1) (b) of the Listing Regulations, 2015, as an Independent Director of the Company for the remaining term of Mr. Shatrughan Sahu i.e. till the Annua General meeting to be held in 2024.

"**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or the Company Secretary of the Company, be and are hereby severally authorized to file the necessary forms with the office of the Ministry of Corporate Affairs, Delhi and are further authorized to complete the other necessary formalities as are required to give effect to above resolutions."

Item No. 6: Approval of Related Party Transactions
To consider and if thought fit, to pass with or without modification following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 & Regulation 23(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2014, as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board) to enter into contracts/ arrangements/agreements/ transactions (including any modifications, alterations or amendments thereto) in ordinary course of business and on arm's length basis with related parties as defined under the Act with respect to Sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related party to any office or place of profit in the company, or its subsidiary or associate company or any other transactions of whatever nature with related parties with effect from the conclusion of this Annual General Meeting till the conclusion of the Annual General meeting to be held in the calendar year 2021 up to the maximum 100 crore as provided in the Explanatory statement forming part of this Notice.

FURTHER RESOLVED THAT the Board of Directors of the company, be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds and things that may be necessary proper, desirable or expedient and to execute all documents, agreements and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

Item No. 7: To consider and approve disinvestment in subsidiaries of the company
To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution for Borrowing the money:

"RESOLVED THAT pursuant to Section 180 (1) (a) and Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and subject to all other applicable provisions of the Companies Act, 2013, if any, (Including any statutory modifications, or re-enactment thereof for the time being in force), Regulation 24(5) and any other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999 and Rules and Regulations made thereunder, the provisions of the Memorandum and Articles of Association of the Company, and other applicable statutory provision and regulations, if any, as amended from time to time, and subject to the necessary registration approvals, consents, permissions and sanctions required, if any, and/or other institutions or bodies, statutory authorities, and such conditions or modifications as may be prescribed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the powers conferred by this resolution), consent of members be and is hereby accorded, including confirmation of actions taken hitherto to the Board to sell / disinvest by way of the sale, transfer or disposal of the entire or

substantially the entire shareholding of the Company in one or more trenches at a price determined as per RBI guidelines and on such terms and conditions and with such modifications, as may be required by any of the concerned authorities or as the Board of the company may deem fit and appropriate in the interest of the Company in wholly owned subsidiaries of the company namely, Axis Convergence INC., Mauritius; Greenwire Network Ltd., Hongkong; and Opentech Thai Network Specialists Co. Ltd., Thailand.

"RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company:

1. to do all such acts, deeds, matters and things including but not limiting to deciding the time when the disinvestment be done by the Company;
2. the manner of disinvestment , extent of disinvestment , other incidental and ancillary activities thereto, determining such other terms and conditions relevant to the disinvestment;
3. negotiating and finalizing the terms of sale, negotiating, finalizing and executing share sale purchase agreement(s) by whatever name called, such other agreements, deeds, documents, indemnities, contracts, declarations, undertakings, forms, letters, and such other papers as may be necessary , desirable, and expedient to be agreed, signed and executed;
4. to determine the final consideration / pricing;
5. to make all such filings, and applications, for the statutory / regulatory and other approvals as may be required in the matter and to complete the aforesaid transaction.

RESOLVED FURTHER THAT all acts, deeds, matters and things, either verbal or written or otherwise, already done by the Company and/or any of its Directors and/or Officers and/or representatives for and in the name of the Company in this regard be and the same are hereby noted, ratified and approved.

By the Order of the Board of Directors
For MPS Infotecnics Limited
SD/-
Peeyush Kumar Aggarwal
Chairman & Managing Director
DIN:00090423

Date: 30th November 2020
Place: New Delhi

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out the details relating to the Special Businesses to be transacted at the Annual General Meeting, is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 a person shall not act as proxy for more than fifty (50) members and hold in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. A blank proxy form is being sent herewith. The instrument appointing proxy, duly stamped completed and signed should be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the meeting. Proxies submitted on behalf of companies must be supported by appropriate resolution issued on behalf of the nominating companies. All alterations made in the Form of Proxy should be initialed.

4. Corporate Members intending to send their authorized representative to attend the meeting are requested to send (in advance) at the Registered Office of the Company, a duly certified copy of the

relevant Board Resolution / Letter of Authority / Power of Attorney, together with the respective specimen signatures of those representative(s), pursuant to Section 113 of the Companies Act, 2013, authorizing their representative(s) to attend and vote on their behalf at the Annual General Meeting.

5. The Attendance Slip and a Proxy Form with clear instructions for filing, stamping, signing and/or depositing the Proxy Form are enclosed. Members /Proxy holder must bring the attendance slip (attached herewith) duly signed in accordance with their specimen signature(s) registered with the Company / Depository, to the meeting and handover it at the entrance of the meeting hall. The Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

6. Route map and details of prominent land mark of the venue of the meeting is provided on the Attendance slip and forms part of the Notice calling the Annual General Meeting.

7. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and the Share Transfer books of the Company will remain closed from Thursday, September 24, 2020 to Wednesday, September 30, 2020 (both days inclusive).

8. Inspection:
   (a) All the documents referred to in the Notice and Annual Report are available for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) from 1 P.M. to 4 P.M. up to the date of the Annual General Meeting.
   (b) The Register of Directors' and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.
   (c) A member can inspect the proxies lodged at any time during the business hours of the Company from the period beginning 24 hours before the time fixed for the commencement of the Annual General Meeting and ending with the conclusion of the said meeting, provided he / she has given to the Company a notice, in writing, of his intention to inspect not less than three days before the commencement of the said meeting.
9. Members desirous of obtaining any information / clarification concerning the Financial Statements for the Financial Year ended March 31, 2020, of the Company, may send their queries in writing at least seven days before the Annual General Meeting to the Company Secretary at the Registered Office of the Company or at E-Mail Id: info@mpsinfotec.com.

10. Additional information, pursuant to the Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on Director recommended by the Board for re-appointment at the Annual General Meeting forms part of the Report on Corporate Governance annexed with the Annual Report. The Directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the rules made there under.

11. The Green Initiative introduced by the Ministry of Corporate Affairs, The Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent in electronic mode to members whose E-Mail address are registered with the Company or the Depository Participants. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their E-Mail address with the Company or the Depository Participants or from whom the Company has received a request for a physical copy of the Annual Report. The said documents are also available for download and may also be accessed on the website of the Company viz. www.mpsinfotec.com under "Investor Zone"

12. Members are requested to notify immediately about any change in their postal address/ E-Mail address /bank details to their Depository Participant (DP) in respect of their shareholding in Demat mode and in

respect of their physical shareholding to the Company's Registrar and Share Transfer Agent, viz. M/s MAS Services Limited having its office at T-34, IInd Floor Okhla Industrial Area Phase-II New Delhi-110020.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the RTA.

14. Members may also note that the Notice of the 31st AGM and the Annual Report 2020-2021 will be available on the Company's website, www.mpsinfotec.com as well as on the Stock Exchange Websites i.e., www.nseindia.com & www.bseindia.com .

15. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.

16. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send share certificates to the Company for consolidation into a single folio.

17. Members who hold shares in physical form are advised to convert their shareholding in dematerialized form with their depository participant as shares in physical form cannot be traded in terms of SEBI notification bearing no. SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018. The said notification is available on SEBI's website, "www.sebi.gov.in".

18. In all correspondences with the Company, members are requested to quote their account/folio numbers and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID No.

19. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / Demat form, the nomination form may be filed with the respective Depository Participant.

20. Voting through electronic means:

Instructions for Shareholders / Members voting electronically are as under::

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 31st Annual General Meeting to be held on Wednesday, December 30, 2020, at 10:00 a.m. The Company has engaged the services of the Central Depository Services Limited (CDSL) to provide the e-voting facility. The Notice is displayed on the Company's website, www.mpsinfotec.com , and on the website of CDSL, www.evotingindia.com .The e-voting facility is available at the link, www.evotingindia.com .

1. Voting, either through electronic voting system or ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting;
2. The members who have cast their vote by remote-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again;
3. The e-voting will commence at 9.00 a.m. on December 27th , 2020 and will end at 5.00 p.m. on December 29th ,2020.
4. The shareholders should log on to the e-voting website www.evotingindia.com.
5. Click on Shareholders.
6. Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

7. Next enter the Image Verification as displayed and Click on Login.
8. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
9. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both de-mat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your d-emat account or in the company records in order to Login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

10. After entering these details appropriately, click on "**SUBMIT**" tab.
11. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in de-mat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the de-mat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
12. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
13. Click on the EVSN: 201130003
14. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
15. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
16. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
17. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
18. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
19. If a de-mat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
20. **Note for Non –Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.comand register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.comand on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same

21. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com , under help section or write an email to helpdesk.evoting@cdslindia.com .

General guidelines for shareholders

i) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/ JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to agrawal.kundan@gmail.com with a copy marked to www.evotingindia.com.

ii) It is strongly recommended that you do not to share your password with any other person and take utmost care to keep your password confidential. Log in to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details / Password?' or the 'Physical User Reset Password?' option available on www.evoting.nsdl.com, to reset the password.

iii) The e-voting period commences on 27th December, 2020 (9:00 a.m. IST) and ends 29th December, 2020 (5:00 p.m. IST). During this period, members of the Company holding shares either in physical or dematerialized form, as on the relevant date i.e. 18th December 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. A member will not be allowed to vote again on any resolution on which a vote has already been cast. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice convening the AGM and up to the cut-off date i.e. 18th December 2020, may obtain his login ID and password by sending a request at www.evotingindia.com.

iv) The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the relevant date i.e. 18th December 2020.

''ANNEXURE TO THE NOTICE''

EXPLANATORY STATEMENT PURSUANT TO SEC.102 OF THE COMPANIES ACT, 2013

Item No.2

Pursuant to the provisions of Section 152 and applicable provisions of the Companies Act, 2013 and the Company's Articles of Association, not less than two-thirds of total number of Directors of the Company shall be liable to retire by rotation. One third of these Directors must retire from office at each AGM, but each retiring director is eligible for re-election at such meeting. Independent directors are not subject to retirement by rotation.

Mr. Ram Niwas Sharma is a Non-Executive Director & Non-Independent Director of the Company. At the Thirty (30^{th}) Annual General Meeting of the Company held on September 30, 2019, Members of the Company had approved appointment of Mr. Ram Niwas Sharma (DIN -08427985) as a Non-Executive Director of the Company, liable to retire by rotation.

Pursuant to the provisions of Section 160 of the Companies Act, 2013 as amended, the Nomination and Remuneration Committee, in its meeting held on 10^{th} August, 2020 has recommended the candidature of Mr. Ram Niwas Sharma for the office of Director, to be re-appointed as such under the provisions of Section 149, 152 (6) of the Companies Act, 2013.

The Company has received from, Mr. Ram Niwas Sharma, (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of the Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Ram Niwas Sharma, Non-Independent Non-Executive Director proposed to be re-appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under. Mr. Ram Niwas Sharma is liable to retire by rotation pursuant to the provisions of sub-section (6) of Section 152 of the Companies Act, 2013.

Brief Profile of Mr. Ram Niwas Sharma:- Mr. Ram Niwas Sharma has extensive experience of more than 22 years in Stock Market and Broking in India & have a proven track record in business administration.

Mr. Ram Niwas Sharma is not holding chairpersonship and/or membership in any of the committees of any other Listed Entities.

Mr. Ram Niwas Sharma has given his consent to act as Director pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and DIR-3 KYC pursuant to Rule 12A of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. Ram Niwas Sharma is not disqualified to be appointed as Director pursuant to Section 164 of the Companies Act, 2013 read with Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. Ram Niwas Sharma (having DIN: 08427985) does not have any relationship with any of the existing Directors and Key Managerial Personnel of the Company & does not hold any share in the MPS Infotecnics Limited.

Mr. Ram Niwas Sharma holds directorship in following companies:

- Neelabh Spinning Mills Private Limited
- Omkam Pharmaceuticals Private Limited
- Omkam Retreat Private Limited
- Omkam Inns Private Limited
- Omkam Resorts Private Limited
- Onshore Shipping Limited
- Heritage Corporate Services Limited

- Square Yards Estates Private Limited
- Radsun Technologies Limited
- Omkam Securities Private Limited
- Omkam Consultancy Private Limited

Mr. Ram Niwas Sharma does not hold any shares in the Company. Your directors are of the view that company would be immensely benefitted by the expertise and guidance of Mr. Ram Niwas Sharma and therefore recommend his appointment and approval of the resolution contained in Item No. 2 of this Notice convening the Annual General Meeting.

Except Mr. Ram Niwas Sharma, being an appointee, none of the Directors, Key Managerial Personnel of the company and their relatives, is concerned or interested, financial or otherwise in the resolution set out in item no.2.

The Board of Directors recommends the resolution for approval by the members.

Item No.3

Mr. Peeyush Kumar Aggarwal (DIN: 00090423) was appointed as a Managing Director in 29th Annual General Meeting of the Company w.e.f 3rd January, 2018 for a period of three years.

Mr. Peeyush Kumar Aggarwal is a Promoter, Director of the Company and associated with the Company since January, 1989. In his able leadership the performance of the Company has been satisfactory.

The present terms of appointment of Mr. Peeyush Kumar Aggarwal (DIN: 00090423) is expiring on 3rd January, 2021. Keeping in view his vast experience, role and responsibilities, leadership capabilities, entrepreneurship skills, and contribution in the performance of the Company, the Board of Directors of the Company at their meeting held on November 11, 2020 have, on the recommendation of the Nomination and Remuneration Committee re-appointed Mr. Peeyush Kumar Aggarwal (DIN:00090423) as Managing Director of a Company for a further period of Three years with effect from January 04, 2021 on the terms and conditions mentioned below. The said appointment is subject to the approval of the Members of the Company in General Meeting.

Brief Profile of Mr. Peeyush Kumar Aggarwal

Mr. Peeyush Kumar Aggarwal, Aged about 60 years, is a fellow member of the Institute of Chartered Accountants of India. He has extensive experience of over 31 years in the field of Finance and Taxation; Corporate Laws; Project Management; strategic business planning etc. He is first generation Entrepreneur having a clear business vision. His business interests today are in the areas of Information Technology; Telecom; VAS; Animation and Gaming; Digital Cinema; Pharma; Real Estate; Construction & Hospitality; Garment Exports; and Broking (Shares, Commodities, Insurance). Mr. Peeyush Kumar Aggarwal, has given his consent to act as Managing Director of the Company and the Nomination and Remuneration Committee has recommended the appointment of Mr. Peeyush Kumar Aggarwal, as Managing Director of the Company.

The terms of appointment and Remunerations of Mr. Peeyush Kumar Aggarwal as Managing Director of the Company are as under:

(i) Tenure:

Upto three years as may be decided by the Board of Directors. His period of office shall not be liable to determination by retire of director by rotation.

(ii) **Remuneration**:

At present NIL for his tenure of three years. However, the Board or any Committee thereof in its absolute discretion may from time to time review the salary that may be payable to Mr. Peeyush Kumar Aggarwal subject to the provisions of Section 196 and 197 and Schedule V of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

(iii) **Functions**:

Mr. Peeyush Kumar Aggarwal shall discharge such duties and functions as may be assigned to him by the Board of Directors from time to time.

(iv) Sitting Fees:

No sitting fees shall be paid to Mr. Peeyush Kumar Aggarwal at present to attend the Board Meetings/ Committee Meetings of the Directors.

(v) **Termination**:

The appointment of Mr. Peeyush Kumar Aggarwal as Managing Director may be terminated by either party by giving to the other party one month's notice in writing.

As on 31st March 2020 Mr. Peeyush Kumar Aggarwal, Director, holds directorship and membership of the Committees of the Board of the under stated other companies including MPS Infotecnics Limited in India:

DIRECTORSHIP DETAILS IN LISTED COMPANIES

- MPS Infotecnics Limited
- Interworld Digital Limited
- Advik Laboratories Limited – As Managing Director

DIRECTORSHIP DETAILS IN OTHER UNLISTED / PRIVATE LIMITED COMPANIES

- Onus Plantations and Agro Limited
- Nirvana Biosys Private Limited
- Prashant Softwares Private Limited
- MPS Exim Private Limited
- Harsimrat Investments Private Limited
- Advanta Buildwell Private Limited
- Bhikshu Enterprises Private Limited
- Powersoft Solution Private Limited
- MPS Fashions Private Limited
- Welcome Builders Private Limited
- Omkam Capital Markets Private Limited
- Omkam Developers Limited
- Ontime Cargo and Couriers Private Limited
- Omkam Commodities Private Limited
- Omkam Securities Private Limited
- Omkam Global Capital Private Limited

Committee Details:

Mr. Peeyush Kumar Aggarwal is Member of following committees:

Company Name	Designation
MPS Infotecnics Ltd. – Managing Director	Member of Audit Committee Member of Shareholders Relationship Committee Member of Risk Management Committee Member of Corporate Social Responsibility
Interworld Digital Limited – Non Executive Director	Member of Audit Committee
Advik Laboratories Ltd. – Managing Director	Member of Audit Committee Member of Shareholders Relationship Committee

Yours directors are of the view that the company would be immensely benefited by the expertise and guidance of Mr. Peeyush Kumar Aggarwal and therefore recommends his approval in item no. 3 of this notice convening Annual General Meeting.

Mr. Peeyush Kumar Aggarwal along with his wife Mrs. Seema Aggarwal holds 786,750,193 Equity Shares, 75,761,774 Equity Shares respectively.

Except Mr. Peeyush Kumar Aggarwal, being an appointee, none of the Directors, Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in the resolutions set out in item no. 3. The Board of Directors recommends the resolution for approval by the members.

Item No.4:

Mrs. Madhu Sharma(DIN:06947852) is an Independent Director of the Company and Chairperson of the Audit Committee ,Nomination & Remuneration and Corporate Social Responsibility (CSR) Committee of the Board of Directors. Apart from this she is also a member of Risk Management Committee.

Mrs. Madhu Sharma (DIN: 06947852) was appointed as an Independent Director of the Company at the Twenty Sixth (26th) Annual General Meeting of the Company held on 30th September, 2015, not liable to retire by rotation, to hold office for a term of five (5) consecutive years commencing from the Twenty Sixth(26th) Annual General Meeting of the Company. As per the provisions of Section 149 of the Companies Act,2013 and the Rules made there under, an Independent Director can be reappointed for a second term of maximum5 (five) years by obtaining approval of the shareholders by a way of special resolution and on disclosure of such reappointment in the Board's Report. Schedule IV of the Companies Act, 2013 provides for performance evaluation by the Board before extending the term of Independent Director.

The Board of Directors and Nomination & Remuneration Committee are of the opinion that her continued association would be of immense benefit to the Company and it is desirable that the Company continues to avail services of Mrs. Madhu Sharma as an Independent Director.

As the current term of appointment of Mrs. Madhu Sharma (DIN:6947852) is expiring at the ensuing Annual General Meeting of the Company, your Board, based on the performance evaluation and recommendation of the Nomination and Remuneration Committee of the Board and after reviewing declaration of independence received from Mrs. Madhu Sharma, recommends re-appointment of Mrs. Madhu Sharma as an Independent Director for a second term of Five (5) years commencing from the date of this Thirty First (31st) Annual General Meeting up to the Thirty Sixth (36th) Annual General Meeting of the Company to be held in the financial year 2025.Requisite consent has been received from Mrs. Madhu Sharma pursuant to provisions of Section 152 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Madhu Sharma, who is proposed to be re-appointed for the second term as an Independent Director of the Company, fulfils the conditions specified under Section 149(6), Schedule IV of the Companies Act, 2013 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is Independent of the management. Brief Profile of Mrs. Madhu Sharma is mentioned below:

Brief Profile of Mrs. Madhu Sharma (DIN: 06947852)

Mrs. Madhu Sharma aged 60 years, is Bachelor of Arts from Delhi University. She has extensive experience of almost 25 years in various aspects of management, viz. the field o Marketing and general administration.

Your Directors are of the view that Company would be immensely benefitted by the expertise and guidance of Mrs. Madhu Sharma and therefore recommend her approval, the resolution contained in item no. 4 of this Notice convening the Annual General Meeting.

As on 31st March 2020 Mrs. Madhu Sharma, Director, holds directorship and membership of the Committees of the Board of Directors of the under stated other companies including MPS Infotecnics Limited in India:

- MPS Infotecnics Limited
- Polar Marmo Agglomerates Limited
- RCC Cements Limited
- Advik Laboratories Limited
- Interworld Digital Limited

Committee Details:

Mrs. Madhu Sharma is a member of following committees.

Name of the Company	Designation
MPS Infotecnics Limited – Independent Director	Chairperson of Audit Committee Chairperson of Nomination & Remuneration Committee Member of Risk Management Committee Chairperson of Corporate Social Responsibility
Interworld Digital Limited	Member of Shareholders Relationship Committee Member of Nomination & Remuneration Committee Member of Risk Management Committee
Advik Laboratories Limited	Member of Audit Committee Member of Stakeholders Relation Committee Member of Nomination & Remuneration Committee
RCC Cements Ltd.	Member of Nomination & Remuneration Committee
Polar Marmo Agglomerates Ltd.	Chairperson of Audit Committee Chairperson of Nomination & Remuneration Committee Chairperson of Stakeholders Relationship Committee

Mrs. Sharma do not hold any shares in the Company.

Except Mrs. Madhu Sharma, being an appointee, none of the Directors, Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise in the resolutions set out in item no. 4. The Board of Directors recommends the resolution for approval by the members.

Item No.5:

he Board of Directors of the Company ('the Board') at the meeting held on 8th January, 2020, on the recommendation of the Nomination & Compensation Committee ('the Committee'), had appointed Mr. Santosh Pradhan (DIN: 00354664) as an Additional Director & AN Independent Director of the Company. Pursuant to the provisions of Section 161 of Companies Act, 2013, Mr. Santosh Pradhan shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term up to five years.

Brief Profile of Mr. Santosh Pradhan

Mr. Santosh Pradhan aged about 50 years is an undergraduate from Hindi Sahitya Sammelan. He hass rich experience of over 30 years in General Administration. He is also a Director in Public Listed and Unlisted Companies as well as in private limited companies. He brings with him vast experience which would immensely benefit the ompany in long term.

Mr. Santosh Pradhan does not hold by himself or for any other person on a beneficiary basis, any shares in the Company as per declaration given by him.

The Company has received from Mr. Santosh Pradhan (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of the Section 164 of the Companies Act, 2013 and (iii) a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 & Regulation 16 (1) (b) of the Listing Regulations, 2015.

Further Mr. Santosh Pradhan has submitted his DIR-3 KYC pursuant to Rule 12A of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. Santosh Pradhan, Director, holds directorship and membership of the Committees of the Board of the under stated companies including MPS Infotecnics Limited in India:

- MPS Infotecnics Limited
- RCC Cements Limited
- Firstbiz Network Private Limited
- E-visesh.com Limited
- Harsimrat Investments Private Limited
- YGB Technologies Private Limited
- Powersoft Solution Private Limited
- Transxs Telematics Private Limited
- Infotecnics India Limited
- Omkam Films Private Limited

Committee Details
Mr. Santosh Pradhan is a Member of Stakeholders Relationship Committee of RCC Cements Ltd.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Santosh Pradhan, are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 5 for approval of the Members.

Item No. 6
Pursuant to provisions of Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of ordinary resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule '15 of the said Rules and transactions other than in ordinary course of business and on arm's length basis.

As per regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, ("SEBI LODR") also requires that all material related party transactions shall require approval of the shareholders through ordinary resolution.

In light of provisions of Section 188 (1) of the Companies Act, 2013 and rules made there under, the Audit committee and Board of Directors of the Company have approved the transactions along with the annual limits that your company may enter with its related parties for the financial year 2020-2021.

All disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 are provided in the table appended below for the perusal of the members.

(a)

Name of the Related Party	**Nature of relationship**	**Nature of the transaction**	**Maximum Expected Value of the transactions per annum (Rs.)**	**Nature, duration of the contract and particulars of the contract or arrangement**
Mr. Peeyush Kumar Aggarwal	Key Managerial Personnel	Unsecured Loans Received	50.00 Crores	Unsecured Loans Repayable on demand or as and when the Company has surplus funds
M/s. Omkam Global Capital Private	Entities in which KMP (Mr. Peeyush	Other Payables – Unsecured	50.00 Crores	Advances from Customers for

Limited	kumar Aggarwal can exercise significant influence			development of Software

(b) **Any advance received for the contract or arrangement**-Rs. 3,81,53,579.80 (Rupees Three Cores eighty-one lacs fifty three thousand five hundred seventy nine and paise eighty only) from M/s. Omkam Global Capital Private Limited.

(c) **Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract**: All proposed transactions would be carried out as part of the business requirements of the Company and are ensured to be on arm's length basis.

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such ordinary resolution to approve any contract or arrangement, if such member is a related party.

Your Directors recommend the resolution for your approval.

Except Mr. Peeyush Kumar Aggarwal& M/s. Omkam Global Capital Private Limited& their relatives, none of the Directors, Key Managerial Persons of the Company and their relatives is/are concerned or interested in the resolution except to the extent of their shareholding.

Item No. 7.
Your company is presently engaged in System Integration and Networking Solutions (including but not limited to trading in hardware), Telecommunication; Enterprise Software; Domain Registration and web hosting; VAS and It Enabled Services.

Consequent upon merger of Axis Convergence Pvt. Ltd. with MPS Infotecnics Limited., Axis Convergence Inc. and Greenwire Network Limited became subsidiaries of the Company, whereas in Opentech Thai Network Specialists Co. Ltd., hereinafter referred to as OTNS, your company had purchased stake from the erstwhile shareholders of the OTNS and through preferential allotment of shares by OTNS and presently holds approximately 99% shares in OTNS.

Axis Convergence Inc. and Greenwire Network Ltd. are in the business of proving International Long Distance telephony. Axis Convergence Inc. was at one point in time one of the top 5 customers for Bharti Airtel and biggest player in the retail market for international voice cards. However, due to advent of free internet telephony products in the mobile phone like skype, whatsapp, etc., the overall market size gradually went low. This has led to intense competition in the market to grab as much share as possible between players and Axis Convergence Inc. and Greenwire Network Ltd. were out played by the market forces. Mobile messaging business went down gradually due to advent of mobile messaging platforms like whatsapp and many others. As the business of these two subsidiaries have come down considerably and to revival of the business of these companies would need a sizable amount of investment which in the present scenario is not feasible.

Opentech Thai Network Specialist Co. Ltd., a Thailand based company is engaged in trading in Computer Hardware and Peripherals including Networking equipments. However, the past 5 years OTNS had been incurring losses & the Net Worth of the Company had been eroded. The revival of OTNS would need considerable amount of investment which in the present scenario is not feasible.

Further your company intends to focus on its existing business; hence the board of directors in its meeting held on 10th August 2018 had decided to disinvest entirely the whole or substantially the whole of its investment in the said subsidiaries, which in the opinion of the Board is in the overall interest of the Company. The proposed Special Resolution provide adequate flexibility and discretion to the Board to finalize the terms of sale in consultation with the advisors, experts and / or other authorities as may be required.

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, as amended, a company cannot sell, lease, or otherwise dispose of the whole or substantially the whole of the undertaking without the consent of the

members by way of a special resolution at the general meeting of the Company. Further in terms of Regulation 24(5) of the Listing Regulations, 2015, as amended from time to time, a listed entity shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing special resolution in its general meeting. In view of the provisions contained in Companies Act, 2013 & Listing Regulations, 2015, the Company would require the approval of the Members of the Company through Special Resolution, for disinvesting its shareholding in the above mentioned three subsidiaries.

Accordingly, the consent of Members by way of Special Resolution is being sought for selling, transferring, the entire and/or substantially the entire shareholding in the company's wholly owned subsidiaries and / or substantially wholly owned subsidiaries.

None of the Directors and Key Managerial Personnel of the Company and their relatives, in any way and / or manner, deemed to be concerned or interested financially or otherwise, (except to the extent of their shareholding in the company) in the Special Resolution as set out in the Notice.

The Board recommends the resolution as set out in Item No. 6 of the notice for approval of the shareholders.

By the Order of the Board of Directors
For MPS Infotecnics Limited
SD/-
Peeyush Kumar Aggarwal
Chairman & Managing Director
DIN:00090423

Date: 30th November 2020
Place: New Delhi

BOARD'S REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company"), along with the Audited Financial Statements, for the Financial Year Ended March 31, 2020.

1. FINANCIAL RESULTS

The Financial Results (Standalone & Consolidated) of the Company for the period under review are as follows:

(Rs. In Lacs)

PARTICULARS (RS.)	STANDALONE		CONSOLIDATED	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Income from Operation	814.19	1700.39	814.19	1700.39
Other Income	0.29	12.49	0.29	12.49
Total Income	814.48	1712.88	814.48	1712.88
Total Expenditure	975.93	1835.52	975.93	1835.52
PBID & Tax	(161.44)	(122.63)	(161.44)	(122.63)
Interest	41.89	59.99	41.89	59.99
Depreciation	358.32	352.14	358.32	352.14
Profit before Tax	(561.66)	(534.76)	(561.66)	(534.76)
Provision for Tax	-	-	-	-
Earlier Year Tax	-	-	-	-
Deferred Tax	(230.73)	348.38	(230.73)	348.38
Profit after Tax (PAT)	(330.93)	(883.14)	(330.93)	(883.14)
Other Comprehensive Income	(1.27)	10.91	(1.27)	10.91
Total Comprehensive Income of the Year	(332.20)	(872.23)	(332.20)	(872.23)
Profit/(Loss) b/f from previous Yr.	(3168.04)	(2284.89)	(3168.04)	(2284.40)
Paid-up Equity Share Capital	37744.37	37744.37	37744.37	37744.37
Other Equity	6280.69	6612.89	7041.83	7311.64

2. DIVIDEND

In view of the losses incurred by the Company, during the year under review, the Board of Directors of the Company has decided not to recommend any dividend.

3. CAPITAL STRUCTURE

There is no change in the issued, subscribed and paid-up equity share capital of the Company.

4. GLOBAL HEALTH PANDEMIC FROM COVID-19

During the last quarter of the year under review the incidence of Covid-19 developed into global pandemic. The World Health Organization declared a global pandemic of the Novel Corona virus disease (COVID-19) on February 11, 2020. The economic impact of the 2020 Corona virus pandemic in India has been largely disruptive. India's growth in the fourth quarter of the fiscal year 2020 went down to 3.1% according to the Ministry of Statistics. The COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers. Our teams reacted with speed and efficiency, and quickly leveraged technology to shift the work force to an entirely new 'work-from-home' model. The work force was enabled in a rapid manner to work remotely and securely, thus ensuring that client commitments were not materially compromised. Continuous communication on the latest updates played a key role in enabling our employees to stay on top of the evolving situation. The Company would implement a phased and safe return-to-work plan as and when lockdown restrictions are relaxed.

5. DETAILS OF REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

The Company has not revised its Financial Statements or Board's report for any of the three preceding financial years.

6. **RESERVE**

In view of the losses, no amount is being carried to reserves.

7. **CHANGE IN THE NATURE OF BUSINESS, IF ANY.**

There is no material change in the nature of business of your company during the year under review and Your Company continues to engage itself in System Integration and Networking Solutions (Including Hardware); Enterprise Software; Domain Registration & Web hosting services; Telecommunication; VAS & IT enabled services.

With stiff competition from the organized and unorganized sectors of the IT, ITeS and Telecommunication segment, your company is exploring new avenues to generate revenues for the company. During the year under review, the company had engaged in export of mobile phones to Taiwan and Hong Kong on a trial basis. Your company, though had suffered losses in initial trades, but your company hopes to recover the losses and make good profits on continued supplies to these countries on account of better purchase prices on quantity buying. The export of Mobile phones got a set-back due to incidence of COVID-19 during the last quarter of Financial Year 2019-20 developing into a global pandemic

8. **DETAILS OF SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATOR OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTIRE**

Though there are no significant and material orders passed by the Regulator or courts or Tribunals impacting the going concern status and the Company's operations in future, yet in order to provide a true, fair and correct picture of the company, your company is providing below in brief litigations in which your company is involved, which may have an adverse impact on the company:

(A) The funds raised by the Company from GDR issue during F.Y. 2007-08 were kept in fixed deposit account with Banco Efisa, Lisbon, Portugal, as the said amount was to be deployed in terms of INFORMATION MEMORANDUM of the GDR issue. During the F.Y. 2008-09, Banco Efisa, the Bank in Portugal, wrongly debited an amount of USD 8,883,210.75 out of the balance lying in the Company's Account with the Bank. The Company has denied and disputed this debit and had initiated civil and legal action under Portuguese Law in Lisbon at Portugal.

However, during the pendency of the legal actions taken by your company under Portuguese Laws, SEBI after investigating the company's GDR issue, passed order on 6th March 2020 directing –

1) Noticee No. 1 (i.e. Your 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, (Mr. Peeyush Aggarwal – Managing Director of the Company) Noticee No. 7 (Mr. Karun Jain – Ex-director of the company) 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.

2) Noticee No. 1 (Your 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.

3) Clifford Capital Partners A.G.S.A (Noticee No. 2), Mr. Peeyush Agrawal (Noticee No. 3), Mr. Sanjiv Bhavnani (Noticee No. 4), Mr. S. N. Sharma (Noticee No. 5), Mr. Adesh Jain (Noticee No. 6), Mr. Karun Jain (Noticee No. 7) and Mr. Rajinder Singh (Noticee No. 8) 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.

Your Company, being aggrieved by the order dated 6th March 2020 passed by SEBI, is in the process of filing an appeal before the Hon'ble Securities Appellate Tribunal and also exploring possibility of preferring a Writ before appropriate authority.

Apart from the above Show Cause Notice, SEBI has also served upon the company notice to show cause as to why SEBI should not hold inquiry and impose penalty which has been suitably replied by your company. Your Company has suitably replied to the Show Cause Notice and has sought a personal hearing in the matter. Your Company is awaiting response from SEBI in this regard.

(B) Your Company had increased its Authorised Share Capital during the Financial Year 2010-11 to 2012-13 however, due to losses suffered by the company and also because of change in the global circumstances and financial constraints suffered by the Petitioner in business, the requisite e-form 5 in respect of increase in Authorised Capital could not be filed and paid. Meanwhile the schedule of fees was increased as per the Companies Act, 2013. However, the Authorised Share Capital was increased prior to the applicability of Companies Act, 2013. The company has filed a Writ Petition bearing No. WP(C) 5199 of 2015 before the Hon'ble High Court of Delhi challenging the applicability of provisions prescribed under Para 3 of Table B under Companies (Registration Offices and Fees)Rules 2014, which has been decided against the Company.

On the advice of Company's Advocates, Company Law experts, your company has preferred an appeal before the Hon'ble Supreme Court of India and the same is pending adjudication. Your Company's Counsels are of the opinion that your company has a fit case in the appeal however, in the eventuality, orders passed against the company, the same may not impact the going concern status and the Company's operations in future as necessary provision has been made in the books of the Company.

During the pendency of the Writ Petition, the Ministry of Corporate Affairs vide General Circular bearing no. 12/2020, introduced a Scheme namely "Companies Fresh Start Scheme, 2020" (hereinafter referred to as "scheme") condoning the delay in filing documents, statements, returns, etc. with the Registrar, with payment of only normal fees, (without imposition of penalties) as per the provisions of section 403 of the Companies Act, 2013. The Company intends to apply under the said scheme and file Form SH-7 for payment of dues for increase in Authorized Share Capital detailed above seeking immunity from any adverse action resulting from the delay in filing.

It is important to mention here that Clause 6(ix)(f) of the said scheme create a prejudicial discord and states that the "Companies Fresh Start Scheme, 2020" is not applicable to the cases which involves increase in authorize share capital "and also" charge related documents. In other words, Clause 6(ix)(f) of the scheme provides that all cases which involve issues related to Form SH-7 (for increase of authorized share capital) and charge related documents (CHG-1, CHG-4, CHG-8 and CHG-9)will not be covered under the scheme, as applicable in the case of Your company. As such Your Company is deprived of the benefits of the Scheme creating an unconstitutional and prejudicial division against companies, which could not file form SH-7 alongwith the companies involved in the non-filing of CHG-1, CHG-4, CHG-8 and CHG-9.

With this background, Your Company on 21st May 2020 made a representation with the Ministry to (a) modify/interpret Clause 6(ix)(f) of the "Companies Fresh Start Scheme, 2020" to include companies which had defaulted in making requisite deposit in cases of increase of Authorized Share Capital by filing of SH-7; (b)allow the applicant company to make deposit and take other requisite actions under the "Companies Fresh Start Scheme, 2020" and (c) not to take any coercive actions against the applicant company till the present application seeking permission to make deposit and take other requisite actions under the "Companies Fresh Start Scheme, 2020" is decided.

Your Company is awaiting response from the Ministry.

(C) Delay / Non-payment of Listing Fees: There is delay / Non-payment of Listing Fees due to losses suffered by the company in the past which has severely impacted the cash flows of the company. Since there has been a delay / non-payment of Listing Fees, the Stock Exchanges, in compliance of provisions contained in SEBI Circular bearing No. LIST/COMP/OPS/16/2019-2020 dated June 11, 2019, has advised the depositories to freeze the demat accounts of the Directors & Promoters of your company since December 2019. The Stock Exchanges have also suspended the trading of the scripts of the Company. Once the Listing Fees to Stock Exchanges is paid, the suspension in trading would be automatically revoked and normal trading in the scripts of Your Company would resume.

9. **BUSINESS PERFORMANCE /FINANCIAL OVERVIEW**
Your company is presently engaged on the following areas:

- ***IT Solutions & Products, which comprise of:***

System Integration and Networking Solutions (including Hardware);
Enterprise software;
Trading of UID Kit.

The entire business has three modes of execution of business i.e. Trading of Hardware and Peripherals; Establishing IT Infrastructure and Customization and up-gradation. Based on the orders, your company procures products / material from leading Dealers and Distributors of leading brands of IT and IT Infrastructure product manufacturers like HP, Samsung, LG, Lenovo, Dell, Acer, etc. thereafter the same are supplied.

Due to stiff and cut-throat competition, low margins coupled with high credit days in Computer Hardware and Peripherals your company had restrained itself doing any business during the year under review

- **IT Enabled Services comprising of:**

Domain Registration & Web Hosting Services
VAS & IT enabled Services
Software Development

SignDomains^{TM} is India's first ICANN Accredited domain registrar which offers on-line domain registration of top level domains (TLD) including .com .net .org .info .biz .in etc. to name a few. The Company has tied up with various top level TLDs and offer these TLDs to our clients through its network of over 500 Re-sellers as well as directly by the Company.

Your Company is catering to a client base of over 6500 clients, through its on-line presence and secure payment gateway. Sign Domains TM has several corporates, large portals, resellers and end-users as its clientele.

V-APPSTM is MPS's Customised Software Development Division, which provides development services on web-based and client-server technologies. With MPS's complement of software specialists, the company responds to needs, to opportunities and to challenges, providing a growing ability to support operations either on an on-site or off-shore basis in the following areas:

- New product development
- Customized products
- Product enhancement
- Modification, conversion migration of existing applications

Skills towards the use of powerful computers, advanced equipment, sophisticated software and systems development methodologies and the latest productivity tools are available with your software group to provide high-quality services in the above areas.

Your Company also offers web-hosting solutions on MPS dedicated servers located at server farms and data centres located in US. Presently your company is hosting around 250 websites which includes websites of corporates, individuals, corporations, firms, etc.

Value added services like SMS, payment gateways, messaging, e-identity management, e-commerce are available for corporate clients and other businesses.
Your Company was engaged by CSC e-Governance Services India Ltd. a Central Government organization for providing support for the implementation of the Election project in the state of Gujrat. We were also engaged by CSC e-Governance Services India Ltd. for printing of Election Cards. Currently the contract with UIDAI had not been renewed, but your company is still trading on EPIC card.

During the year under review, the company had generated revenue of Rs. 52.58 lacs, the breakup of which is as under:

Web-Hosting	Rs. 0.87 Lacs
Domain Registration-which includes exports of Rs.1.68 Lacs	Rs. 33.76 Lacs
Software Development	Rs. 17.95 Lacs
Telecom (Sale of Mobile Phones) includes export of Rs. 301.78 Lacs	Rs. 761.61 Lacs
Server Management Charges	Nil
SMS Service Charges Sale	Nil
UID Aadhar Generation & Service Revenue	Nil

- ***Telecommunication***

Your Company in the past had been offering a host of telecom enabled services to customers ranging from prepaid mobile top-up, post-paid mobile bill payment, DTH recharge, landline bill payments, data-card recharge / payments, bulk SMS, mobile application and software application. However, with stiff competition not only from the service provider themselves but also from various other e-commerce platform, very low margins, long credit days are some of the constraints with which your company was operating, due to which your company was constrained to shut down the operation.

As the overall business in this sector had considerably declined, your company's management started exploring new areas / avenues to generate revenues for long terms. With this intent in mind, your company has ventured in the field of trading in Mobile Phones in the domestic as well as in the International market.

During the year under review the revenues from Telecommunication segment (sale of Mobile handset) amounted to Rs. 761.61 lacs

During the fiscal year 2019-20, the revenues from operations (standalone & Consolidated) aggregated to Rs. 814.19 lacs (Previous year -Rs. 1700.39 lacs) registering a decline in revenues from operations by Rs. 886.20 lacs .

The Company (on standalone & Consolidated) has suffered a loss, before tax, of Rs. (561.66) Lacs and profit after tax (including other comprehensive income), of Rs. 332.20 Lacs.

The losses in the company are attributable to decline in business. Your Company is struggling to cope up with the tough Competition not only from the existing IT companies but also from small traders flooding the already saturated IT & ITeS Segment who are providing products at very low margins. The company is also facing tough competition from the players in the unorganized sector, who are operating for low margins and high credit. The management is of the view that with better utilization of resources, operations of the company will improve. The Company is also exploring other avenues of increasing its market share consequently increasing the stakeholders value.

Though the IT Solutions & Products segment has been underperforming, which is again mainly due to tough competition, low margins and long credit period yet your company is taking stern steps to increase its market share in IT Solution & Products segment and is optimistic of a steady growth in this sector in the coming years.

Majority of the revenues of the company are from the telecommunication segment, which in the recent past had been facing tough competition from the service provider as well as various e-commerce sites, which have ventured into B2B2C based multipurpose transaction platform, VAS and bill payment. The margins are very low in mobile and DTH recharge, which has resulted in company exploring other avenues to generate revenues in this sector. Which this approach in mind your company has ventured into exporting mobile phones on trial basis and in a very shorp span of time, the company has been able to export Blackberry make mobile phones aggregating to Rs. 761.61 lacs till December 2019. Though your company has suffered losses during initial trades, however, your company is optimistic to recover losses and make good profits in the times to come.

It is also important to mention here that since the outbreak of COVID-19 pandemic, which has rapidly grew into a global crisis forced governments to enforce lock-downs of all economic activities and consequent your company's focus immediately shifted to ensuring the health and well-being of all employees and consequently closed its operations and was since December 2019 when for the first time was detected in China, has not been able to export. However, the management of your company is hopeful of regaining the lost ground once the pandemic is over and normal economic activities resumes.

SEGMENT WISE PERFORMANCE

The segment wise revenues and profits / (loss) are tabulated hereunder:

			Amount (Rs. in Lacs)	
Segment	**Standalone**		**Consolidated**	
	2019-2020	**2018-2019**	**2019-2020**	**2018-2019**
IT Solutions & Products	-	11.52	-	11.52
IT Enabled Services	52.58	50.05	52.58	50.05
Telecommunication	761.61	1638.82	761.61	1638.82
Total	814.19	**1700.39**	**814.19**	**1700.39**
Segment results - Profit / (loss) (before Interest & Tax)				
IT Solutions & Products	-	(4.36)	-	(4.36)
IT Enabled Services	(6.43)	(26.27)	(6.43)	(26.27)
Telecommunication	(137.99)	(88.72)	(137.99)	(88.72)
Total	**(144.42)**	**(119.34)**	**(144.42)**	**(119.35)**
Less: Interest	41.89	59.99	41.89	59.99
Less: Other un-allocable Expenditure net off.	375.64	367.92	375.64	367.92
Add: Un-allocable Income	0.29	12.49	0.29	12.49
Profit before Tax	**(561.66)**	**(534.77)**	**(561.66)**	**(534.77)**

The decline in the business of the Company is continuing, which is mainly due to stiff competition both from the organized sector as well as unorganized sector, low margins, long credit periods, purchase of stock in cash and sale on credit; number of mobile applications for making long distance calls including video calls, various e-commerce sites which are providing similar / same services with lucrative schemes; etc. Though all the segments in which your company is operating are under performing, however, the company is exploring to venture into newer areas within the above segments to increase its revenues and consequently increase in the stakeholders value. Your company is optimistic that the steps that it is taking will eventually yield better results in the times to come. Your company has already ventured into exporting mobile phones and has started generating revenues for the company and also generating valuable foreign currency for the country.

Your Company is optimistic and expects to generate revenues in the times to come.

There are no material changes or commitments affecting the financial position of the Company between the end of the financial year and to the date of the report.

In summary, despite various limitation and adversaries which your company is facing, due to which the revenues had declined, yet your company is exploring exporting mobile phones, and also exploring newer avenues of business to increase its market share consequently increasing the stakeholders value.

10. DETAILS OF SUBSIDIARY/ JOINT VENTURE/ASSOCIATE COMPANIES

Presently your company has three (3) wholly owned foreign subsidiaries namely, M/s. Axis Convergence Inc, incorporated in Mauritius; Greenwire Network Limited, a company incorporated under the laws of Hong Kong; and Opentech Thai Network Specialists Co. Ltd., incorporated under the laws of Thailand. In the AGM held on 30th September 2019, the members, on the recommendation of the Board of Directors, had approved dis-investment in these wholly owned subsidiaries as it wanted to concentrate itself in its existing business. Your Company had deferred its decision to sell its stake as the market conditions were not conducive for such sale.

The main business of the subsidiary companies is sale & purchase of telecom services viz. International Voice minutes and promotional SMS pack. The work is online and the ground work is done by the agents / companies in their respective country. Further the management of the work is wholly software driven like SMS gateways and soft switches for voice.

Though there has not been any material change in the nature of the business of the subsidiaries, yet during the year under review, these subsidiary companies have not contributed to the consolidated revenues of the company on account to various factors some of which have already been mentioned above.

The Board of Directors of your company regularly reviews the affairs of the subsidiaries. The performance and financial position of the subsidiaries included in the consolidated financial statement is provided in accordance with the provisions of section 129(3) read with Rule 5 of the Companies (Accounts) Rules, 2014 and contains the salient features of the financial statement of the company's subsidiaries in form – AOC-1 in **"Annexure - A"** to this report.

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS 110) issued by the "The Institute of Chartered Accountants of India" and shown the financial resources, assets, liabilities, income, profits and other details of your company and its subsidiaries as a single entity, after elimination of minority interest.

In accordance with section 136 of the Companies Act, 2013 Audited Financial Statements, including the consolidated financial statements and related information of the Company and Audited Accounts of each of its subsidiaries, are available on our website www.mpsinfotec.com. These documents will also be available for inspection till the date of the AGM during business hours at our registered office in New Delhi.

11. HUMAN RESOURCES

Human resources are the set of the people who make up the workforce of an organization, business sector, industry, or economy. Human resources play an important part of developing and making a company or organization at the beginning or making a success at the end, due to the labor provided by employees. Human resources is intended to show how to have better employment relations in the workforce. Also, to bring out the best work ethic of the employees and therefore making a move to a better working environment.

At MPS attracting, enabling and retaining talent have been the cornerstone of the Human Resource function and the results underscore the important role that human capital plays in critical strategic activities such as growth. Our goal has been to create an open and safe workplace where each and every employee feels empowered to contribute to the best of their abilities, irrespective of gender, sexual preferences or any other classification that has no bearing on the employee's work output.

Your Company promotes an empowered and collaborative work environment where leaders stay engaged with the Associates and encourage them to challenge conventional thinking. Our employees are our biggest assets. To meet the evolving need of our clients, our priority is to attract and engage the best talent in the right locations with the right skills.

Your Company is committed to providing a comprehensive employment experience to Associates with the flexibility to balance both professional and personal commitments. During their tenure at the Company, employees are motivated through various skill development programs. We create effective dialogue through our communication channels to ensure that feedback reach the relevant team, including leadership. Your Company invests substantially in employee engagement to motivate employees and encourage social communication and collaboration. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

12. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company consists of six members including a woman director. The composition of the Board comprise of a Managing Director, who is promoter of the company also; two Non-independent non-executive director; and three Independent Directors.

As per the provisions of the Companies Act, 2013, Mr. Ram Niwas Sharma, retires by rotation at the ensuing AGM and, being eligible, seeks reappointment. Based on the performance evaluation and recommendation of the nomination and remuneration committee, the Board recommends his reappointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Mr. Peeyush Kumar Aggarwal (DIN: 00090423) was appointed as a Managing Director at the 29th Annual General Meeting of the Company w.e.f 3rd January, 2018 for a period of three years. The present terms of appointment of Mr. Peeyush Kumar Aggarwal (DIN: 00090423) is expiring on 2nd January, 2021. Keeping in view his vast experience, role and responsibilities, leadership capabilities, entrepreneurship skills, and contribution in the performance of the Company, the Board of Directors of the Company at their meeting held on July 30, 2020, on the recommendation of the Nomination and Remuneration Committee proposes to re-appointed Mr. Peeyush Kumar Aggarwal (DIN:00090423) as Managing Director of a Company for a further period of Three years with effect from January 03, 2021 on the terms and conditions mentioned below mentioned in the notice. The said appointment is subject to the approval of the Members of the Company in General Meeting.

Mrs. Madhu Sharma was appointed as an Independent Director of the Company in the meeting of the Board of Directors held on 2nd March 2015 and confirmed by the Members at the Twenty Sixth (26th) Annual General Meeting of the Company held on 30th September, 2015 for a period of 5 years i.e. till this Annual General Meeting. She is not liable to retire by rotation. Based on the recommendation of the Nomination and Remuneration Committee, her re-appointment for a second term of five years is being proposed at the ensuing AGM for the approval of the Members by way of Ordinary Resolution.

Mr. Shatrugan Sahu was appointed as an Independent Director of the Company at the 30th Annual General Meeting of the Company held on September 30, 2019. However, due to his pre-occupancy he had resigned from the Company. The Board of Directors in their meeting held on 18th October 2019 accepted his resignation.

Pursuant to provisions of section 161 of the Companies Act, 2013 read with second proviso to Rule 4(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the intermittent vacancy caused due to resignation of Mr. Shatrughan Sahu, was filled by the Board of Directors in their meeting held on 8th January 2020 and appointed Mr. Santosh Pradhan as an Independent Director subject to confirmation by the Members at the ensuing general meeting. Pursuant to the provisions of Section 161 of Companies Act, 2013, Mr. Santosh Pradhan holds office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director of the Company for the remaining term.

Pursuant to the provisions of Section 149 of the Act, Mrs. Madhu Sharma and Mr. Santosh Pradhan have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the

Act along with Rules framed there under and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company. No sitting fees, commission has been paid by the company to the Non-executive Director of the Company except reimbursement of expenses incurred by them.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2020 are: Mr. Peeyush Kumar Aggarwal- Managing Director, Mr. Sanjay Sharma - Chief Financial Officer, Mrs. Garima Singh - Company Secretary.

The Policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director and also remuneration for key managerial personnel and other employees, forms part of the Corporate Governance Report of this Annual Report. During the year, Performance Evaluation of Independent Directors and other Board Members as well as committees of the Board was done in terms of the Act and Regulations.

13. COMMITTEES OF THE BOARD

As on March 31, 2020, the Board had five committees namely: The Audit Committee, The Nomination & Remuneration Committee, The Stakeholders' Relationship Committee, Corporate Social Responsibility and Risk Management Committee. A majority of the committees consists entirely of independent directors.

During the year, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the Board and its committees is provided in the ***Corporate governance report*.**

14. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations., 2015.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company were evaluated, taking into account the views of executive directors and nonexecutive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

15. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the ***Board Report's***.

16. MANAGERIAL REMUNERATION

The statement containing particulars of employees as required under section 197of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However, as per the provisions of Section 136 of the Companies Act, 2013, the reports and accounts are being sent to all the members of the Company and others entitled thereto, excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company. The said information shall also be made available for inspection at the registered office of the Company during working hours.

17. BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, at http://www.mpsinfotec.com/investors_zone.

18. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As of March 31, 2020, the composition of the Board comprise of a Managing Director, who is promoter of the company also; two Non-independent non-executive director; and three Independent Directors which includes one women independent director.

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, at http://www.mpsinfotec.com/investors_zone.

There has been no change in the policy since last fiscal.

None of the directors of the Company received any remuneration or commission from Subsidiary Companies of your Company.

The details of remuneration paid to the Directors including Executive Director designated as Managing Director of the Company are given in Form MGT-9 forming part of the Directors Report.

19. BOARD & COMMITTEE MEETINGS

The board met 11 times during the financial year, the details of which are given in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

The details pertaining to the composition of the Board and that of its committees and such other details as required to be provided under Companies Act, 2013 are included in the Corporate Governance Report, which form part of Annual report.

20. MEETING OF INDEPENDENT DIRECTORS

Independent Directors of the Company met on June 1, 2020 and evaluated and reviewed the performance of non-independent directors, the Board as a whole and the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual

directors was also discussed. The Independent Directors in their separate meeting also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

From time to time familiarization program are arranged by the Company for Independent Directors with regard to their roles, rights, responsibilities with the Company, the nature of the industry in which the Company operates and business model of the Company and as and when the familiarization program are conducted the same are displayed under Investors Zone on the company's website www.mpsinfotec.com.

21. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

There are no material changes affecting the Financial Position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statement relate and the date of the Report except as mentioned at point no. 8 above titled "**details of significant and material order passed by the regulator or courts or tribunals impacting the going concern status and the company's operations in future**."

22. DIRECTOR'S RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS). The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards), Amendment Rules, 2016.The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with applicable transition guidance. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

a) in the preparation of annual accounts, the applicable accounting standard had been followed along with proper explanation relating to material departures;
b) the Directors had selected such accounting policies are consistently applied and reasonable, made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss of the Company for that period;
c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) the Directors had prepared the annual accounts on a 'going concern basis';
e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the company, work performed by the Internal, statutory and secretarial auditors and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.

23. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

24. AUDITORS

A. Statutory Auditor

There is no change in the Statutory Auditors of the Company. M/s. Nemani Garg Agarwal & Co., Chartered Accountants) Firm Registration No. 01019N continues to remains the Statutory Auditors of the Company Statutory Auditors of the Company till the conclusion of AGM to be held in 2023.

AUDITOR'S REPORT

The observations made in the Auditors' Report are as under:

I. In case of the following items shown as intangible Assets / inventory, no provision for impairment of assets has been made in accordance with accounting policies E and F (Schedule to the accounts) and applying Ind AS 36 –
   (a) Intangible Assets under development (Capital work-in-progress) - Rs. 56.44 Crores (Software development)
   (b) Software rights - Rs. 23.06 crores
   (c) Opening Stock (Source Codes) - Rs. 62.20 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. 61.75 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 accounting policies F and I (Schedule to the accounts) applying 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 realiasability 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 although provided for.

Observations made by the Statutory Auditors in their report on the consolidated financial statements:

1. The following items shown as Intangible Assets / Inventories, no provision for impairment of assets has been made in accordance with Ind AS 36 –

(a) Intangible Assets under development (Capital Work-in-progress) (software development) Rs. 56.44 Cr.;
(b) Software rights Rs. 23.06 Cr.; and
(c) Stock-in-trade (source codes) Rs. 62.20 Cr. which are being carried forward in the accounts since the last over 3 years.

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.

2. Assets of subsidiaries –

The Holding company has no subsidiaries in India; the consolidated statements include those of 3 subsidiaries in Mauritius, Hong Kong and Thailand. There have been no operations in these overseas subsidiaries since the last few years, nor is there updated information in respect thereof.

The consolidated financial statements as of 31st March 2020 include the following, pertaining to the 3 subsidiaries:

(a) Total assets of ₹. 16.78Cr. which are not material to the Group

(b) Total revenue of ₹. Nil.
(c) Net cash inflows of ₹. 0.32 Lacs for the year ended on that date.

The consolidated statements also include the holding company's share of net loss (and other comprehensive income) of ₹. NIL for the year under review.

No audit of the subsidiaries has been done either by us or by a local audit Firm; such unaudited financial statements and information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosure included in respect of these subsidiaries and our report in terms of subsections 3 and 11 of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such un-audited financial information.

(d) Investment aggregating to ₹. 61.75 Cr. in these subsidiaries, appear as "Non-current investments" (note 2) in the accounts of the Holding company for the year, at original cost.
The management has not been able to assess impairment loss, if any.

(e) There is also uncertainty in the realization of receivables of these subsidiaries, aggregating to ₹. 16.49 Cr. The management has not been able to assess impairment loss, if any.

3. Goodwill aggregating to Rs. 61.69 Cr. - In the absence of valuation reports of Goodwill, the extent of impairment and its impact, if any, on profit and loss account, reserves and surplus is not ascertained;

4. In the absence of balance confirmation, there is also uncertainty in the realization of receivables of these subsidiaries aggregating to Rs. 16.49 Cr. hence as auditors of the Company we are unable to comment and ascertain its impact on profit and loss account, reserves and surplus..

5. Disputed bank balance in overseas Bank ₹. 34.79 Cr. Funds raised by MPS from a GDR issue in FY 2007-08 were kept in an account with Banco Efisa in Lisbon, Portugal to be deployed in terms of the Information Memorandum of the GDR issue.

   During FY 2008-09, the Bank debited USD 8,883,210.75 out of the balance in this account; the company has denied and disputed this debit and initiated legal action against the Bank, under criminal jurisprudence of Portuguese Law. Based on information arising during the investigation, MPS has also initiated a civil suit against the Bank and its holding company for recovery of the disputed amount along with interest.

   Though MPS' advocates have confirmed that the chances of recovery are very high, yet in our opinion, Bank Balances in the consolidated statements are overstated to the extent of Rs. 35 Cr.

6. Other non-current assets include other loans and advances of Rs. 223.42 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.

7. Non-payment of fees to Registrar of Companies ₹. 5.86 Cr.

MPS had increased its authorized capital in stages during the period 2010 to 2013, but applicable fees were not deposited with the Registrar of Companies (RoC).

Meanwhile the schedule of fees was increased substantially by the Companies Act, 2013; MPS's writ petition challenging the revision in fees on the ground that the capital was increased prior to the 2013 Amendment, was dismissed by the Delhi High Court.

MPS has filed Special Leave Petition in the Supreme Court in April 2019 and the same is pending adjudication by the Hon'ble Apex Court.

The amount payable ₹. 5.86 Cr. (calculated as per Companies Act, 1956) appears as "other current liabilities" (notes 9 and 14); provision has been made for the additional fees, which is reflected under the head "Other Expenses – Rates & Taxes".

8. Default in deposit of Income tax dues - ₹. 20.80 Lacs

MPS had defaulted in deposit of income tax dues aggregating to Rs. 20.80 Lacs for the AY 2013-14; provision appears under the head "Short Term Provisions" (note 12).

Report of the Statutory Auditor is annexed with the Annual Report, however, as regards qualifications made by the Auditors' in their report your directors state as under:

Audit Qualification I (a) to (c) - 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 stabilizes. The management has therefore not considered any provision on account of impairment of intangible assets;
Audit Qualification II - The management is making efforts to revive the business of subsidiaries and feels confident that investment made in subsidiaries will be realized. It has therefore not made any provision on account of impairment in value of investment in subsidiaries.

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

Audit Qualification 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 center. 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.

Audit Qualification 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;

Audit Qualification VI - The Company has already provided for the amount payable towards Income Tax for AY 2013-14 along with interest hence this liability has no further impact on the profits / retained earnings of the reported period of the Company.

Board of Directors comments on the qualified report submitted by the Statutory Auditors on the Consolidated Financial Statements is as under:

Audit Qualification 1 (a) to (c) - The company will be able to take business benefits once adequate funds are realised from other assets of the Company. Adequate measures are being taken by the Company to realise these assets. The management has therefore not considered any provision on account of impairment of intangible assets.

Audit Qualification 2 (a) to (c) - The Company is making all efforts to revive the business in these subsidiaries, however, the same is possible once the Company has realised funds from other assets of the Company. The Company is also in the process of selling its investment in its subsidiaries for which consent of the members have already been obtained. The management has therefore not considered any provision on account of impairment of intangible assets

Audit Qualification 2 (d), 3 & 4 - The Company has made investments in these foreign subsidiaries which are being reflected in the consolidated financial statement as Goodwill and have been shown at cost of acquisition. The company expects to take business benefits once adequate funds are realised from other assets of these subsidiaries. The Company is also making efforts to revive the business of these subsidiaries however, due to COVID-19 pandemic, the efforts of reviving these subsidiaries have suffered a setback but the company hopes to revive the business when ever this pandemic is over. The management has therefore not considered any provision on account of impairment of intangible assets

Audit Qualification 5 - 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.

Audit Qualification 6 - 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 center. 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 and is considered to be good for recovery;

Audit Qualification 7 - 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.

Audit Qualification 8 - The Company has already provided for the amount payable towards Income Tax for AY 2013-14 along with interest hence this liability has no further impact on the profits / retained earnings of the reported period of the Company

B. Secretarial Auditor

As required under Section 204 of the Companies Act, 2013 and Rules there under, the Board has appointed M/s. Kundan Agrawal & Associates, Practicing Company Secretaries, as Secretarial Auditor of the Company for the FY 2019-20.

Annual Secretarial Compliance Report & Secretarial Audit Report

SEBI Vide its circular bearing no. CIR/CFD/CMD1/27/2019 dated February 8, 2019 mandated that all listed entities in addition to Secretarial Audit, on an annual basis, require a check by the PCS on compliance of all applicable SEBI Regulations and circulars/ guidelines issued there under:

In compliance with the said circular, M/s. Kundan Agarwal & Associates, Company Secretaries, the secretarial auditors of the Company to examine the compliance of all applicable SEBI Regulations and circulars / guidelines and provide their report. The Secretarial Auditors vide their report dated 27th July,2020, have reported that your company has maintained proper records under the provisions of SEBI Regulations and Circulars / Guidelines issued thereunder except for the following:

S. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 14 – Listing Fees & Other Charges	Not Paid	The Company has defaulted in payment of Listing Fees to BSE and NSE, therefore action has been initiated against the Company by Freezing the Demat accounts of its Promoter and Promoter Group of all debits and further equity shares of the Company are also marked as suspended for trading on BSE's web portal.
2	Regulation 34-Submission of Annual Report to the Stock Exchanges within 21 days of AGM	Delay in submission	The Company has defaulted in Submission of Annual Report to the Stock Exchange within stipulated time due to which BSE imposed a Fine of Rs.5000+18% GST i.e.Rs.5900/-.

3	Regulation 33- Financial Results	Delay in submission	The Company has defaulted in Submission of Audited Financial Results for the Quarter and Year Ended 31st March, 2019 within time due to which BSE imposed a fine of Rs.5000+18% GST i.e. Rs.5900/- and NSE imposed a Fine of Rs.25000 +18% GST i.e.Rs.29500/-

Though there has been delay in submitting certain compliances with the stock exchanges, however, there has been no non-compliance.

The Secretarial Audit Report is provided as **"Annexure-B".** There are observations, qualifications, reservation or adverse remark or disclaimer made in the Secretarial Audit Report which is enumerated hereunder:

(a) Listing fees payment to BSE is pending from last two years and that of NSE is pending for the past more than 3 years.
(b) The Company has increased its Authorized Capital from Rs. 52.45 Crores to Rs. 377.50 crores during the period of FY-2010-11 to FY 2012-13, ROC fees of Rs. 5.86 crores towards the same stands payable, under the head "Other Current Liabilities" in the financial statements.
(c) The Company has three foreign subsidiaries; however, the company is not regular in complying with RBI Directives issued in this regard as well as FEMA.
(d) SEBI vide its order dated 6th March 2020 in the matter of GDR issue of the Company, has passed following directions:

1) Noticee No. 1 (i.e. the 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, (Mr. PeeyushAggarwal – Managing Director of the Company) Noticee No. 7 (Mr. Karun Jain – Ex-director of the company) 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.
2) Noticee No. 1 (the 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.
3) Clifford Capital Partners A.G.S.A (Noticee No. 2), Mr. Peeyush Agrawal (Noticee No. 3), Mr. SanjivBhavnani (Noticee No. 4), Mr. S. N. Sharma (Noticee No. 5), Mr. Adesh Jain (Noticee No. 6), Mr. Karun Jain (Noticee No. 7) and Mr. Rajinder Singh (Noticee No. 8) 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.

The Board's comments on the observations, qualifications, reservations or adverse remark are as under:

(a) Due to considerable decline in the business of the company coupled with the funds that are available with the company are being utilized for repayments of loans from Banks. Arrangements are being made to clear the dues stock exchanges soon.
(b) & (c) As regards observations made by the Secretarial Auditor in its Secretarial Audit Report, the same has been appropriately dealt with in the Board's comments on the opinion made by the Statutory Auditors in their audit report hence the same is not being repeated herein for the sake of brevity.
(c) Your Company is in the process of filing an Appeal before the Hon'ble Securities Appellate Tribunal, Mumbai.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable mandatory Secretarial Standards.

C. *Internal Auditor*

Pursuant to the provision of the Companies Act, 2013, and Rules framed thereunder, the Board of Directors on the recommendation of the Audit Committee has appointed M/s. Sanghi & Co., Chartered Accountants as the Internal Auditor of the company for the FY 2019-20.

25. PARTICULARS OF EMPLOYEES

No employee were employed throughout the Financial Year who were in receipt of remuneration of Rs. One crore and two lakh rupees or no employee employed for a part of the financial year, was in receipt of remuneration of eight lakh and fifty thousand rupees per month.

The ratio of the remuneration of whole-time director and key managerial personnel (KMP) to the median of employees remuneration as per section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report. However, as per the provisions of Section 136 of the Companies Act, 2013, the reports and accounts are being sent to all the members of the Company and others entitled thereto, excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company. The said information shall also be made available for inspection at the registered office of the Company during working hours.

26. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at http://www.mpsinfotec.com/investorszone. The Policy intends to ensure that proper reporting approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions which are entered in the ordinary course of business and are at Arm's Length.

All Related Party Transactions that were entered into during the financial year were on an arm's length basis. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.
Except Mr. Peeyush Kumar Aggarwal and M/s Omkam Global Capital Markets Private Limited, None of the Directors have any material pecuniary relationships or transactions with the Company except to the extent of their shareholding.

Pursuant to Section 134 (3)(h) of the Companies Act, 2013 and Rules made there under, particulars of transactions with related parties as required under section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 is annexed herewith as ***"Annexure-C."***

27. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is an equal opportunity provider and consciously strives to build a work culture that promotes the dignity of all employees. As required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under, the Company has implemented a policy on prevention, prohibition and redressal of sexual harassment at the workplace.

The Company has zero tolerance on Sexual Harassment at workplace. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

28. CORPORATE GOVERNANCE

Our corporate governance practices are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. At MPS, the Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions. Our ***Corporate governance report*** together with a Certificate from the Statutory Auditors of the Company regarding Compliance of conditions of Corporate Governance as stipulated under Listing Regulations for fiscal 2020 forms part of this Annual Report.

A Certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee also forms part of Report on Corporate Governance.

29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Regulations, 2015 forms part of this Report.

30. COST RECORDS

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 (1) of the Companies Act 2013 are not applicable for the business activities of the Company.

31. RISK MANAGEMENT POLICY

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

32. ESTABLISHMENT OF VIGIL MECHANISM

The Company has laid down Whistle Blower Policy covering Vigil Mechanism with protective Clauses for the Whistle Blowers. The Whistle Blower Policy is made available on the website of the Company.

33. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in the financial statements.

34. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to section 135 of Companies Act, 2013, Company has constituted a CSR Committee and also in line with requirement CSR Policy is formed by the Company the details of which are available on the website of the Company (URL: www.mpsinfotec.com/investors zone). Due to inadequacy of profit the Company had not contribute any amount towards CSR activities as required under the CSR Rules, 2014.

The Corporate Social Responsibility Committee of the Company has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: https://www.mpsinfotec.com/investors_zone.

The company's CSR Policy intends to:

- Strive for economic development that positively impacts the society at large with minimal resource footprint.

- Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, communities, stakeholders and the society.

The Composition of the CSR Committee during the Financial Year 2019-20 was:

Mr. Peeyush Kumar Aggarwal	Managing Director and Promoter and Chairman of the Committee.
Mr. Manoj Kumar Jain	Independent Director and Member of the Committee.
Mrs. Madhu Sharma	Independent Director and Member of the Committee.

Average net profit (Loss) of the company for last three financial years: (Rs. (50,001,933.67)/-)

Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Since the average net profits for preceding 3 financial years are in negative, therefore no amount that is required to be spent by the Company as CSR expenditure.

Details of CSR spent during the financial year:
(a) Total amount to be spent for the financial year: Nil
(b) Amount unspent, if any: Nil
I Manner in which the amount sent during the financial year is detailed below:

1	2	3	4	5	6	7	8
S.No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local Area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: Direct expenditure on projects or programs overheads	Cumulative expenditure upto the reporting period	Amount spent direct or through implementing agency
Not Applicable since the company had suffered losses during the last three years							

35. DISCLOSURE REQUIREMENT

As per Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, corporate governance report with auditors' certification thereon and management discussion and analysis are attached and forms part of this report.

Details of familiarization programme of the independent directors are available on the website of the Company (URL: http://mpsinfotec.com/pdf/Familiarization-Programme-for-Independent-Directors.pdf)

Policy on dealing with related party transactions is available on the website of the Company (URL: http://mpsinfotec.com/pdf/CC/Policy-on-Related-Party-Transaction.pdf)

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and the revised Regulation 22 of the listing agreements with Stock Exchanges. (URL: http://mpsinfotec.com/pdf/CC/vigil_mechanism.pdf)

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report. The remuneration policy is also available on the company's website. (URL: http://mpsinfotec.com/pdf/Nomination-&-Remuneration-Policy.pdf)

36. DEPOSITS

Though Your Company has not accepted any fixed deposits and, as such, no amount of Principal or interest on deposits from public was outstanding as of the date of balance sheet yet pursuant to the provisions of Chapter V of the Act, below are the details relating to deposits:

S. No	Particulars	Amount *Rs. / Remarks
(a)	Accepted during the year	Nil
(b)	Remained unpaid or unclaimed as at the end of the year	Nil
I	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	N.A since the company has not accepted any deposits
	(iii) at the beginning of the year (ii) maximum during the year (iii) at the end of the year	Nil Nil Nil

37. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company is mainly engaged in the business of IT and IT enabled services, providing solutions to the customers. The operations of your Company are accordingly not energy intensive. However, adequate measures are taken to conserve energy and ensure its optimum consumption by using and purchasing energy-efficient equipments. Your Company is committed to follow a high standard of environmental protection and provision of a safe and healthy work place for our people, customers and visitors. As energy costs comprise a very small part of our total expenses, the financial impact of these measures is not material. The company has not imported any technology during the year under review.

38. RESEARCH & DEVELOPMENT

Your Company strives to deliver high quality services to its customers and in such endeavor, constantly invests in and undertakes research & development aimed at improving its solutions. MPS has a dedicated business unit for Research & Development which delivers innovative solutions to clients and also fosters R&D within all business units to create intellectual property in the form of re-usable components, frameworks, etc., which help drive greater productivity. The company is carrying on R and D in multiple forms, but all of these are focused on better efficiency through continuous improvement in processes, systems methodologies and capabilities. Your company is committed to provide I.T. solutions that are innovative and continuously upgraded in keeping with emerging technology trends by a motivated workforce that includes R and D group, on time; all the time; resulting in maximizing stake holder's value. We have continued to invest in some fundamental research involving small budget with long term perspective. In order to excel at new operations and activities MPS stress is on continuous innovation and research, based on market requirements and customer expectations.

39. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 Annual Return of the Company as at 31st March, 2019 is uploaded on the website of the Company at www.mpsinfotec.com & annexed as **"Annexure-D"**, which forms part of this report.

40. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of foreign exchange earnings and outgo are as follows:

Particulars	**Year ended 31.03.2020**	**Year ended 31.03.2019**
Foreign exchange earnings	Rs. 303.46 Lacs	Rs. 1.73 Lacs
Foreign exchange Outgo	Rs. 19.01 Lacs	Rs. 18.38

41. ACKNOWLEDGEMENTS

The Board of Directors acknowledges their deep appreciation to our customers, vendors, Financial Institutions, Business Associates, Bankers and all other Stakeholders for their continued co-operation and support to the Company.

The Board places its special appreciation and values the trust reposed and faith shown by every shareholder of the Company.

The Board places on record its deep appreciation for the cooperation extended by Auditors of the Company. Further, the Board wishes to record its deep gratitude to all the members of MPS family for their whole hearted support. The Board is also confident that the employees will continue to contribute their best in the year to come.

For and on Behalf of the Board of Directors
MPS Infotecnics Limited

SD/-	**SD/-**
Rachit Garg	**Peeyush Kumar Aggarwal**
Director	**Managing Director**
DIN: 07574194	**DIN: 00090423**

Place: New Delhi
Date: 30/07/2020

Management Discussion & Analysis Report

Industry Overview

India is regarded as the back office of the world owing mainly to its IT and ITES industry. The sector in India grew at a Compound Annual Growth rate (CAGR) of 15 per cent, which is 3-4 times higher than the global IT-ITES spend, and is estimated to expand at a CAGR of 9.5 per cent to US$ 300 billion. India is also the world's largest sourcing destination for the information technology (IT) industry, accounting for approximately 67 per cent of the US$ 124-130 billion market.

Technology has rapidly evolved for the past decade and so is the demand for Information Technology services and products leading to the industrial revolution in the Indian market. IT helped represent India as a big player in the global market is one of the finest growing economies in the world providing the high-end business solution and opening new export verticals.

Today, with 75% of global technological skilled profession India has become a global hub for the digital sourcing market and IT solutions.

The world economy was beginning to regain its vitality during the most part of this financial year, having emerged from multiple macro challenges recently. The US-China trade war and Brexit conflict continued, and the automobile slowdown caused a demand contraction in related sectors. However, a new unforeseen challenge in the form of the Coronavirus pandemic disrupted the socio-economic equilibrium, marking a turning point in world economic history.

With business of most of its clients getting impacted by the coronavirus outbreak and likely lower discretionary spending as a result, growth for India's IT services sector is going to be a big challenge in the coming fiscal.

With restriction on movement of people following the scare, Indian IT companies' ability to deliver services on-site could get severely impacted but that could be addressed to some extent by working remotely.

Most of the clients of the industry are getting impacted following the coronavirus outbreak and it will have a drastic impact on discretionary spending and some of the digital spending by clients. Probably we may see its full impact next year. Global markets such as the US, Europe and Japan are already witnessing significant slowdown in economic growth. The growth for Indian IT services industry is going to be a big challenge in the coming year as there will be significant impact on spending.

On the global economy front, IMF has predicted that the pandemic will wipe out $12 trillion over two years, with worldwide business shutdowns destroying hundreds of millions of jobs. While it expects the global growth to contract by 4.9% in calendar year 2020, China is expected to grow at 1 per cent in 2020, despite sharp contraction in the first quarter, supported in part by policy stimulus. IMF projects India's economy to decline by 4.5 % in 2020, a "historic low" following a longer period of lockdown and slower recovery than anticipated in April. However, there's a pervasive uncertainty around these forecast as it depends on the length of pandemic, social distancing norms, workplace safety and global supply chain reconfiguration

Company Profile

THE COMPANY IS PRESENTLY ENGAGED IN THE FOLLOWING AREAS:

- **IT Solutions & Products, which comprise of:**
  - Computer Hardware and peripherals
  - System Integration and Networking Solutions (Including Hardware)
  - Enterprise Software
  - Trading of UID Kit

The entire business has three modes of execution of business i.e. Trading of Hardware and Peripherals; Establishing IT Infrastructure and Customization and up-gradation. The Company procures material from leading Dealers and Distributors of leading brands of IT and IT Infrastructure product manufacturers like HP, Samsung, LG,

Lenovo, Dell, Acer, etc. Based on the orders, the company procures the goods from leading manufacturers and thereafter the same are supplied.

During the year under review your company did not generate any revenue in this segment. The reasons for under performance in this sector as the same was considered unviable due to low credit periods, purchase of products in case and sale on credit, Low Margins, tough competition from the organized and unorganized sector.

- **IT Enabled Services comprising of:**

- ✓ Domain registration,
- ✓ web hosting,
- ✓ value added services,
- ✓ site builder tool,
- ✓ site design,
- ✓ consulting services and
- ✓ infrastructure services.

- **Domain Registration & Web Hosting Services**

SignDomains^{TM} is India's first ICANN Accredited domain registrar which offers on-line domain registration of top level domains (TLD) including .com .net .org .info .biz .in etc. Catering to a global client base through its on-line presence and secure payment gateway. SignDomains^{TM} has several corporates, large portals, resellers and end-users as its clientele.

The Company has tied up with various top level TLDs and offer these TLDs to our clients through its network of over 400 Re-sellers as well as directly by the Company.
MPS offers web-hosting solutions on MPS dedicated servers located at server farms and data centres located in US.

During the year under review, the revenue generated from the segment was Rs. 11.51 lacs the breakup of which is as under:

Product	Amount in lacs
Web Hosting	Rs. 4.30 Lacs
Domain Registration – including export of Rs. 1.68 lacs	Rs. 30.33 Lacs
Software sale	Rs. 17.95 lacs
Telecom (Sale of Mobile Phones) includes export of Rs. 301.78 Lacs	Rs. 761.61 Lacs

- **VAS & IT enabled Services**

Value added services like SMS, payment gateways, messaging, e-identity management, e-commerce are available for corporate clients and other businesses.

The business of the company has considerably declined in all the sectors / areas in which it is engaged in. The main reason for the decline in the company's business is due to stiff competition not only from the organised sector but also from un-organised sector; various e-commerce portals are providing their goods and services, along with lucrative schemes and that too on payment of cash; the company's business has suffered as the company has to procure goods and services on cash and selling them on credit; there are number of mobile application available, which again provides their goods and services with lucrative discounts and schemes.

Since the company is facing stiff competition in the sectors in which it is operating, Your Company started exploring new avenues to increase its market share in the areas in which it operates. With this vision in mind your

company has ventured into trade in mobile phones, where not much investment is required and in case it is required, the investment can be recovered in short span of time.

With the above background the company has on a trial basis started exporting mobile phones since June 2019 to Taiwan and Hong Kong as well as sold mobile handsets in the Domestic Market. During the year under review, your company exported Blackberry make mobile handsets aggregating to Rs. 304.05 lacs. The Domestic sales of mobile handsets amounted to Rs. 457.57 lacs during the year under review. Your Company could not export mobile phones since December 20219 due to outbreak of COVID-19 pandemic and consequently complete lockdown imposed by the Governments across the globe to prevent the outbreak of the pandemic.

Though in the initial export trades, the company had incurred losses, however, the company hopes to recover the losses and make good profit on continued supplies to these countries on account of better purchase prices on quantity buying once the lockdown imposed by the Government is lifted.

Your Company also expects to trade mobile phones in the domestic market.

Apart from trading in Mobile phones your company is also exploring to provide consultancy and advisory services to entities in the field of Solar Power, which would include but not limited to setting up of Solar Power Plants, 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. The management of the company is in the process of negotiating with various strategic partners.

Opportunities and Challenges:

The changing economic and business conditions, rapid technological innovation, proliferation of the internet and globalization are creating an increasingly competitive environment. The role of technology has evolved from supporting corporations to transforming them. Global companies are increasingly turning to offshore technology service providers in order to meet their need for high quality and cost competitive technology solutions.
We understand that being in the IT and ITES industry, your company can encounter a wide variety of risks and challenges in their endeavor to create and maintain a seamless, successful, sustainable and scalable business.

Telecommunication
MPS's existing business model has been impacted by the uncertainty due to its high dependence on Telecommunication segment which has shown a significant decline due to various reasons, consequently losses have mounted leading to difficulty in bank financing and increasing dependence on loans from others. Your company has now diversified into export of telecommunication equipments and as well as sale of Mobile Handsets in the domestic market and exported Blackberry mobile to Hongkong and Taiwan on trial basis. Though it has suffered trading losses in initial trades, but your company hopes to recover losses and make good profits on continued supplies to these countries on account of better purchase prices on quantity buying. Your Company had also ventured into selling these mobile handsets in the domestic market as well.

Smartphones have been taking the world by storm. Earlier mobile phone advertisements talked only about the product however, these days they paint a picture of society. People can find directions on Google Maps instead of asking people.

This situation is even more widespread in India, which is the fastest-growing smartphone market in the world. India reportedly accounts for nearly 30 million smartphone purchases every quarter, and this percentage keeps increasing several times a year. According to IDC and the Ericsson Mobility Report, mobile subscriptions in India are expected to rise to 1.4 billion by 2021. Since India is a huge market for smartphones, manufacturers are aware that the wants and desires of Indian customers will have a significant impact on sales.

India is also the second-largest telecommunications market in the world (after China), with over 1.05 billion subscribers. The mobile phone market in India has grown exponentially in the past decade, and with the emergence of smartphones, the growth has increased substantially. The Indian economy is also affected by

smartphone sales, with the smartphone market accounting for a significant portion of the GDP. India is also the fourth largest economy in terms of usage of mobile applications.

Policies have been liberalized by the government which would see a strong and rapid growth of the smartphone market as there would be a huge consumer demand. The telecom industry today is among the top five employment opportunity generators in India, creating over four million direct and indirect jobs over the next few years, according to data released by Randstad India. Increase in smartphone sales and internet usage along with the government's efforts to increase the penetration of technology in rural regions have made this possible. The IDC also predicts India to overtake the US smartphone market in a few years.

Lot of factors have contributed to the rapid growth of the Indian smartphone market, but the two most important ones are the low cost of phones and their short shelf life. Our country is a cost-conscious economy, where affordable products sell the highest. Not surprisingly, the sub-10,000 segment of smartphones has seen the highest sales since 2012. Every smartphone maker wants to capitalize on the demand for budget devices with sub-10,000 offerings. From local brands to foreign brands, budget smartphones have flooded the market.

The growth of the online market has also strongly affected the smartphone industry.

With 4G services entering the Indian market, smartphone sales are expected to be at an all-time high. By 2025, India will have 700 million internet users, with the telecom market touching Rs. 10 trillion. The India government has been playing a vital role in making the country tech-savvy. Some of the policies planed by the government include providing wi fi to 550,000 villages by March 2019 and setting up a 5G India 2020 Forum for the early deployment of 5G in India.

The smartphone market in India is strong enough to ensure a healthy competition among new, upcoming, and existing brands. There are over 100 mobile phone brands in India right now, and new ones are coming up every quarter. A number of factors will ensure the market remains on an upward curve, including low smartphone penetration, ease of foreign investment in India, and the ascendency of Long-Term Evolution (LTE).

Mobile phone exports from India have witnessed a boom in 2018 with the country jumping 21 positions to the 17th spot on the exporters list. Indian companies sold mobile phones worth $1.07 bn in 2018, said a statement by the Federation of Indian Export Organizations. Mobile phone exports from India grew 17 per cent annually in the last 5 years, becoming the 23rd largest export item from the country. In July 2018, Hon'ble Prime Minister Shri. Narendra Modi inaugurated a Samsung facility in Noida which is the world's largest mobile phone manufacturing unit. The facility exports mobile handsets to overseas markets. Hong Kong, UAE, and Russia are the top 3 export destinations for Indian manufacturers.
The mobile phones exports are expected to grow further as Chinese investments in the Indian mobile phone market is likely to come in the near future, he added.

Exports of telephones for cellular networks or for other wireless networks have dramatically shot up, registering a whopping 660 per cent year-on-year growth in the last financial year 2018-19. These phones worth around $1.6 billion were exported from India in 2018-19, which were hovering around $200 million in the past few years, according to the Department of Commerce.

Indian mobile phone makers are now seeking a paradigm shift to move far beyond — 'Make in India for Global'. Buoyed by the growing demand for mobile devices on domestic turf, the mobile handset companies in India now want to tap the global markets by shifting focus to exports of the home-made phones.

To fuel further growth, the mobile handset companies are now seeking a 10-year tax holiday and reforms to focus on exports that can enable them to grow by over eleven-fold to $230 billion by 2025, a joint report by Indian Cellular and Electronics Association (ICEA) and McKinsey, that has been submitted to the government, showed.

The recommendations by the mobile handset companies also include reduction of various duties, greater flexibility in working hours, relaxing retrenchment of labour and closing of establishments rules, among others.

There is a potential to manufacture 1,250 million (125 crore) handsets by the end of 2025, the report said. This would also lead to providing an employment to about 47 lakh people across the country in assembly, programming, testing in packaging (APIP) operations in the process, it added

120 manufacturing units

It may be noted that approximately 120 manufacturing units in the mobile manufacturing segment have come up since 2014 on the back of strong domestic market demand and with the support of government policy.

22.5 crore mobile handsets made in 2017

In the last year 2017, a total of 225 million mobile handsets worth $20 billion were manufactured in 2017, with exports of around $100 million, the report showed.

Make in India vs Make for the World

India's mobile manufacturing industry currently produces primarily for the domestic market. If it continues to manufacture mobile handsets and components only for itself, it would be likely to produce only about 450 million handsets as compared with 1,250 million and employ just 80 lakh people for an industry worth nearly $80 billion by 2025.

Changes in current policies

The companies have recommended to brings changes to the current policies on taxes, labour laws and e-waste for orientation of the industry towards the global markets and to attract core manufacturing processes of global brands. Just in the Apple supplier eco-system, the top 15 component suppliers in China earned over $80 billion in annual revenues in 2016 alone, on investment of about $96 billion since 2007, the report showed.

Exciting Future

The mobile phone manufacturing industry is expected to reach a size of USD 217 billion by 2020. Moreover, rise in mobile-phone penetration and decline in data costs will add 500 million new internet users in India over the next five years. Fast Track Task Force (FTTF), under the Indian Ministry of Electronics and IT, estimates a 500 million mobile phones production in India by 2019, valued at USD 46 billion. The target is also to create a component manufacturing production worth USD 8 billion and employment worth USD 1.5 million by 2019. The factors that will ensure the market remains on an upward curve, including low smartphone penetration, ease of foreign investment in India, and the ascendency of Long-Term Evolution.

With the above background the company has on a trial basis started exporting mobile phones since June 2019 to Taiwan and Hong Kong. The exports sales made during the year under review aggregates to Rs. 761.61 lacs. Though in the initial export trades, Your company had incurred losses, however, Your company hopes to recover the losses and make good profit on continued supplies to these countries on account of better purchase prices on quantity buying.

The efforts of your company in reviving its operation in the Telecom sector got a dent due to outbreak of COVID-19 Corona Virus pandemic as your company could not generate revenues since December 2019. Your Company hopes to recover as soon as pandemic is over and the economic situation normalizes.

Despite the fact that the company is facing stiff competition, yet, Your Company is exploring new avenues to increase its market share in the areas in which it operates. Your company expects to gain substantial amount of the market share in the times to come.

SEGMENT WISE PERFORMANCE

The company is mainly operating in three segments:

- ✓ Telecommunication.
- ✓ IT Solutions & Products.
- ✓ IT enabled Services.

The segment wise revenues and profits / (loss) are tabulated hereunder:

Amount (Rs. in Lacs)				
Segment	**Standalone**		**Consolidated**	
	2019-20	**2018-19**	**2019-20**	**2018-19**
IT Solutions & Products	0	11.52	0	11.52
IT Enabled Services	52.58	50.05	52.58	50.05
Telecommunication	761.61	1,638.82	761.61	1,638.82
Total	**814.19**	**1,700.39**	**814.19**	**1,700.39**
Segment results - Profit / (loss) (before Interest & Tax)				
IT Solutions & Products	0	(4.36)	0	(4.36)
IT Enabled Services	(6.43)	(26.27)	(26.43)	(26.27)
Telecommunication	(137.99)	(88.72)	(117.99)	(88.72)
Total	**(144.42)**	**(119.35)**	**(144.42)**	**(119.35)**
Less: Interest	41.89	59.99	41.89	59.99
Less: Other un-allocable Expenditure net off.	375.64	367.92	375.64	367.92
Add: Un-allocable Income	0.29	12.49	0.29	12.49
Profit before Tax	**561.66**	**(534.77)**	**561.66**	**(534.77)**

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

Your Company has a proper and adequate system of internal controls to ensure that its assets are safeguarded and protected against loss. We have an audit committee which oversees the financial and operating reporting processes and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.

The audit committee also reviews with management and statutory auditor the adequacy of internal control systems, compliance, etc. The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. The systems and the procedures are constantly upgraded to suit the requirements.

HUMAN RESOURCE AND DEVELOPMENT

The human resources strategy enabled the Company to attract, integrate, develop and retain the best talent required for driving business growth. The sustained strategic focused to enhance employee capability, improve efficiency and groom future leaders has helped MPS (earlier Visesh) maintain its position in the IT industry.

The Company has created a performance driven environment where innovation is encouraged, performance is recognized and employees are motivated to realize their potential. Our relentless pursuit to connect with employees on a regular basis, communicate in an open and transparent manner, provide opportunities to learn and grow within the organization are yielding desired results as is evident from the high retention rates and the motivation and engagement levels of our employees. The Company considers the quality of its human resources to be its most important asset and fosters an environment that encourages and values diversity and promotes personal and professional development of employees.

Your company is privileged to have the right blend of professionals both in field of technical & other professional areas. Dedication, a positive attitude, skills and professionalism have always been the feature of our workforce at all levels of organization.

The computer has been called 'the machine that changed the world.' We believe that Information Technology has and will continue to revolutionize all aspects of human life. The Information Technology Sector in India has to take care of threats and should trap the bundle of opportunities into its basket in order to take maximum benefits of its Information Technology competitive advantage.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing company objectives, projections, estimates may be 'forward looking statements' within the meaning of the applicable security laws and regulations. Actual results could differ materially from those expressed or implied, depending upon economic conditions, changes in Government regulations and policies, demand, supply and price conditions, political and economic developments within and outside the country and various incidental factors.

The company assumes no responsibility to publicly amend, modify, or revise any forward looking statements, on the basis of any subsequent developments, information or events.

For and on behalf of the Board
SD/-
Peeyush Aggarwal
Chairman & Managing Director
DIN: 00090423

Place: New Delhi
Date: 30th July 2020

REPORT ON CORPORATE GOVERNANCE

People's Participation is the essence of Good Governance- Mr. Narendra Modi

In accordance with Regulation 34 (3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations, 2015"], the report containing the details of Corporate Governance of MPS Infotecnics Limited ("the Company"/ "MPS") are as follows:

OUR CORPORATE GOVERNANCE PHILOSPHY

Our Corporate Governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our Corporate Governance practices to ensure we gain and retain the trust of our stakeholders at all times.

MPS believes in continuous good corporate governance and always strives to improve performance at all levels by adhering to corporate governance practices, such as managing its affairs with diligence, transparency, responsibility and accountability. Your Company has, therefore, designed its systems and action plans to enhance performance and stakeholders' value in the long run.

To create a culture of good governance, your Company has adopted practices, that comprise of performance accountability, effective management control, fair representation of professionally qualified, executive, non-executive and independent Directors on the Board, adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company. The Compliance Report on Corporate Governance herein signifies compliance of mandatory requirements of Corporate Governance as provided in Chapter IV of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of MPS ('the Company'). We believe that an active, well-informed and independent board is necessary to ensure the highest standards of Corporate Governance.

At MPS, the Board of Directors ('the Board') is at the core of our Corporate Governance practice. The Board oversees the Management's functions and protects the long-term interests not only of the Shareholders but all other stakeholders.

The responsibility of the Board is to determine the overall corporate objectives and give direction and freedom to the management to achieve those objectives within a given framework. The organizational and governance structure enables an environment for value creation through sustainable and profitable growth.

The governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibilities. The governance system encourages the entrepreneurship, risk taking and growth orientation with an objective to lead full accountability enabled by appropriate empowerment.

Your Company's commitment to the principles of transparency, integrity, professionalism and accountability in all its dealings is the foundation of its continuous efforts to create sustainable value for all its stakeholders including shareholders, customers, employees and the society at large. In line with this philosophy, your Company follows highest standards of Corporate Governance practices.

The Company continues to focus its resources, strengths and strategies to achieve its vision, of becoming truly Global IT Company, while consciously taking all such actions as may be necessary in order to achieve its goal of value creation, safety in all process and operations, good governance and maximization of shareholder's wealth.

Under the overall supervision and control of the Board, the Managing Director is accountable for the overall working of the Company.

As on 31st March, 2020, the Board comprised of 6 members, of which three members are independent directors including a woman director. An independent director is the chairperson of each of the Board committees, namely Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committees.

The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Regulation 27 of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges.

BOARD OF DIRECTORS ("BOARD")

a) Composition And Category Of Directors

We believe that our Board needs to have an appropriate mix of executive, non-executive and independent directors to maintain its independence, and separate its functions of governance and management. As on March 31, 2020, Our Board Comprise of six members, out of which three are Independent Directors, which includes a woman director. The composition of the Board comprise of a Managing Director, who is promoter of the company also; two Non-independent non-executive director; and three Independent Directors.

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015") read with Section 149 of the Companies Act, 2013 ("the Act"). The Chairman of the Board Meetings is an Executive Director designated as Managing Director.

The names, designation, categories of the Directors and their shareholdings in the Company as on 31st March, 2020, are as exhibited below:

Name of the Director	*Category*	*Shareholding in the Company*
Mr. Peeyush Kumar Aggarwal (DIN-00090423)	*Managing Director & Promoter*	*78,67,50,193 Equity Shares*
Mr. Manoj Kumar Jain (DIN-018847852)	*Non-Executive Independent Director*	*82,500*
Mrs. Madhu Sharma (DIN-06947852)	*Non-Executive Independent Director*	*Nil*
Mr. Rachit Garg (DIN-07574194)	*Non-Executive Director*	*Nil*
Mr. Santosh Pradhan (DIN – 00354664)*	*Non-Executive Independent Director*	*Nil*
*Mr. Ram Niwas Sharma** (DIN – 08427985)*	*Non-Executive Director*	*Nil*

** Mr. Santosh Pradhan was appointed by the Board of Directors of the Company in their meeting held on 8th January 2020 as an Independent Director to fill the intermittent vacancy caused due to resignation of Mr. Shatrughan Sahu. Mr. Sahu was appointed by the Shareholders at the last Annual General Meeting held on 30th September 2019 and had resigned w.e.f. 13th October 2019 due to pre-occupation*

*** Mr. Ram Niwas Sharma was appointed as Non-Executive Non-Independent Directors by the Shareholders in the Annual General Meeting held on 30th September 2019*

b) Attendance of each director at the meeting of the board of directors and the last Annual General Meeting:

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Board meets once a quarter to review a Quarterly Results and other agenda items on the agenda, and also on the occasion of the AGM. Additional meetings are held when necessary. Independent Directors are expected to attend at least four quarterly board meetings and the AGM. Committees of the Board usually meet before the Board Meeting, or whenever the need arises for transacting the business.

The Board members are expected to rigorously prepare for, attend and participate in Board and applicable committee meetings.

Details of Directors' attendance at the meeting of the board of directors during the Financial Year 2019-20 and at the last Annual General Meeting, number of Directorships in other Indian companies and Committee memberships/Chairmanship held by them in Indian public companies as on 31st March, 2020 are furnished below:

Name of the Director	***No of Board Meetings held during the tenure***	***No. of meetings attended***	***Attendance at the last AGM held on 30th September 2019***	***No. of Directorship held in listed companies including this company***	***No. of committee Memberships / Chairmanships held in Public companies including this company****	
					As Chairman	As member
Mr. Peeyush Kumar Aggarwal	11	11	Yes	3	0	5
Mr. Manoj Kumar Jain	11	11	Yes	2	4	2
Mrs. Madhu Sharma	11	10	Yes	5	3	3
Mr. Rachit Garg	11	11	Yes	1	1	0
Mr. Ram Niwas Sharma#	7	7	N.A	2	0	0
Mr. Santosh Pradhan@	5	5	N.A	2	0	1

Includes only Membership / Chairmanship of Audit Committee and Stakeholder's Relationship Committee
 # Mr. Ram Niwas Sharma was appointed as Non-Executive Non-Independent Directors by the Shareholders in the Annual General Meeting held on 30th September 2019
@ Mr. Santosh Pradhan was appointed by the Board of Directors of the Company in their meeting held on 8th January 2020 as an Independent Director to fill the intermittent vacancy caused due to resignation of Mr. Shatrughan Sahu. Mr. Sahu was appointed by the Shareholders at the last Annual General Meeting held on 30th September 2019 and had resigned w.e.f. 13th October 2019 due to pre-occupation

The necessary quorum was present at all the meetings.

c) Names of the listed entities where the person is a director and the category of directorship

The names & categories of the Directors as on 31st March, 2020 are as exhibited below:

Name of the Director	**Name of the Companies**	**Designation**
Mr. Peeyush Kumar Aggarwal	MPS Infotecnics Limited	Managing Director
	Interworld Digital Limited	Non-Executive Director
	Advik Laboratories Limited	Managing Director
Mr. Manoj Kumar Jain	North Eastern Carrying Corporation Limited	Non-Executive Independent Director
	Advik Laboratories Limited	Non-Executive Independent Director
	MPS Infotecnics Limited	Non-Executive Independent Director
Mrs. Madhu Sharma	RCC Cements Limited	Non-Executive Independent Director
	Advik Laboratories Limited	Non-Executive Independent Director
	Interworld Digital Limited	Non-Executive Independent

	MPS Infotecnics Limited Polar Marmo Agglomerates Limited	Director Non-Executive Independent Director Non-Executive Independent Director
Mr. Rachit Garg	MPS Infotecnics Limited	Non-Executive Director
Mr. Ram Niwas Sharma	MPS Infotecnics Limited Advik Laboratories Limited	Non-Executive Director Non-Executive Director
Mr. Santosh Pradhan	MPS Infotecnics Limited RCC Cements Limited	Non-Executive Independent Director Non-Executive Independent Director

d) Number of meetings of the board of directors held and dates on which held:

During the Financial Year 2019-20, eleven meetings of the Board were held with a time gap of not more than one hundred and twenty days between any two consecutive meetings. These meetings were held on 30th April 2019; 30th May 2019; 10th August 2019; 13th September 2019; 18th October 2019; 13th November 2019; 8th January 2020; 12th February 2020; 29th February 2020; 7th March 2020; and 16th March 2020.

All the Directors have made necessary disclosures regarding their directorship as required under Section 184 of the Act and on the Committee positions held by them in all the companies. None of the Directors on the Company's Board hold the office of director in more than 20 Companies, including maximum 10 public companies and none of the Directors of the Company are related to each other. In accordance with Regulation 26 of the Listing Regulations, 2015 none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees (the committees being, Audit Committee and Stakeholders Relationship Committee). All Non-Executive Directors who are not Independent Directors are liable to retire by rotation.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1) (b) of the Listing Regulations, 2015 read with Section 149(6) of the Act. The maximum tenure of each Independent Director is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

e) Web link where details of familiarization programmes imparted to independent directors is disclosed

All our Directors are aware and also updated, whenever required, of their role, responsibilities, liabilities and obligations under the provisions of the Companies Act, 2013 and Rules made there under, as well as Regulation 25 of the Listing Regulations, 2015. The Independent Directors are also made aware of their roles and responsibilities at the time of their appointment and a detailed Letter of Appointment is issued to them. Familiarization programs can be accessed at http://www.mpsinfotec.com/investors_zone.html under the tab "Code of Conduct".

f) **Matrix setting out the skills/expertise/competence of the Board**:

The Board of Directors have identified the following Core Skills/ Expertise/ Competencies as required in the context of its business(es) and sector(s) for it to function effectively:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

1) Embrace the shared vision, mission and values of the organisation;

2) Knowledge of industry / sector, policies, major risks / threats and potential opportunities in which the Company operates;

3) Technical skills / experience in accounting / finance / government or public policy / economy / human resource management / strategy development and implementation / Capital planning;

4) Governance competencies like Director in large organisation, compliance focus, leadership, risk management experience, Business judgement.

Independent Directors' Meeting

Schedule IV of the Companies Act, 2013 and the Rules made thereunder mandate that the independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management.

In accordance with section 149(8) read with Schedule IV of the Companies Act, 2013 and Regulation 25(3) and 25(4) of the Listing Regulations, 2015 a meeting of the Independent Directors was held on 1st June 2020 without the attendance of the Non-Independent Directors and members of the management to review the performance of the Non-Independent, Non-Executive Directors including the Chairman of the Board and performance of the Board as a whole for the FY 2019-20 and to Assesses the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

COMMITTEES OF BOARD OF DIRECTORS

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Committees operate as empowered agents of the Board as per their terms of reference. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review.

The Board as on March 31, 2020, had five committees: audit committee, nomination & remuneration committee, stakeholders relationship committee and corporate social responsibility.

(1) AUDIT COMMITTEE

Our Audit Committee comprised of three members as on 31st March, 2020:

a) Mrs. Madhu Sharma-Chairman
b) Mr. Peeyush Kumar Aggarwal-Member
c) Mr. Manoj Kumar Jain-Member

The Company Secretary acts as the Company Secretary of the Committee.

The Primary objective of the committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The committee notes the processes and safeguards employed by each of them. Audit Committee has the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent auditors in accordance with law. All possible measures are taken by the Committee to ensure the objectivity and independence of the independent auditor. The committee is headed by an Independent Director. All possible measures taken by the committee to ensure the objectivity and independence of the independent directors.

a) Brief description of terms of reference

As per Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013, the Audit Committee has been entrusted with the following responsibilities:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of Statutory & Internal Auditor of the Company as well as Secretarial Auditor of the Company;
- Approving the payment to Statutory Auditors for any other services rendered by the Statutory Auditor
- Reviewing, with the management, the Annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
  (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
  (b) Changes, if any, in accounting policies and practices and reasons for the same;
  (c) Major accounting entries involving estimates based on the exercise of judgment by management
  (d) Significant adjustments mad in the financial statements arising out of audit findings;
  (e) Compliance with listing and other legal requirements relating to financial statements;
  (f) Disclosure of related party transactions;
  (g) Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submissions to the board for approval;
- Reviewing, with the management, the statement of use / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or a rights issue and making appropriate recommendations to the board to take steps in the matter;
- Reviewing and monitoring the auditors independence and performance and effectiveness of audit process
- Approve any subsequent modifications of transactions of the company with related parties;
- Scrutiny of Inter Corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the Internal Audit department, staff and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereof;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the Audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders, (in case of non-payment of declared dividend) and creditors;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- To review the functioning of whistle blower mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualification, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee
- Oversee financial reporting controls and process for material subsidiaries;
- Reviewing statement of significant related party transactions (as defined by the audit committee), submitted by management;

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

The Committee granted omnibus approval for the related party transactions proposed to be entered into by the Company at the beginning of the fiscal 2017. On a periodical basis, the committee reviewed and approved related party transactions.

(b) Meeting of Audit Committee and attendance of members during the year

The Committee meets at least once a quarter. As on March 31, 2020, Audit Committee of the Company comprises of the following:

S.No	Name of Member	Category	Number of meetings during the Financial Year 2019-20	
			Held	Attended
1	Mrs. Madhu Sharma	Chairman	4	4
2	Mr. Peeyush Aggarwal	Member	4	4
3	Mr. Manoj Kumar Jain	Member	4	4

During the Financial Year 2019-20 , four meetings were held on 30/05/2019, 10/08/2019, 13/11/2019 and 12/02/2020. The time gap between two meetings did not exceed 120 days. The quorum was present for all the above four meetings.

The Company Secretary acts as the Secretary of the Committee.

The Company does not have any material non-listed Indian subsidiary Company however, your company has three (3) Foreign Subsidiaries namely Axis Convergence INC, Mautitius; Greenwire Network Limited, Hong Kong; and Opentech Thai Network Specialists Co. Limited, Thailand.

The Audit Committee of the Company reviews the financial statements of its Foreign Subsidiaries periodically. Significant issues pertaining to these foreign subsidiary companies are also discussed at Audit Committee Meetings. The Performance of all its subsidiaries is also reviewed by the Board periodically.

(2) NOMINATION AND REMUNERATION COMMITTEE:

(a) CONSTITUTION AND COMPOSITION OF THE COMMITTEE

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) and (2) of the Listing Regulations read with Section 178 of the Act. The terms of reference of the NRC are as per the guidelines set out in part D (A) of Schedule II of the Listing Regulations which are as follows:

- Recommend to the board the set up and composition of the board and its committees including the *"formulation of the criteria for determining qualifications, positive attributes and independence of a director"*.
- Recommend to the board of directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees.
- Devising a policy on diversity of board of directors.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down.
- Recommend to the Board of Directors their appointment and removal.

- On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
- Oversee familiarization programs for directors.
- Recommend to the Board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

The Nomination & Remuneration Committee met four times on 30/04/2019, 10/08/2019, 26/12/2019 and 16/03/2019.

The present composition of the committee and the attendance details of the members are given below:

Name of the Member	Category	No. of meetings held during the Financial Year 2019-20	No. of meetings attended during the Financial Year 2019-20
Mrs. Madhu Sharma	Chairman	4	4
Mr. Manoj Kumar Jain	Member	4	4
Mr. Rachit Garg	Member	4	4

The Company Secretary acts as the Secretary of the Committee.

(b) PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Company has adopted a robust process for the performance evaluation of the entire Board including the Independent Directors. Please refer to the Directors' Report for details on the Performance Evaluation of the Board.

(c) REMUNERATION TO DIRECTORS

(a) Remuneration policy:

Nomination and Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component). Annual increments are decided by the Nomination and Remuneration Committee (NRC) within the salary scale approved by the members of the Company.

In terms of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, this policy on Nomination and remuneration of Directors, Key Managerial Personnel (KMP), senior management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

b) Criteria for Making Payment to the Non-Executive Directors:

The Company has a separate Policy for Remuneration of Non- Executive Directors and Employees and the same is available on the Company's website i.e. http://www.mpsinfotec.com/investors_zone under the tab "Code of Conduct".

c) **Performance Evaluation Criteria for Independent Directors**:

The Company has adopted a robust process for the performance evaluation of the entire Board including the Independent Directors. Please refer to the Directors' Report for details on the Performance Evaluation of the Board.

d) Remuneration of Key Managerial Personnel and Directors:

Details of remuneration of the Key Managerial Personnel for the year ended March 31st, 2020 has been provided in MGT-9 to Board Report, which is annexed as "**Annexure – C.**"

(3) STAKEHOLDER' RELATIONSHIP COMMITTEE:

The Stakeholder's Relationship Committee comprises Mr. Rachit Garg as the Committee's Chairman and Mr. Manoj Kumar Jain and Mr. Peeyush Kumar Aggarwal as members of the Committee. The Company Secretary acts as Secretary to the Committee.

The role of Stakeholder's Relationship Committee is as follows:

- transfer/transmission of shares and such other securities as may be issued by the Company from time to time.
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Compliance Officer and/or other Officers of the Secretarial Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- To look into the redressal of shareholders complaints and enquiries and monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The Committee has periodic interaction with the representatives of the Registrar and Transfer Agent of the Company.

Meetings of the Committee are held at regular interval with regard to the volume of transfer requests received by the Company. The Company Secretary being the Compliance Officer takes personal interest in all the matters of concern for investors and reports the same to the Committee. To expedite the process of share transfers, the Board has delegated the power of share transfer to Mass Services Pvt. Ltd. viz. Registrar and Share Transfer Agent who attend to the share transfer formalities.

The Committee also ensures that the shareholders / investors' grievances and correspondence are attended and resolved expeditiously.

Meetings of Stakeholders Relationship Committee

During the F.Y ending March 31, 2020 Stakeholder' Relationship Committee comprises of following members:

S. No.	Name of Member	Category	No. of meetings held during the Financial Year 2019-20	No. of meetings attended during the Financial Year 2019-20
1	Mr. Rachit Garg	Chairman	3	3
1	Mr. Peeyush Aggarwal	Member	3	3
2	Mr. Manoj Kumar Jain	Member	3	3

The Committee meets on a need basis to ensure the regular process of transfers / transmission of shares, split, Consolidation, demat / remat and issuance of duplicate share certificate

During the financial year 2019-20 three meetings were held on 01/04/2019, 01/05/2019 and 24/05/2019.
The Company Secretary acts as Secretary to the Committee.

Details of Shareholders' complaints

There were no complaints pending at the beginning of the year under review. Your Company didn't receive any complaints during the year and there were no complaints which were pending at the end of the year under review.

(4) **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The CSR Committee was constituted in accordance with the requirements of the statutes.

The Corporate Social Responsibility Committee comprises of Mrs. Madhu Sharma as the Chairman and Mr. Manoj Kumar Jain & Mr. Peeyush Kumar Aggarwal as the members of the Committee.

The Role of Corporate Social Responsibility Committee is as follows:

a) Formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company;
b) Reviewing the performance of Company in the area of CSR;
c) Providing external and independent oversight and guidance on the environment and social impact of how the Company conducts its business;
d) Monitoring CSR Policy of the Company from time to time;

No contribution had been made by the company as your company has suffered loss during the financial year under review.

Meeting of CSR Committee and attendance of members during the year

No meeting was held during the Year under review.

The company Secretary acts as the Secretary to the Committee.

The CSR report, as required under the Companies Act, 2013 for the year ended March 31,2020 forms part of the Boards Report.

(5) RISK MANAGEMENT COMMITTEE

As on 31st March, 2020, the Risk Management Committee of the Company comprises of Mr. Manoj Kumar Jain as the Chairman and Mr. Peeyush Kumar Aggarwal & Mrs. Madhu Sharma as members of the Committee.

The role of Risk Management Committee is to:

a) Oversee the implementation of Risk Management Systems and framework;
b) Review the Company's financial and risk management policies;
c) Assess risk and procedures to minimise the same;
d) Frame, implementing and monitoring the risk management plan for the Company.

GENERAL BODY MEETING

Details of the last three Annual General Meeting and Extra-Ordinary General Meeting of the Company are as follows:

Date	Location	Time	No. of Special Resolution passed
30.09.2019	703, Arunachal Building, 19 Barakhamba Road, New Delhi-110001	10:00	2
29.09.2018	703, Arunachal Building, 19 Barakhamba Road, New Delhi-110001	10:30	1
29.09.2017	703, Arunachal Building, 19 Barakhamba Road, New Delhi-110001	11:30	0

Whether any Special Resolution passed last year through postal ballot:
No special resolution was passed through postal ballot last year.

Whether any Special Resolution is proposed to be conducted through postal ballot: No

Procedure for Postal Ballot: Not Applicable.

AFFIRMATION AND DISCLOSURE

All the members of the Board have affirmed their compliance with the Code of Conduct as on 31st March, 2020 and a declaration to that effect, signed by the Chairman and Chief Financial Officer (CEO), is attached and forms part of the Board Report.

There are no materially significant related party transactions of the Company, which have potential conflict with the interest of the Company at large. Suitable disclosure as required by accounting standard (AS) – Related party transaction has been made in Annual Report. All the Related party transaction is dealt with in accordance with the provisions of Companies Act, 2013 & Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Auditors Certificate on Corporate Governance

The Company has complied with all the mandatory- requirements of Corporate Governance, as required under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Further, as required by Schedule V of the Listing Regulations, the Auditors Certificate on Corporate Governance forms part of this Report.

The Company has complied with the requirements specified in regulations 17 to 27 and regulation 46 of the Listing Regulations, 2015.

Disclosure on Website

The following documents/information is linked with the website of the Company, i.e, www.mpsinfotec.com :-

Particulars	Web Link
Familiarization programs for independent directors	http://www.mpsinfotec.com/investors_zone.html
Policy for determining 'material subsidiaries'	http://www.mpsinfotec.com/investors_zone.html
Policy on dealing with related party transactions	http://www.mpsinfotec.com/investors_zone.html
CSR Policy	http://www.mpsinfotec.com/investors_zone.html
Code of conduct for Directors and Senior Management	http://www.mpsinfotec.com/investors_zone.html
Whistle Blower Policy/Vigil Mechanism	http://www.mpsinfotec.com/investors_zone.html
Policy for preservation and archival of documents	http://www.mpsinfotec.com/investors_zone.html
Policy on determination of materiality of events or information	http://www.mpsinfotec.com/investors_zone.html
Nomination and Remuneration Policy	http://www.mpsinfotec.com/investors_zone.html
Succession plan for appointment to the Board and senior management	http://www.mpsinfotec.com/investors_zone.html
Code of conduct for Insider Trading	http://www.mpsinfotec.com/investors_zone.html
Policy on Risk Management	http://www.mpsinfotec.com/investors_zone.html

MEANS OF COMMUNICATION

All important information relating to the Company, its financial performance, shareholding pattern, quarterly results, other information as per the Listing Regulations are regularly posted on Company's website i.e www.mpsinfotec.com. . The quarterly, half-yearly and annual financial results of the Company are published in one prominent widely circulated English newspaper and one in daily Hindi Newspaper viz. The Business Standard (English) & (Hindi).These results are also made available on the websites of the Company, BSE Limited and National Stock Exchange of India Limited. The Annual Report, Quarterly Results, Shareholding Pattern, Intimation of Board Meetings and other relevant information of the Company are posted through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) portals for investor information.

As per Regulation 47 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an extract of the detailed format of Quarterly/Annual Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are published in the newspapers. The full format of the Quarterly/Annual Financial Results is also available on the Company's website and Stock Exchange websites www.nseindia.com and www.bseindia.com.
The notice of AGM along with Annual Report is sent to the shareholders well in advance of the AGM which is also published in newspapers. In addition, the Stock Exchange is notified of any important developments that may materially affect the working of the Company. Annual report of the Company is circulated to all the members and all others entitled thereto.

GENERAL SHAREHOLDER'S INFORMATION

a)	Registered Office	:	703, Arunachal Building, 19, Barakhamba Road, New Delhi 110001
b)	Annual General Meeting • Date • Day • Time • Venue • Posting of Annual Report • Last date of receipt of Proxy Form	:	 30th December 2020 Saturday 10:30 A.M. 703, Arunachal Building, 19, Barakhamba Road, New Delhi 110001 On or before 4th December 2020 48 hours before the Meeting i.e. 28th December 2020 by 10:30 A.M.

c)	Financial Year Financial year for the period under review First Quarter Second Quarter Third Quarter Fourth Quarter	:	1st April to 31st March 1st April 2019 to 31st March 2020 1st April 2019 to 30th June 2019 1st July 2019 to 30th September 2019 1st October 2019 to 31st December 2019 1st January 2020 to 31st March 2020
d)	Dividend Payment Date	:	For the year ended March 31, 2020, the Directors have not recommended dividend.
e)	Date of Book Closure	:	The Register of members and share transfer Books of the Company shall remain closed from 23rd December 2020 to 30th December 2020 (both days inclusive)
f)	Registrar & Share Transfer Agents (RTA)	:	**Address & Contact Details** T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 Tel no. : 011-26387281-83 Fax : 011- 26387384 e-Mail :info@massserv.com
g)	Listing of Shares	:	Shares are listed on following Stock Exchanges: **1) Name: National Stock Exchange of India Ltd.** Address: Exchange Plaza, Bandra, Kurla Complex, Bandra(E) Mumbai-400051 **Stock Code: VISESHINFO** **2) Name: BSE Limited** Address: Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001 **Stock Code: 532411**
WITH EFFECT FROM 28TH AUGUST, 2000 THE SHARES OF MPS INFOTECNICS LIMITED (FORMERLY VISESH INFOTECNICS LIMITED) ARE TRADED IN DE-MAT FORM ONLY:			
h)	ISIN Code	:	INE861A01058
i)	Investor service cell & address for correspondence Address Telephone No Fax E-mail	:	 703, Arunachal Building, 19, Barakhamba Road, New Delhi 110001 +91 11 43571044 +91 11 43571047 info@mpsinfotec.com
j)	Compliance Officer	:	Mrs. Garima Singh, Company Secretary & Compliance Officer

STOCK MARKET DATA

The monthly high and low quotations and volume of shares traded at National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange Limited (BSE) are as follows:

	National Stock Exchange			Bombay Stock Exchange		
Financial Year April 2019 to March 2020	**High**	**Low**	**No. of shares traded**	**High**	**Low**	**No. of shares traded**
April, 2019	0.10	0.05	50945379	0.19	0.19	589812
May, 2019	0.10	0.05	51744646	0.19	0.19	182217
June, 2019	0.10	0.05	14995445	0.19	0.19	1084116
July, 2019	0.10	0.05	0	0.19	0.19	150431
August, 2019	0.10	0.05	22635058	0.19	0.19	75210

September, 2019	0.10	0.05	27370023	0.19	0.19	122636
October, 2019	0.10	0.05	43100011	0.19	0.19	87533
November, 2019	0.10	0.05	52462832	0.19	0.19	195068
December, 2019	0.10	0.05	54186056	0.19	0.19	927051
January, 2020	0.10	0.05	57188535	0.19	0.19	745006
February, 2020	0.10	0.05	59661069	0.19	0.19	180158
March, 2020	0.10	0.05	46804086	0.19	0.19	4181

The trading in the shares of the company is suspended since 12th March 2020.

Share Transfer System:

Share transfers, where transfer documents are found in order, are registered and returned in the normal course within a period of 15 days from the date of receipt of the documents. Any requests for Dematerialisation / re-materialization of shares are processed and confirmation is given to depositories i.e. National Securities Depositories Limited (NSDL) or Central Depositories Services (India) Limited (CDSL), as the case may be, within 30 days from the date of receipt.

Dematerialization of Shares

Pursuant to an agreement with the NSDL and CDSL, the shareholders have the option to dematerialize their shares with either of the depositories. Equity shares of the Company are actively traded at National Stock Exchange & Bombay Stock Exchange.

Status of issued capital as on 31st March, 2020:

Total Issued Capital	No. of Shareholders	No. of Shares	% to total shareholding
NSDL (Demat Form)	21974	1366828590	36.21
CDSL (Demat Form)	23654	2398790679	63.56
Physical Form	1988	8817386	0.23
TOTAL	**47616**	**3774436655**	**100.00**

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2020:

Shareholding of Nominal Value of (₹)	No. of shareholders	% to total no. of shareholders	Amount in (₹)	% to total shareholding
Upto 5000	25281	53.577	39827041	1.055
5,001-10,000	6516	13.809	54804560	1.452
10,001-20,000	4483	9.501	70020142	1.855
20,001-30,000	2163	4.584	55758521	1.477
30,001-40,000	1042	2.208	38027749	1.008
40,001-50,000	1674	3.548	81402128	2.157
50,001-1,00,000	2866	6.074	237977924	6.305
1,00,001 and above	3161	6.699	3196618590	84.691
TOTAL	**47186**	**100.00**	**3774436655**	**100.00**

***430 Shareholders are common in Demat & Physical.**

SHAREHOLDING PATTERN AS ON 31ST MARCH 2020:

Category	No. of Shares	% of total
A. Promoters	203511967	31.89
B. Non-Promoter holding		
i. Financial Institutions/banks	46750	0.00
ii. Individual	2267691713	60.08
iii. Bodies Corporate	181296410	4.80
iv. NRI's / OCB's	95713474	2.53
v. Trusts	3450	0.00
vi. Director's or Director's Relatives	3165517	0.08
vii. Employees	1165	0.00
viii. Clearing member	23006209	0.62
TOTAL	**3774436655**	**100**

Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has no GDRs/ADRs or any commercial instrument pending conversion.

Commodity price risk or foreign exchange risk and hedging activities

The Company monitors the price of key commodities closely and formulates the procurement strategies basis actual price movements / trends /projections in India and Global Markets. The Company has adequate governance structure of aligning and reviewing the procurement strategies in line with external and internal dynamics.

The Company does not hedge foreign exchange risk as the exposure is not material.

ADDITIONAL INFORMATION

Investor Relations Section

The Investors Relations Section is located at the Registered Office of the Company.

Contact Person	:	Mrs. Garima Singh Compliance Officer
Time	:	10:00 AM to 6:00 PM On all working days of the Company (except Sundays)
Telephone	:	011-43571043-44
Fax	:	011-43571047
Email	:	info@mpsinfotec.com

OTHER DICLOSURES

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

All related party transactions are placed before the Audit Committee and also the Board meeting for approval. Omnibus approval of the Audit Committee and Board was obtained on a yearly basis for the transactions which are of a foreseen or repetition nature.

Suitable disclosure as required by applicable Accounting Standards (IND AS) has been made in the notes to the Financial Statements.

The Board of Directors of the Company, on the recommendation of the Audit Committee, adopted a policy on Related Party Transactions, to regulate the transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Policy as approved by the Board is uploaded on the Company's website at www.mpsinfotec.com . The details of the Related Party Transactions in Form AOC-2 are annexed to the Directors' Report.

(b) **Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**

The Script of the Company has been suspended by the Stock Exchanges due to Non-Payment of Listing Fees pursuant of SEBI/Stock Exchange Circular bearing No. LIST/COMP/OPS/16/2019-2020 dated June 11, 2019. In terms of the said circular the depositories on the instructions of the stock exchanges where the shares of the company are listed has freezed the demat account of the Directors and Promoters of the Company. The Company is in the process of arranging funds for payment of Listing Fees, however due to spread of COVID-19 pandemic situation in the Country in general and New Delhi in particular which led to lockdown, the necessary funds could not be arranged. The Company is putting sincere efforts in raising funds for the payment of Listing Fees. As soon as the Listing Fees is paid, the trading in shares of the Company shall resume.

(c) **Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;**

In accordance with the provisions of Section 177(9) of the Companies Act 2013 and the Rules made thereunder and also Regulation 22 of the SEBI (LODR) Regulations 2015, Whistle Blower Policy of the Company can be visited at its website http://www.mpsinfotec.com/investors_zone.html under the tab "Policies". The Company has not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and it has provided protection to "Whistle Blowers" from unfair termination and other unfair or prejudicial employment practices.

(d) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

All the applicable mandatory requirements of Corporate Governance norms as enumerated under Schedule II to the SEBI (LODR) Regulations, 2015.

(e) Web link where policy for determining 'material' subsidiaries is disclosed;

The Company has no material subsidiary as defined under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended or under the Companies Act, 2013, as amended, for the year ending March 31st, 2019.

(f) Disclosure of commodity price risks and commodity hedging activities.

The Company monitors the price of key commodities closely and formulates the procurement strategies basis actual price movements / trends / projections in India and Global Markets. The Company has adequate governance structure of aligning and reviewing the procurement strategies in line with external and internal dynamics.

(g) **A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

The Certificate dated 30th July, 2020 received from M/s. Kundan Agrawal & Associates Practicing Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified

from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such Statutory Authority **"Annexure-E."**

(h) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Company has paid fees of Rs. 1,50,000/- to Statutory Auditors for all services and includes past outstanding.

(i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder and same is posted on the website of the Company and can be accessed at http://www.mpsinfotec.com/investors_zone.html. No complaint has been received during the financial year 2018-19

DISCRETAIONARY REQUIREMENTS

Furnishing of half yearly results:

The Company's half yearly results are published in the newspapers and also posted on its website i.e. www.mpsinfotec.com and are, therefore, not sent to the shareholders. However, the Company furnishes the quarterly and half yearly results on receipt of a request from the shareholders.

Reporting of Internal Auditor:

The Internal Auditor of the Company directly reports to the Audit Committee

COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the SEBI (LODR) Regulations, 2015.

"Go Green" Initiative

As a continuing endeavor towards the "Go Green" initiative, the Company has sent various notices/documents/Annual reports to the shareholders through electronic modes at their e-mail id registered with the Depository Participants. The shareholders, who have so far opted for it, are being provided these documents in electronic mode and further, the copy of such documents is also be available on the website of the Company i.e. www.mpsinfotec.com.

You are also entitled to be furnished, a physical copy of the above documents of the Company on demand. We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the Registrar and Transfer Agent of the Company, to receive soft copies of the Annual Report, Postal Ballot Notices and other information disseminated by the Company, on a real-time basis without any delay.

CEO and CFO Certification

The Certificate issued by the Managing Director (CEO) and Chief Financial Officer (CFO) certifying the accuracy of the financial statements and adequacy of internal controls for financial reporting, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended, forms part of this Annual Report.

For and on behalf of the Board
MPS Infotecnics Limited
Sd/-
Peeyush Kumar Aggarwal
Chairman & Managing Director
DIN: 00090423

Place: New Delhi
Date: 30th July,2020

Declaration as required under Schedule V Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I declare that all Board Members and Senior Management have individually affirmed compliance with the code of business conduct and ethics adopted by the company during the year 2019-20. The Code of conduct is available on the Company's website i.e. www.mpsinfotec.com.

For and on behalf of the Board
MPS Infotecnics Limited
Sd/-
Peeyush Kumar Aggarwal
Chairman & Managing Director
DIN: 00090423

Place: New Delhi
Date: 30th July,2020

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of MPS Infotecnics Ltd.

We have examined the compliance of conditions of Corporate Governance by MPS Infotecnics Ltd. for the financial year ended 31st March, 2020, as stipulated under Regulation 17 to 27 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of management. Our Examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.

We state that as per the report given by the Registrar and Transfer Agent of the Company to the Stakeholder' Relationship Committee, as on March 31, 2020, there were no investor grievance matters against the Company remaining unattended / pending for more than 15 days.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Sd/-
SK Nemani
Partner
Membership Number - 037222

Place: New Delhi
Date: 30th July, 2020

CEO & CFO Certification

To
The Board of Directors
MPS Infotecnics Limited
New Delhi

We, Peeyush Kumar Aggarwal, Managing Director & CEO and Sanjay Shama, CFO of MPS Infotecnics Limited, to the best of our knowledge and belief, certify that:

(a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2020 and:

(i) These Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These Financial Statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations;

(b) There is, to the best of our knowledge and belief, no transaction entered into by the Company during the year ended 31st March, 2020, which is fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and Audit Committee that for the year ended 31st March, 2020, there were:

(i) Significant changes, if any, in internal control over financial reporting during the year;
(ii) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
(iii) No instances of significant fraud of which we have become aware and there has been no involvement therein of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

Sd/-
Peeyush Kumar Aggarwal
Chairman & Managing Director

Sd/-
Sanjay Sharma
Chief Financial Officer

Place: Delhi
Date: 30th July, 2020

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I	**REGISTRATION & OTHER DETAILS:**	
i	CIN	L30007DL1989PLC131190
ii	Registration Date	20/01/1989
iii	Name of the Company	MPS Infotecnics Limited (formerly Visesh Infotecnics Ltd.)
v	Address of the Registered office & contact details	703, Arunachal Building 19 Barakhamba Road Connaught Place, New Delhi-110001
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Mass Services Limited T-34, II Floor Okhla Industrial Area, Phase, New Delhi-110020 Ph. No.: +91-11-26387281 82 83 Email Id: info@masserv.com
II	**PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**	
	All the business activities contributing 10% or more of the total turnover of the company shall be stated	

SL No	**Name & Description of main products/services**	**NIC Code of the Product /service**	**% to total turnover of the company**
1	IT Solutions & Products	99831327	0.00%
2	IT Enabled Services	99831326	6.46%
3	Telecommunication	99849330	93.54%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	**Name & Address of the Company**	**CIN/GLN**	**HOLDING/ SUBSIDIARY/ ASSOCIATE**	**% OF SHARES HELD**	**APPLICABLE SECTION**
1	Axis Convergence Inc, Mauritius Level 2, Max city Building, Remy Oilier Street, Port Louis, Mauritius	Not Applicable	Subsidiary	100	2(87)

2	Green wire Network Ltd.,Hong Kong Block A, 15/F Hillier Commercial Building, 65-67 Bonham Strand East, Sheung Wan, Hong Kong.	Not Applicable	Subsidiary	100	2(87)
3	Open tech Thai Network Specialists Co. Ltd. Thailand 8/5 SoiSukhumvit 28 (Bannasam, Sukhumvit Rd., Klongton, Kolngtoey, Bangkok, Thailand	Not Applicable	Subsidiary	99.99	2(87)

IV	**SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**								
Category of Shareholders	**No. of Shares held at the beginning of the year i.e. 1st April 2019**				**No. of Shares held at the end of the year i.e. 31st March 2020**				**% change during the year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoters									
(1) Indian									
a) Individual/ HUF	**862,511,967**	**-**	**862,511,967**	**22.85 %**	**862,511,967**	**-**	**862,511,967**	**22.85 %**	**0.00 %**
b) Central Govt.or State Govt.									
c) Bodies Corporates	**341,000,000**	**-**	**341,000,000**	**9.03%**	**341,000,000**	**-**	**341,000,000**	**9.03%**	**0.00 %**
d) Bank/FI			-				-		
e) Any other			-				-		
SUB TOTAL:(A) (1)	**1,203,511,967**	**-**	**1,203,511,967**	**31.89 %**	**1,203,511,967**	**-**	**1,203,511,967**	**31.89 %**	**0.00 %**
(2) Foreign									
a) NRI-Individuals	-	-	-	**0.00%**	-	-	-	**0.00%**	**0.00 %**
b) Other Individuals	-	-	-	**0.00%**	-	-	-	**0.00%**	**0.00 %**
c) Bodies Corp.	-	-	-	**0.00%**	-	-	-	**0.00%**	**0.00 %**
d) Banks/FI	-	-	-	**0.00%**	-	-	-	**0.00%**	**0.00 %**
e) Any other…	-	-	-	**0.00%**	-	-	-	**0.00%**	**0.00 %**
SUB TOTAL				**0.00%**				**0.00%**	**0.00**

(A) (2)	-	-	-		-	-	-		%
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1,203,511,967	-	1,203,511,967	31.89 %	1,203,511,967	-	1,203,511,967	31.89 %	0.00 %
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00 %
b) Banks/FI	46,750	-	46,750	0.00%	46,750	-	46,750	0.00%	0.00 %
C) Central govt	-	-	-	0.00%	-	-	-	0.00%	0.00 %
d) State Govt.	-	-	-	0.00%	-	-	-	0.00%	0.00 %
e) Venture Capital Fund	-	-	-	0.00%	-	-	-	0.00%	0.00 %
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00 %
g) FIIS	-	-	-	0.00%	-	-	-	0.00%	0.00 %
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00 %
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00 %
SUB TOTAL (B)(1):	46,750	-	46,750	0.00%	46,750	-	46,750	0.00%	0.00 %
(2) Non Institutions									
a) Bodies corporates									
i) Indian	236,703,864	5,620,450	242,324,314	6.42%	175,675,960	5,620,450	181,296,410	4.80%	1.62 %
ii) Overseas	128,161	-	128,161	0.00%	128,161	-	128,161	0.00%	0.00 %
b) Individuals									
i) Individual shareholders holding nominal share	520,068,930	3,071,636	523,140,566	13.86 %	562,402,743	3,058,536	565,461,279	14.98 %	1.12 %

capital upto Rs.1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1,620,293,988	-	1,620,293,988	42.93 %	1,702,230,424	-	1,702,230,424	45.10 %	2.17 %
c) Others (specify)									
i) Clearing Member	85,469,263	-	85,469,263	2.26%	23,006,209	-	23,006,209	0.61%	1.65 %
ii)Directors & their relatives	3,165,517	-	3,165,517	0.08%	3,165,517	-	3,165,517	0.08%	0.00 %
iii) Employees	1,175	-	1,175	0.00%	1,175	-	1,175	0.00%	0.00 %
iv) Non Resident Indians	95,816,147	138,600	95,954,747	2.54%	95,446,913	138,400	95,585,313	2.53%	0.01 %
v)Trust	3,450	-	3,450	0.00%	3,450	-	3,450	0.00%	0.00 %
NBFC's Registered with RBI	396,757	-	396,757	0.01%	-	-	-	0.00%	-.01%
SUB TOTAL (B)(2):	2,562,047,252	8,830,686	2,570,877,938	68.11 %	2,562,060,552	8,817,386	2,570,877,938	68.11 %	0.00 %
Total Public Shareholding (B)= (B)(1)+(B)(2)	2,562,094,002	8,830,686	2,570,924,688	68.11 %	2,562,107,302	8,817,386	2,570,924,688	68.11 %	0.00 %
C. Shares held by Custodian for GDRs & ADRs									
i) Public	-	-	-	0.00%	-	-	-	0.00%	0.00 %
Grand Total (A+B+C)	3,765,605,969	8,830,686	3,774,436,655	100.00%	3,765,619,269	8,817,386	3,774,436,655	100.00%	-

(ii)	SHARE HOLDING OF PROMOTERS						
Sl No.	Shareholders Name	Shareholding at the begginning of the year 01.04.2019			Shareholding at the end of the year 31.03.2020		

		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares
1	Peeyush Kumar Aggarwal	786750193	20.84%	18.89%	786750193	20.84%	18.89%
2	Seema Aggarwal	75761774	2.01%	2.01%	75761774	2.01%	2.01%
5	Omkam Global Capital Pvt Ltd	0	0.00%	3.67%	0	0.00%	0.00%
6	Omkam Securities Pvt Ltd	0	0.00%	2.44%	0	0.00%	0.00%
7	Omkam Capital Markets Pvt Ltd	341000000	9.03%	0.00%	341000000	9.03%	0.00%
	Total	1203511967	31.89%	27.01%	1203511967	31.89%	20.90%

(iii)	CHANGE IN PROMOTERS' SHAREHOLDING (Please specify, if there is no change)				
Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1203511967	31.89%	1203511967	31.89%

Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)*								
S.No	Name of the Promoter	Share holding at the beginning of the Year i.e. 01/04/2019		Date wise Increase / Decrease			Cumulative Shareholding during the year 31/03/2020	
		No. of Shares	% of total shares of the company	Date	Increase / (Decrease)	%age of total share capital	No of shares	% of total shares of the company
1	Peeyush Aggarwal	786750193	20.84%	No change during the year	-	0.00%	786,750,193	20.84%
2	Seema Aggarwal	75761774	2.01%	No change during the year	-	0.00%	75,761,774	2.01%
3	Omkam Capital Markets Pvt. Ltd.	341000000	9.03%	No change during the year	-	0.00%	341,000,000	9.03%
	At the end of	12035	31.89%			0.00%		31.88%

	the year	11967					1,203,511,967	

(iv)	Shareholding Pattern of top ten Shareholders (other than Direcors, Promoters & Holders of GDRs & ADRs)							
Sl. No	Top 10 Shareholders*	Shareholding at the beginning of the year i.e. 01-04-2019		Date wise Increase / Decrease			Cumulative Shareholding during the year 2019-20	
		No. of shares	% of total shares of the company	Date	Increase / (Decrease)	%age of total share capital	No of shares	% of total shares of the company
1	Pataliputra International Limited	50,000,000	1.32%	31-Mar-20	-	0.00%	50,000,000	1.32%
2	Deipakk Bawa	79,000,000	2.09%	16-Aug-19	534,233	0.00%	79,534,233	2.11%
				23-Aug-19	2,309,682	0.06%	81,843,915	2.17%
				30-Aug-19	656,085	0.02%	82,500,000	2.19%
3	Vidhyasagar Mahavirprasad Sah	36,045,177	0.95%	31-Mar-20	-	0.00%	36,045,177	0.95%
4	Vipin Garg	33,008,921	0.87%	19-Nov-19	-10,000	0.00%	32,998,921	0.87%
				29-Nov-19	-100,000	0.00%	32,898,921	0.87%
5	Rajesh Gupta	22,518,525	0.60%	31-Mar-20	-	0.00%	22,518,525	0.60%
6	Aditya Vikram Agarwal (HUF)	20,000,000	0.53%	31-Mar-20	-	0.00%	20,000,000	0.53%
7	Sanjiv Bhavnani	15,343,900	0.41%	31-Mar-20	-	0.00%	15,343,900	0.41%
8	Globe Fincap Limited	35,091,398	0.93%	31-Jan-20	-1,000,000	-0.03%	34,091,398	0.90%
9	BP EQUITIES PVT LTD	38,095,113	0.00%	5-Apr-19	-30,599,013	-0.81%	7,496,100	0.20%
				12-Apr-19	9,999,158	0.26%	17,495,258	0.46%
				19-Apr-19	18,162,498	0.48%	35,657,756	0.94%

				26-Apr-19	-3,426,871	-0.09%	32,230,885	0.85%
				3-May-19	-912,341	-0.02%	31,318,544	0.83%
				10-May-19	-909,771	-0.02%	30,408,773	0.81%
				17-May-19	-789,843	-0.02%	29,618,930	0.78%
				24-May-19	-29,464,210	-0.78%	154,720	0.00%
				31-May-19	1,121,319	0.03%	1,276,039	0.03%
				7-Jun-19	-20,585	0.00%	1,255,454	0.03%
				14-Jun-19	-1,001,342	-0.03%	254,112	0.01%
				21-Jun-19	3,079,743	0.08%	3,333,855	0.09%
10	Sachin Gupta	13,910,334	0.37%	31-Mar-20	-	0.00%	13,910,334	0.37%
11	Pratheepa Kumar Shetty	14,050,788	0.37%	31-Mar-20	-	0.00%	14,050,788	0.37%
12	BP FINTRADE PRIVATE LIMITED	40,100,000	1.06%	5-Apr-19	19,441,221	0.52%	59,541,221	1.58%
				12-Apr-19	-30,000,000	-0.79%	29,541,221	0.78%
13	RIDS ENTERPRISES LLP	15,600,000	0.41%	19-Jul-19	1,230,000	0.03%	16,830,000	0.45%
				30-Aug-19	4,300,000	0.11%	21,130,000	0.56%
14	RAJESH KUMAR LODHA	12,118,855	0.32%	31-Mar-20	-	0.00%	12,118,855	0.32%
15	AMEENA BEGUM MOHAMMAD	20,000,000	0.53%	30-Aug-19	1,299,999	0.03%	21,299,999	0.56%
				13-Sep-19	1,540,000	0.04%	22,839,999	0.61%
				20-Sep-19	720,000	0.02%	23,559,999	0.62%
				27-Sep-19	1,131,719	0.03%	24,691,718	0.65%
				30-Sep-19	220,000	0.01%	24,911,718	0.66%

				4-Oct-19	989,836	0.03%	25,901,554	0.69%
				1-Nov-19	5,000	0.00%	25,906,554	0.69%
				29-Nov-19	-20,000	0.00%	25,886,554	0.69%
16	KARVY STOCK BROKING LTD.	18,226,884	0.48%	5-Apr-19	-20,010	0.00%	18,206,874	0.48%
				12-Apr-19	14,854	0.00%	18,221,728	0.48%
				19-Apr-19	17,274	0.00%	18,239,002	0.48%
				26-Apr-19	150,538	0.00%	18,389,540	0.49%
				3-May-19	-2,115	0.00%	18,387,425	0.49%
				10-May-19	-3,163	0.00%	18,384,262	0.49%
				17-May-19	362,601	0.01%	18,746,863	0.50%
				24-May-19	-478,098	-0.01%	18,268,765	0.48%
				31-May-19	74,900	0.00%	18,343,665	0.49%
				7-Jun-19	-21,562	0.00%	18,322,103	0.49%
				14-Jun-19	25,543	0.00%	18,347,646	0.49%
				21-Jun-19	-166,431	0.00%	18,181,215	0.48%
				28-Jun-19	-68,000	0.00%	18,113,215	0.48%
				5-Jul-19	-176,301	0.00%	17,936,914	0.48%
				12-Jul-19	-14,021	0.00%	17,922,893	0.47%
				19-Jul-19	-14,748	0.00%	17,908,145	0.47%
				26-Jul-19	-26,096	0.00%	17,882,049	0.47%
				2-Aug-19	-36,725	0.00%	17,845,324	0.47%
				9-Aug-19	-142,099	0.00%	17,703,225	0.47%
				16-Aug-19	466	0.00%	17,703,691	0.47%

				23-Aug-19	10,000	0.00%	17,713,691	0.47%
				30-Aug-19	3,180	0.00%	17,716,871	0.47%
				13-Sep-19	-3,300	0.00%	17,713,571	0.47%
				20-Sep-19	-10,006	0.00%	17,703,565	0.47%
				27-Sep-19	-1,000	0.00%	17,702,565	0.47%
				30-Sep-19	-2,912,517	-0.08%	14,790,048	0.39%
				11-Oct-19	17	0.00%	14,790,065	0.39%
				18-Oct-19	-31,316	0.00%	14,758,749	0.39%
				25-Oct-19	-18,000	0.00%	14,740,749	0.39%
				1-Nov-20	-55,000	0.00%	14,685,749	0.39%
				8-Nov-19	-51,000	0.00%	14,634,749	0.39%
				15-Nov-19	7,736	0.00%	14,642,485	0.39%
				22-Nov-19	-266,518	-0.01%	14,375,967	0.38%
				29-Nov-19	-12,147	0.00%	14,363,820	0.38%
				6-Dec-19	-1,858,735	-0.05%	12,505,085	0.33%
				13-Dec-19	-1,086,988	-0.03%	11,418,097	0.30%
				27-Dec-19	-94,738	0.00%	11,323,359	0.30%
				31-Dec-19	-30,000	0.00%	11,293,359	0.30%
				3-Jan-20	-3,000	0.00%	11,290,359	0.30%
				10-Jan-20	-9,086,904	-0.24%	2,203,455	0.06%
				14-Feb-20	-366,731	-0.01%	1,836,724	0.05%
				21-Feb-20	-226,078	-0.01%	1,610,646	0.04%
	* Changes in the holding as per the beneficiary position downloaded from the Benpos data provided by the Registrar & Transfer Agent							

(v)	Shareholding of Directors &					

	KMP						
Sl. No	Folio/Beneficiary Account No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year
					No of shares	% of total shares of the company	No of shares
1	12020600-00800415	Peeyush Kumar Aggarwal	1-Apr-18	At the beginning of the year	786,750,193	20.84%	78,67,50,193
			31-Mar-19	At the end of the year	786,750,193	20.84%	
2	IN301436-10630017	Sanjay Sharma	1-Apr-18	At the beginning of the year	1,100	0.00%	1100
			31-Mar-19	At the end of the year	1,100	0.00%	
3	IN300239-10205350	Manoj Kumar jain	1-Apr-18	At the beginning of the year	82,500	0.00%	82500
			31-Mar-19	At the end of the year	82,500	0.00%	

V	INDEBTEDNESS		
Indebtedness of the Company including interest outstanding/accrued but not due for payment			
	Secured Loans excluding deposits	Unsecured Loans	Deposits
Indebtness at the beginning of the financial year			
i) Principal Amount	43719619	218945831	NIL
ii) Interest due but not paid	4669442	0	NIL
iii) Interest accrued but not due	0	0	NIL
Total (i+ii+iii)	48389061	218945831	NIL
Change in Indebtedness during the financial year			
Additions	4189405	-538845	NIL
Reduction	0	0	NIL
Net Change	4189405	-538845	NIL
Indebtedness at the end of the financial year			
i) Principal Amount	43719619	218406986	NIL
ii) Interest due but not paid	8858847	0	NIL

iii) Interest accrued but not due		0	0	NIL
Total (i+ii+iii)		52578466	218406986	NIL

VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
A.	Remuneration to Managing Director, Whole time director and/or Manager is NIL as the Managing Director has voluntarily decided not to take any remuneration from the Company.		
Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
		Peeyush Kumar Aggarwal	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act -		
	The remuneration payable to any one managing director; or whole-time director or manager shall not exceed five per cent of the net profits of the company and if there is more than one such director remuneration shall not exceed ten per cent of the net profits to all such directors and manager taken together		
	Mr. Peeyush Kumar Aggarwal was appointed as Managing Director of the Company w.e.f. 3rd January 2018. He has voluntarily decided not to take any remuneration from the Company in view of losses suffered in previous years.		

B.	Remuneration to other directors:			
Sl.No	Particulars of Remuneration	Fee for attending board/committee meetings	Commission	Total
1	Independent Directors*			
	Mrs. Madhu Sharma	-	-	-
	Mr. Manoj Kumar Jain	-	-	-
	Mr. Santosh Pradhan!			

		-	-	-
	Total (1)	-	-	-
2	**Other Non Executive Directors****			
	Mr. Rachit Garg	-	-	-
	Mr. Ram Niwas Sharma***			
	Total (2)	-	-	-
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Ceiling as per the Act - The total managerial remuneration payable by a public company, to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed eleven per cent of the net profits of that company for that financial year computed in the manner laid down in section 198			
	*** The Independent Directors have Voluntarily decided not to take any Fees or Commission.**			
	**** The Non-Executive Director has decided not to take any Fees or Commission.**			
	***** w.e.f. 30th September 2019, Mr. Ram Niwas Sharma was appointed as Non-Executive Director, Non Independent Director (liable to retire by rotation), on the Board of the Company .**			
	! Mr. Santosh Pradhan was appointed by the Board Of Directors in its meeting held on 8th January 2020 as Independent Director to fill the casual vacancy caused due to resignation by Mr. Shatrughan Sahu, who was appointed as an Independent Director in the AGM held on 30/09/2019.			

C.	**REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**				
Sl. No.	**Particulars of Remuneration**	**Key Managerial Personnel**			
1	**Gross Salary**	**Chief Financial Officer**	**Company Secretary**	**Company Secretary**	**Total**
		Mr. Sanjay Sharma	**Miss. Prachi Sharma**	**Mrs. Garima Singh**	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	**782,500.00**	**260,000.00**	**27,021.00**	**1,069,521.00**
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	**Stock Option**	-	-	-	-
3	**Sweat Equity**	-	-	-	-
4	**Commission**	-	-	-	-
	as % of profit				
5	**Others, allowances**				

			-	-	-	-
	Total		**782,500.00**	**260,000.00**	**27,021.00**	**1,069,521.00**
	*** Miss. Prachi Sharma who was appointed w.e.f. 1st May 2019 as the Company Secretary and Compliance Officer of the Company and consequent upon her resignation w.e.f. 29th February 2020, Mrs. Garima Singh was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 16th March 2020 .**					

VII	**PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES**				
Type	**Section of the Companies Act**	**Brief Description**	**Details of Penalty / Punishment / Compounding fees imposed**	**Authority (RD / NCLT / Court)**	**Appeall made if any (give details)**
A. COMPANY					
Penalty		**NIL**		**NIL**	
Punishment					
Compounding		**NIL**		**NIL**	
B. DIRECTORS					
Penalty		**NIL**		**NIL**	
Punishment					
Compounding		**NIL**		**NIL**	
C. OTHER OFFICERS IN DEFAULT					
Penalty		**NIL**		**NIL**	
Punishment					
Compounding		**NIL**		**NIL**	

For & On behalf of the Board of Directors of
MPS Infotecnics Ltd.

Sd/-
Peeyush Aggarwal
Chairman & Managing Director

Place: New Delhi
Date: 30th July 2020

FORM AOC-1				
[Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014]				
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures				
Part "A": Subsidiaries				
(Information in respect of each subsidiary to be presented with amounts in Rs.)				
Sl. No.	Particulars	Details		
1	Name of subsidiary	Axis Convergence INC	Greenwire Network Limited	Opentech Thai Network Specialists Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April 2019 to 31st March 2020	1st April 2019 to 31st March 2020	1st January 2019 - 31st December 2020
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	US Doller	US Doller	Thai Bhat
4	Share Capital	807,160.00	559,360.00	12,020,053.00
5	Reserves & Surplus	65,419,880.85	10,022,558.78	(12,140,377.00)
6	Total Assets	105,497,063.88	61,125,450.84	1,748,728.00
7	Total Liabilities	39,270,023.03	50,543,532.06	1,873,720.00
8	Investments	-	-	4,669.00
9	Turnover	-	-	-
10	Profit before taxation	-	-	-
11	Provision for taxation	-	-	-
12	Profit after taxation	-	-	-
13	Proposed Dividend	-	-	-
14	% of Shareholding	100%	100%	99.996%
1.Name of Subsidiaries which are yet to commence operations-Not Applicable				
2.Name of Subsidiaries which have been liquidated or sold during the year-Not Applicable				
Part "B": Associate and Joint Ventures				
Statement Pursuant to Sec.129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures				
	Name of Associates or Joint Ventures	Not Applicable	Not Applicable	Not Applicable
1	Latest Audited Balance Sheet Date	-	-	-

2	**Date on which the Associate or Joint Venture was associated or acquired**	**-**	**-**	**-**
3	**Shares of Associate or Joint Ventures held by the Company on the Year End**	**-**	**-**	**-**
	No.	**-**	**-**	**-**
	Amount of Investment in Associates or Joint Ventures	**-**	**-**	**-**
	Extent of Holding (in percentage)	**-**	**-**	**-**
4	**Description of how there is significant influence**	**-**	**-**	**-**
5	**Reason why the Associate/Joint Venture is not Consolidated**	**-**	**-**	**-**
6	**Networth attributable to Shareholding as per latest Audited Balance Sheet**	**-**	**-**	**-**
7	**Profit or Loss of the Year**	**-**	**-**	**-**
(i)	**Considered in Consolidation**	**-**	**-**	**-**
(ii)	**Not Considered in Consolidation**	**-**	**-**	**-**
1.Name of Associates or Joint Ventures which are yet to commence operations-Not Applicable				
2.Name of Associates or Joint ventures which have been liquidated or sold during the year-Not Applicable				

For & On behalf of the Board of Directors of
MPS Infotecnics Ltd.

Sd/-
Peeyush Aggarwal
Chairman & Managing Director

Place: New Delhi
Date: 30th July 2020

		FORM NO. AOC.2		
		Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto		
		(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)		
1		***Details of contracts or arrangements or transactions not at arm's length basis - N.A***		
	a	***Name(s) of the related party and nature of relationship***		
	b	***Nature of contracts/arrangements /transactions***		
	c	***Duration of the contracts/arrangements /transactions***		
	d	***Salient terms of the contracts or arrangements or transactions including the value, if any***		
	e	***Justification for entering into such contracts or arrangements or transactions***		
	f	***date(s) of approval by the Board***		
	g	***Amount paid as advances, if any:***		
	h	***Date on which the special resolution was passed in general***		

		meeting as required under first proviso to section 188		
2		*Details of material contracts or arrangement or transactions at arm's length basis*		
	a	*Name(s) of the related party and nature of relationship*	**Mr. Peeyush Kumar Aggarwal - Promoter Director**	**Omkam Global Capital Pvt. Ltd. - Mr. Peeyush Aggarwal is also a Director in OGCL**
	b	*Nature of contracts/arrangements /transactions*	**Unsecured loans received**	**Unsecured loans received**
	c	*Duration of the contracts/arrangements /transactions*	**N.A**	**N.A**
	d	*Salient terms of the contracts or arrangements or transactions including the value, if any*	**The promoter director had been infusing funds from time to time for the smooth functioning of the Company and to meet short term fund requirements. Durinng the year under review, Mr. Peeyush Aggarwal had infused Rs. (Rupees Eight lacs seventy two thousand four hundred twenty seven only) . In aggregate the company over the years has received a sum of Rs. 17,48,87,470/- (Rupees Seventeen crores forty eight lacs eighty seven thousand four hundred seventy only). The funds received by the promoter are repayable on demand and/or as and when the company has surplus funds and interest free.**	**Mr. Peeyush Aggarwal, Promoter Director of the Company is also a promoter director of Omkam Global capital Pvt. Ltd. (OGCL). The company had receiving funds from OGCL as advance, however at the advice of the statutory Auditors, the same is now being shown under the had Other Liabilities. The funds received by the company are repayable on demand and/or as and when the company has surplus funds. During the year under review a sum of Rs. 40,53,726.80p (Rupees Fourty lacs fifty three thousand seven hundred twenty six and paise eighty only) was received by the Company and Rs. 54,65,000/- was repaid. Against total outstanding of Rs.3,95,64,853/- as on 01.04.2019 , the company has repaid Rs. 14,11,273.20p. As on 31.03.2020 the total amount payable by the company to OGCL is Rs. 3,81,53,580/- (Rupees Three crore eighty one lacs fifty three thousand five hundred and eighty only). The funds made available by OGCL is interest free and repayble on demand and/or as and when the company has surplus funds**
	e	*Date(s) of approval by the Board*	**July 30, 2020**	**July 30,2020**
	f	*Amount paid as advances, if*	**N.A**	**N.A**

		any:		
	g	***Date on which the special resolution was passed in general meeting as required under first proviso to section 188***	**N.A. since the services availed from the Promoter Director is within the norms set out in Rule 15(3)(iv) of the Companies (Meeting of Board & its Powers) Rules, 2014.**	**N.A. since the services availed from the Promoter Director is within the norms set out in Rule 15(3)(iv) of the Companies (Meeting of Board & its Powers) Rules, 2014.**

For & On behalf of the Board of Directors of
MPS Infotecnics Ltd.

Sd/-
Peeyush Aggarwal
Chairman & Managing Director

Place: New Delhi
Date: 30th July 2020

Kundan Agrawal & Associates
Company Secretaries
Phone: 91-11-43093900
Mobile: 09212467033, 09999415059
E-mail: agrawal.kundan@gmail.com

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31stMARCH, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
M/s MPS INFOTECNICS LIMITED
703, Arunachal Building, 19,
Barakhamba Road, Connaught Place,
New Delhi-110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s MPS INFOTECNICS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that:

a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of the financial records and Books of the Company.
c) Where ever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;and
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

vi. Indian Stamp Act, 1899;
vii. Indian Contract Act, 1872;
viii. Income Tax Act, 1961 and indirect tax laws;
ix. Applicable Labour Laws; and
x. Other applicable Laws;

Having regard to the compliance system prevailing in the Company and on the basis of presentation and Reports made by Compliance Auditors of the Company, we further report that the Company has adequate system to ensure the compliance of the other applicable laws specifically to the Company.

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Listing Agreements with Stock Exchanges in India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.But some documents, registers, files are needed to be maintained in more improvised and updated manner and should be in more consonance with the secretarial standards and provisions of The Companies Act 2013.
- All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. But further adherence to the rules and provisions of the act for drafting of minutes will be appreciated.
- The Company has defaulted in payment of Annual Listing Fees to BSE for last 2 years and NSE for more than 3 years, therefore, action has been initiated against the company by freezing the demat accounts of its Promoter and Promoter Group for all debits and further equity shares of the company are also marked as suspended for trading on BSE's & NSE's web portal.
- The company has increased its authorized capital from 52.45 crores to 377.50 crores in 2010- 2011 and 2012-2013 respectively against which ROC fees of Rs. 5.86 crores (Fees calculated as per Companies Act, 1956) stands payable under the head current liabilities in the financial statements of the period under review.
- There are three foreign subsidiaries of the company. However the company is not regular in complying with the RBI directives issued in this regard as well as FEMA compliances.
- An order dated 06.03.2020 in the matter of GDR issue of the company has been passed with the following directions:-

1) Noticee No. 1 (i.e. the 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, (Mr. Peeyush Aggarwal – Managing Director of the Company) Noticee No. 7 (Mr. Karun Jain – Ex-director of the company) 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.
2) Noticee No. 1 (the 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.
3) Clifford Capital Partners A.G.S.A (Noticee No. 2), Mr. Peeyush Agrawal (Noticee No. 3), Mr. SanjivBhavnani (Noticee No. 4), Mr. S. N. Sharma (Noticee No. 5), Mr. Adesh Jain (Noticee No. 6), Mr. Karun Jain (Noticee No. 7) and Mr. Rajinder Singh (Noticee No. 8) 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.

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Kundan Agrawal & Associates
Company Secretaries
FRN: S2009DE113700

Sd/-
Kundan Agrawal
Company Secretary
Membership No.:- 7631
C.P. No. 8325
UDIN:F007631B001186281

Place: Ghaziabad
Date: 30/07/2020

Kundan Agrawal & Associates
Company Secretaries
Phone: 91-11-43093900
Mobile: 09212467033, 09999415059
E-mail: agrawal.kundan@gmail.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
MPS Infotecnics Limited
703, Arunachal Building, 19,
Barakhamba Road, Connaught Place,
New Delhi-110001

We Kundan Agrawal & Associates, Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MPS Infotecnics Limited having CIN L30007DL1989PLC131190 and having registered office at 703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001 India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No	Name of the Director	DIN	Date of Appointment
1.	Mr. Peeyush Kumar Aggarwal	00090423	03/09/1997
2.	Mr. Rachit Garg	07574194	30/05/2018
3.	Mrs. Madhu Sharma	06947852	02/03/2015
4.	Mr. Santosh Pradhan	00354664	08/01/2020
5.	Mr. Manoj Kumar Jain	01887411	02/06/2014
6	Mr. Ram Niwas Sharma	08427985	30/09/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kundan Agarwal & Associates
Company Secretaries
FRN: S2009DE113700
Sd/-
Kundan Agrawal
Company Secretary
M. No. 7631
COP No. 8325
Ghaziabad

Date: 30/07/2020

AUDIT REPORT

July 30, 2020

To,
The Members of MPS Infotecnics Limited
Report on the Audit of the Ind AS Financial Statements

Opinion
We have audited the accompanying standalone Ind AS financial statements of **MPS Infotecnics Limited** ("MPS" or "the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit & Loss *(including Other Comprehensive Income),* the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the Significant Accounting Policies and other explanatory information *(hereinafter referred to as Standalone Financial Statements).*

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in the *"Basis for Qualified Opinion"* section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, the **Loss** and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion
Attention is invited to the following key matter – observations in the said financial statements:

I. In case of the following items shown as intangible Assets / inventory, no provision for impairment of assets has been made in accordance with accounting policies E and F (Schedule to the accounts) and applying Ind AS 36 –

(a) Intangible Assets under development (Capital work-in-progress) - Rs. 56.44 Crores (Software development)
(b) Software rights - Rs. 23.06 crores
(c) Opening Stock (Source Codes) - Rs. 62.20 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. 61.75 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 accounting policies F and I (Schedule to the accounts) applying 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 although provided for.

Our opinion is modified in respect of above matters.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs).

Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our **qualified opinion** on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the *Basis for Qualified Opinion* section above, we have determined the matters described below to be the key audit matters to be communicated in our report.

1. **Evaluation of uncertain tax positions:**
   The Company has material uncertain direct and indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 21 under the head *"Contingent Liabilities"* in the Standalone Financial Statements.

   Auditor's Response.
   We obtained from the Company's management, details of the status as of 31 March 2020 concerning tax assessments and demands for current as well as past years. We assessed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes to evaluate whether any change was required to management's position on these uncertainties.

2. **Company's business model**
   MPS's existing business model has been impacted by the uncertainty due to its high dependence on Telecommunication segment which has shown a significant decline due to very tough competition from online operators and other service providers such as Vodafone, Idea, Jio and others who have been providing similar services. This has resulted in losses leading to difficulty in bank financing and increasing dependence on loans from others.

   During the year under review, MPS has diversified into export of telecommunication equipments on trial basis; MPS hopes to recover losses and make profit in due course by way of continued exports and better purchase prices on volume-buying but has been adversely impacted due to out-brake of COVID-19 pandemic since December 2019 and subsequent global lockdown of operation. The Company hopes to recover and recover losses and make profits as soon as the pandemic is over and the economic activities resumes globally.

(a) The company has considered sundry debtors of Rs.1,326.16 Lacs due for more than six months as good. However in the opinion of auditors there should be a regular process of identification and making provision for bad and doubtful debts. Such a process has not been followed. We therefore are unable to comment on the extent of un-provided bad and doubtful debts and their impact on loss and reserves.

(b) The company in some cases of made payment of salary in cash which is in contravention of provisions of Section 40A (3) of Income tax Act.

(c) The Company has paid and filed GST returns till October 2019, however GST Returns & payments from November 2019 till 31st March 2020 is pending.

(d) The Company has paid TDS and also filed returns till December 2019 but the TDS Challans and payments from January 2020 till 31st March 2020 is pending.

(e) 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) is initiated against the company.

(f) Deferred tax liability amounting to Rs. 230,73,349 has been reversed has been reversed during the current year due to excess provision made as per Ind-as 12 in previous years.

(g) Audit fees amounting to Rs. 1,64,160/- for the FY 2018-19 is still payable by the Company.

(h) National Stock Exchange, on directions from SEBI, initiated punitive action against MPS as a "**shell company**" and placed restrictions on sale of shares by the promoters; the company, vide its letter dated May 4, 2019 responded to the observations raised by the forensic auditor appointed by NSE. The committee constituted by NSE, vide its order dated 17th March 2020 observed that the company is currently operative, carrying on its business operations and there are no material observations regarding misrepresentation of financials / misuse of funds. Also there were no major non-compliance of rules and regulations of LODR observed in the company. The Committee therefore was of considered view that the actions envisaged in SEBI's letter dated August 7, 2017 against the company has been revoked.

(i) 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 the company to continue to pursue the measures to bring back the outstanding amount of $ 8.90 million into its bank account in India and the than Directors and present Directors to ensure compliance of the directions issued by SEBI by furnish a certificate from a peer reviewed Chartered Accountant of ICAI certifying the compliance of the said directions.

The SEBI has further restrained the company from accessing the securities market and further prohibited the company from buying, selling, or dealing in securities, directly or indirectly, in any manner what so ever, or being associated with the securities market in any manner, whatsoever, till compliance with the above directions and thereafter for an additional period of years from the date of bringing back the money.

The orders passed by SEBI has also restrained the then directors of the company 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 and during the period of restraint, the existing holding of securities including units of mutual funds of these Directors shall also remain frozen.
(a)

(j) Default in payment of working capital dues

The cash-credit account of the company with Allahabad Bank was declared as NPA by the Bank; against the one-time settlement with the Bank for ₹. 2.66 cr, the overdue arrears as on 31 Mar 2020 is ₹. 2.81 Cr.

Provision for interest at the contracted rates have been made in the books of accounts though have not been paid.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is 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 financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for

- safeguarding 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 is 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 either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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 scepticism 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 financial controls 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 adequate internal financial controls system in place 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.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, 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.

  Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced.

  We consider quantitative materiality and qualitative factors in ;

  (i) planning the scope of our audit work and in evaluating the results of our work; and

  (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our

report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure 1"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, please refer to our separate Report in **"Annexure 2".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
      ii. There are no long term contracts including derivative contracts.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Nemani Garg Agarwal & Co.,**
Chartered Accountants
Firm Reg. No.010192N
Sd/-
SK Nemani
Partner
Membership no. 037222

Place : New Delhi
Date : 30th July 2020

Annexure 1

(Referred to in paragraph 1 under "Report on other Legal and Regulatory requirements" section in our Report of even date)

I)	(a)	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
	(b)	The fixed assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and physical fixed assets have been noticed.
	(c)	The company has no immovable properties.
II)		The inventories excluding material in transit have been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable.
III)		During the year under review, the Company has not granted any loans, secured or unsecured, to the companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the order are not applicable to the company.
IV)		In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
V)		The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
VI)		The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013. Therefore the provisions of this clause do not apply.
VII)	(a)	According to information and explanations given to us and on the basis of our examination of the books of account, and records, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March 2020 for a period of more than six months from the date on when they become payable except for the following:

(b) According to the information and explanations given to us, there are Service Tax dues aggregating to Rs. 38.39 Lacs,- against which the company has paid Rs. 10,00,000/-. The balance amount of Rs. 28,39,601/- has not been deposited as at 31st March, 2020. and has been disputed by the Company, the details of which are mentioned hereunder:

Name of the Statute	Nature of Dues	Period / Year	Amount Rs. lacs	Forum before which dispute is pending
Service Tax	Demand raised by the Department	From 01.07.2012 to 31.03.2013	16.94	Additional Commissioner, Range 47, Nehru Place, New Delhi
Service Tax	Demand raised by the Department	FY 2013-14	12.37	Additional Commissioner, Range 47, Nehru Place, New Delhi

Service Tax	Demand raised by the Department	FY 2014-15	6.22	Additional Commissioner, Range 47, Nehru Place, New Delhi
Service Tax	Demand raised by the Department	FY 2015-16	2.86	Additional Commissioner, Range 47, Nehru Place, New Delhi

According to the information and explanations given to us, there are Income Tax dues aggregating to Rs. 9.66 cr. which has not been deposited as at 31st March, 2020 as under:

Income Tax	Demand raised by the Department	FY 2008-09	Rs. 4.65 Cr,	Order has been passed in favour of the company, However, the department has filed an appeal before the Hon'ble Delhi High Court
Income Tax	Demand raised by the Department	FY 2009-10	Rs. 2.28 Cr.	Order has been passed in favour of the company, however, the department has filed an appeal before the Hon'ble Delhi High Court
Income Tax	Demand raised by the Department	FY 2010-11	Rs. 2.73 Cr.	Order has been passed in favour of the company, however, the department has filed an appeal before the Hon'ble Delhi High Court

<table>
<tr><td>VIII)</td><td>(a)</td><td>In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues to Allahabad Bank and Pheonix ARC Pvt. Ltd. the details of which are as under:
<table>
<tr><td>Nature of borrowing</td><td>Name of lender</td><td>Amt. not paid on due date</td><td>Whether Principal or interest</td></tr>
<tr><td>Cash Credit</td><td>Allahabad Bank</td><td>Rs. 281.12 Lacs</td><td>Principal & Interest</td></tr>
<tr><td>Term Loans</td><td>Pheonix ARC Pvt. Ltd.</td><td>Rs. 244.69 Lacs</td><td>Principal & Interest</td></tr>
</table></td></tr>
<tr><td>IX)</td><td></td><td>Based upon the audit procedures performed and the information and explanation given by the management, the company has not raised moneys during the year by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the company and hence not commented upon.</td></tr>
<tr><td>X)</td><td></td><td>Based upon the audit procedures performed and the information and explanation given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.</td></tr>
<tr><td>XI)</td><td></td><td>Based upon the audit procedures performed and the information and explanation given by the management, no managerial remuneration has been paid or provided; accordingly, the provisions of section 197 read with Schedule V to the Companies Act are not applicable.</td></tr>
<tr><td>XII)</td><td></td><td>The Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company</td></tr>
<tr><td>XIII)</td><td></td><td>In our opinion, transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standard.</td></tr>
<tr><td>XIV)</td><td></td><td>Based upon the audit procedures performed and the information and explanation given by the management, the company has not made any preferential allotment or private placement of shares</td></tr>
</table>

		or fully or partly convertible debentures during the year under review. Accordingly, the provision of clause 3 (xiv) of the Order are not applicable to the company.
XV)		Based upon the audit procedures performed and the information and explanation given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provision of clause 3 (xv) of the Order are not applicable to the company and hence not commented upon.
XVI)		In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the company and hence not commented upon.

For **Nemani Garg Agarwal & Co.,**
Chartered Accountants
Firm Reg. No.010192N
Sd/-
SK Nemani
Partner
Membership no. 037222

Place: New Delhi
Date: 30th July 2020

Annexure – 2

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MPS Infotecnics Ltd. ("the Company") as of 31 March 2020 in conjunction with our audit of the stand-alone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding

prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Nemani Garg Agarwal & Co.,**
Chartered Accountants
Firm Reg. No. 010192N
Sd/-
SK Nemani
Partner
Membership no. 037222

Place: New Delhi
Date: 30th July 2020

MPS Infotecnics Limited
CIN: L30007DL1989PLC31190
703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001
STANDALONE BALANCE-SHEET AS AT 31st MARCH, 2020

(Amount in Rs.)

PARTICULARS	NOTE NO	AS AT 31.03.2020	AS AT 31.03.2019
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	1(a)	524,168	699,044
CAPITAL WORK IN PROGRESS		-	-
INVESTMENT PROPERTY		-	-
INTANGIBLE ASSETS	1(b)	230,644,227	266,301,727
INTANGIBLE ASSETS UNDER DEVELOPMENT	1(C)	564,439,755	564,439,755
FINANCIAL ASSETS			
INVESTMENTS	2	617,485,195	617,485,195
LOANS		-	-
OTHER FINANCIAL ASSETS		-	-
DEFERRED TAX ASSETS (NET)		-	-
OTHER NON CURRENT ASSETS	3	2,233,283,924	2,238,886,129
TOTAL NON CURRENT ASSETS		**3,646,377,269**	**3,687,811,851**
CURRENT ASSETS			
INVENTORIES	4	621,971,389	621,971,389
FINANCIAL ASSETS			
TRADE RECEIVABLES	5	185,941,262	193,642,482
CASH AND CASH EQUIVALENTS-OWNED FUND	6(a)	5,860	267,682
BANK BALANCES & LOANS	6(b)	349,022,840	348,698,551
OTHER FINANCIAL ASSETS			
CURRENT TAX ASSETS (NET)			
OTHER CURRENT ASSETS	7	10,430,187	33,390,755
TOTAL CURRENT ASSETS		**1,167,371,538**	**1,197,970,858**
TOTAL ASSETS		**4,813,748,807**	**4,885,782,709**
EQUITY AND LIABILITIES			
EQUITY SHARE CAPITAL	8	3,774,436,655	3,774,436,655
OTHER EQUITY	9	628,069,026	661,289,178
TOTAL EQUITY		**4,402,505,681**	**4,435,725,833**
LIABILITIES			
NON-CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
BORROWINGS	10	24,466,298	20,789,185
DEFERRED TAX LIABILITY (NET)		38,635,222	61,708,570
OTHER NON CURRENT LIABILITIES		-	-
TOTAL NON-CURRENT LIABILITIES		**63,101,520**	**82,497,755**
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
BORROWINGS	11	208,365,575	206,980,854
TRADE PAYABLES		62,368,973	40,611,270
OTHER FINANCIAL LIABILITIES			
PROVISIONS	12	4,790,595	4,368,429
OTHER CURRENT LIABILITIES	13	72,616,462	115,598,564
CURRENT TAX LIABILITY			
TOTAL CURRENT LIABILITIES		**348,141,604**	**367,559,116**
TOTAL EQUITY AND LIABILITIES		**4,813,748,807**	**4,885,782,709**
NOTES ON FINANICAL STATEMENTS	1-26		
SIGNIFICANT ACCOUNTING POLICIES AND	27		

As per our Audit Report of even date
For Nemani Garg Agarwal & Co.
Chartered Accountants
FRN No. : 010192N

S.K. Nemani
Partner
M.No. : 037222

For and on behalf of the Board of Directors

Peeyush Aggarwal
Chairman & Managing Director
DIN: 00090423

Rachit Garg
Director
DIN 7574194

Place : New Delhi
Date : 30th July, 2020

Garima Singh
Company Secretary

Sanjay Sharma
Chief Financial Officer

MPS Infotecnics Limited
CIN: L30007DL1989PLC31190
703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001
Standalone Statement of Profit & Loss Account for the year ended 31st March, 2020

PARTICULARS	NOTE N	S YEAR ENDED 31.03.2020	S YEAR ENDED 31.03.2019
REVENUE			
REVENUE FROM OPERATIONS	14	81,419,419	170,039,069
OTHER INCOME	15	29,194	1,249,176
TOTAL REVENUE		**81,448,612**	**171,288,245**
EXPENDITURE			
PURCHASE OF STOCK -IN -TRADE & SERVICES		83,521,835	166,791,432
CHANGE IN INVENTORIES	16	-	1,200,595
EMPLOYEE BENEFIT EXPENSES	17	2,601,106	5,564,195
FINANCE COST	18	4,189,405	5,999,442
DEPRECIATION & AMORTISATION EXPENSES		35,832,376	35,213,617
OTHER EXPENSES	19	11,470,152	9,995,467
TOTAL EXPENDITURE		**137,614,874**	**224,764,748**
PROFIT BEFORE TAX		(56,166,262)	(53,476,502)
TAX EXPENSES			
- CURRENT TAX		-	-
- EARLIER YEARS (NET)		-	-
- DEFERRED TAX (NET)		23,073,349	(34,837,882)
PROFIT AFTER TAX		**(33,092,913)**	**(88,314,384)**
OTHER COMPREHENSIVE INCOME			
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT & LOSS			
- REMEASUREMENTS OF THE DEFINED BENEFIT LIABILITY/ASSET		(127,238)	1,091,286
- GAIN OR LOSS ARISING ON FAIR VALUATION OF EQUITY INSTRUMENT		-	-
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)		(127,238)	1,091,286
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(33,220,151)**	**(87,223,097)**
EARNING PER SHARE (EQUITY SHARE OF RS 10/- EACH) **- BASIC & DILUTED**		(0.009)	(0.023)
WEIGHTED AVERAGE NUMBER OF EQUITY SHARES USED IN COMPUTING EARNING PER SHARE		3,774,436,655	3,774,436,655
NOTES ON FINANICAL STATEMENTS	1-26		
SIGNIFICANT ACCOUNTING POLICIES AND	27		
As per our Audit Report of even date			
For Nemani Garg Agarwal & Co.		**For and on behalf of the Board of Directors**	
Chartered Accountants			
FRN No. : 010192N			
Sd/-		Sd/-	Sd/-
S.K. Nemani		**Peeyush Aggarwal**	**Rachit Garg**
Partner		**Chairman & Managing Director**	**Director**
M.No. : 037222		**DIN: 00090423**	**DIN 7574194**
		Sd/-	Sd/-
Place : New Delhi		**Garima Singh**	**Sanjay Sharma**
Date : 30th July 2020		**Company Secretary**	**Chief Financial Officer**

MPS Infotecnics Limited
L30007DL1989PLC31190
703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001
Standalone Cash Flow Statement for the year ended 31st March, 2020

	Particulars	As At 31/03/2020	(Amount in Rs.) As At 31/03/2019
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax	(56,166,262)	(53,476,502)
	Adjustment for :		
	Depreciation & Amortisation	35,832,376	35,213,617
	Leave Encashment	141,413	81,480
	Gratuity	280,753	(903,011)
	Comprehncive Income	(127,238)	1,091,286
	Interest & Other Costs	4,189,405	5,999,442
	Interest Received	(20,194)	(1,197,302)
	(Profit) / Loss on sale of Fixed Assets	-	(46,000)
	Operating Profit Before Working Capital Changes	(15,869,746)	(13,236,990)
	(Increase)/Decrease in Current Assets	30,661,788	30,204,556
	Increase/(Decrease) in Current Liabilities	(19,839,679)	(13,451,304)
	Net Cash from Operating Activities (A)	**(5,047,637)**	**3,516,262**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	-	(9,999)
	Sale of Fixed Assets	-	46,000
	Change in Capital WIP	-	-
	Interest Received	20,194	1,197,302
	Long term Loans & Advances	5,602,205	(2,986,913)
	Net Cash Outflow in Investing Activities (B)	5,622,399	(1,753,610)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Issue of Equity Shares	-	-
	Share Application Money Received	-	-
	Increase / (Decrease) in Long Term Borrowings	3,677,113	3,669,566
	Prior Period Item	-	-
	Interest Paid	(4,189,405)	(5,999,442)
	Net Cash inflow from Financing Activities (C)	**(512,293)**	**(2,329,876)**
	Foreign Currency Translation Reserve		
	Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	**62,467**	**(567,220)**
	Cash and Cash Equivalent as at 01/04/2019	**348,966,233**	**349,533,452**
	Cash and Cash Equivalent as at 30/09/2019 / 31/03/2019	**349,028,700**	**348,966,232**

Notes:

1. Comparative figures have been regrouped wherever necessary.
2. The cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard – 3 on Cash Flow Statement notified by the Companies (Accounting Standards) Rules, 2006.
3. These earmarked account balances with banks can be utilised only for the specific identified purposes.
4. Bank Balance as shown in cash and Cash Equivalents amounting to Rs. 34,78,92,163 in Banco Efisa bank in Potugal is not available for use, because the bank has Debited the account by same amount, the matter is in court of Law.

As per our Audit Report of even date

For Nemani Garg Agarwal & Co.	**For and on behalf of the Board of Directors**	
Chartered Accountants		
FRN No. : 010192N		
Sd/-	Sd/-	Sd/-
S.K. Nemani	**Peeyush Aggarwal**	**Rachit Garg**
Partner	**Chairman & Managing Director**	**Director**
M.No. : 037222	**DIN: 00090423**	**DIN 7574194**
	Sd/-	**Sd/-**
Place : New Delhi	**Garima Singh**	**Sanjay Sharma**
Date : 30/07/2020	**Company Secretary**	**Chief Financial Officer**

Notes to the Standalone Financial Statements For the year ended March 31, 2020

Note 1 - Fixed Assets

(Amount in Rs.)

Description	Gross Block				Depreciation / Amortization				Net Block	
	As At 01.04.2019	Additions / Adjustments	Deductions / Adjustments	As At 31.03.2020	As At 01.04.2019	For the Year	Deductions / Adjustments	As At 31.03.2020	As At 31.03.2020	As At 31.03.2019
A. PROPERTY PLANT & MACHINERY :										
Building	-	-	-	-	-	-	-	-	-	-
Plant & Machinery										
- Computers and Peripherals	34,326,883	-	-	34,326,883	34,167,581	74,898	-	34,242,479	84,404	159,302
-Office Equipments	14,329,413	-	-	14,329,413	14,183,314	73,295	-	14,256,609	72,804	146,099
Vehicles	4,379,893	-	-	4,379,893	4,264,523	5,034	-	4,269,557	110,336	115,370
Furniture & Fixtures	15,539,164	-	-	15,539,164	15,260,891	21,649	-	15,282,540	256,624	278,273
Sub Total (A)	68,575,353	-	-	68,575,353	67,876,309	174,876	-	68,051,185	524,168	699,044
B. INTANGIBLE ASSETS :										
Goodwill	2,800,000	-	-	2,800,000	2,800,000	-	-	2,800,000	-	-
Software	356,575,000	-	-	356,575,000	90,273,273	35,657,500	-	125,930,773	230,644,227	266,301,727
				-						
Sub Total (B)	359,375,000	-	-	359,375,000	93,073,273	35,657,500	-	128,730,773	230,644,227	266,301,727
Total (A+B)	427,950,353	-	-	427,950,353	160,949,582	35,832,376	-	196,781,959	231,168,395	267,000,771
C. CAPITAL WORK IN PROGRESS										
Capital Work-in-Progress (includi	564,439,755	-	-	564,439,755	-	-	-	-	564,439,755	564,439,755
Grand Total A+B+C	992,390,108	-	-	992,390,108	160,949,582	35,832,376	-	196,781,959	795,608,150	831,440,526

Note :

1. The Company has developed or customized various computer software in house. The company has source code for all these software and has all the rights over the product. However there is no formal registration of IPR. The company has shown these software under the sub-head "Software" under the head "intangible" in its financial statements and the same is certified by the management. Capital WIP includes various software product underdeveloped / developed which also includes software with third party for development/modification. During the year, the Company has received software product worth Rs. 5.50 Crores as sales return which was sold in the previous year.

2. During the financial year 2013-14, the Company transferred softwares (under the head Intangible Assetsin Fixed Assets) amounting to Rs. 62.23 crores into stock in trade at WDV as on 01/04/2013. The management of the company has decided to sell these various safotware products in the martket.

MPS Infotecnics Limited			
			(Amount in Rs.)
Note No.	**Particulars**	**As at31.03.2020**	**As at 31.03.2019**
2	**NON-CURRENT INVESTMENTS**		
	In Equity Shares of Subsidiaries Companies		
	Axis Convergence Inc -20000 Equity Share (20000 E.S.)	403,985,905	403,985,905
	Greenwire Network Ltd.-25641 Equity Share(25641 E.S.)	201,479,237	201,479,237
	Opentec Thai Network Specialists Co. Limited-129995	12,020,053	12,020,053
	Equity Shares (129995 E.S.)		
	Total	**617,485,195**	**617,485,195**
Note No.	**Particulars**	**As at 31.03.2020**	**As at 31.03.2019**
3	**OTHER NON CURRNET ASSETS**		
	a. LONG-TERM LOANS & ADVANCES		
	Advances with Tax Authorities	10,178,591	13,249,408
	Other Loans and Advances	2,223,105,333	2,225,605,333
	Total (a)	**2,233,283,924**	**2,238,854,741**
	b. OTHER NON CURRENT ASSETS		
	Prepaid Rent on Security Deposit	31,388	31,388
	Total (a)	**31,388**	**31,388**
	Total (a) + (b)	**2,233,283,924**	**2,238,886,129**
	Notes :		
	1. Other Loans & Advances are subject to balance confirmation.		
	2. During the financial year 2013-14, due to change in business plan and consequential ammendment in terms, Capital Advances amounting to Rs. 220 Crore has been taken as long term advances and included in Other Loans & Advances.		
Note No.	**Particulars**	**As at 31.03.2020**	**As at 31.03.2019**
4	**INVENTORIES**		
	Stock-in-Trade	621,971,389	621,971,389
	Total	**621,971,389**	**621,971,389**
Note No.	**Particulars**	**As at 31.03.2020**	**As at 31.03.2019**
5	TRADE RECEIVABLES		
	(Unsecured & Considered Good)		
	Over Six Months	132,616,372	192,294,073
	Others	53,324,890	1,348,409
	Total	**185,941,262**	**193,642,482**
	Notes :- Trade Receivables subject to balance confirmation. The management considers the same is good and recoverable.		

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
6 (a)	**CASH BALANCES**		
	Cash in hand	5,860	267,682
	Total (a)	**5,860**	**267,682**
6(b)	**BANK BALANCES**		
	Balances with Banks	460,677	371,387
	Fixed Deposits with Banks	670,000	435,000
	Balances with Foreign Bank - Banco Efisa	347,892,163	347,892,163
	Total (b)	**349,022,840**	**348,698,551**
	Total (a)+(b)	**349,028,700**	**348,966,232**

Note: The funds raised by the Company from GDR issue during F.Y. 2007-08 were kept in fixed deposit account with Banco Efisa, Lisbon, Portugal, as the said amount was to be deployed in terms of INFORMATION MEMORANDUM of the GDR issue. During the F.Y. 2008-09, the Bank in Portugal, Banco Efisa wrongly debited an amount of USD 8,883,210.75 out of the balance lying in the Company's Account with the Bank. The Company has denied and disputed this debit and had initiated legal action under criminal jurisprudence of Portuguese Law. During the criminal investigation, several new facts/documents have come to our knowledge and based on the evaluation of new facts/documents by Barristers, Senior Advocates and investigation carried out of in India, London and Portugal; your Company has initiated a strong civil action for recovery of USD 8,883,210.75, along with interest, against Banco Efisa and its Holding Company, wherein the Portuguese advocates confirm that the chances of recovery are very high.

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
7	**OTHER CURRENT ASSETS**		
	SHORT TERM LOANS & ADVANCES		
	Advance to Suppliers	4,441,468	27,882,440
	Advance with Tax Authorities	853,787	404,649
	Total (a)	5,295,255	28,287,090
	OTHER CURRENT ASSETS		
	Security Deposits	501,334	501,334
	Security Deposit Ammortisation Adjustment	(31,388)	(31,388)
	Prepaid Expenses	4,260,496	4,223,545
	Interest accrued but not due	373,103	410,175
	Total (b)	5,103,544	5,103,666
	Total (a) + (b)	**10,430,187**	**33,390,755**

Note : Other Loans & Advances, Advance to suppliers are subject to balance confirmation, however these loans and advances are good and recoverable.

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
8	**SHARE CAPITAL**		
	Equity Share Capital		
	Authorised Share Capital :	3,775,000,000	3,775,000,000
	3,775,000,000 Equity Share of Re.1/- each		
	(Previous Year 3,775,000,000 equity share of Re. 1/- each)		
(a)	Issued, Subscribed & Paid Up Share Capital :	3,774,436,655	3,774,436,655
	(377,44,36,655 Equity Shares of Re. 1/- each Includes 102,404,764 Equity Shares Consequent to issue of 46,54,762 GDR vide information Memorandum Dated December 4 , 2007)		
	Total	**3,774,436,655**	**3,774,436,655**
	Notes:		
	1. The Company has only one class of equity shares having a par value of Re.1/- each per share. Each holder of equity share is entitled to one vote per share.		
	2. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company after discharging the liabilities of the Company.		
	3.The Company had increased the authorized capital during the Financial Year 2010-11 to 2012-13, however due to technical issues necessory forms along woth the fees w.r.t. increase in Authorised Capital, could not be filed and paid. Measnwhile the schedule of fees was increased as per the companies act, 2013. However, the authorised capital was increased prior to the applicability of companies act, 2013. The company has filed a Writ Petition bearing No. WP(C) 5199 of 2015 before the Hon'ble High Court of Delhi, challenging the applicability of provisions prescribed under Para 3 of Table B under Registration of Offices and Fees Rules 2014 and the same is pending adjudication.		

The Details of Shareholders holding more than 5 % shares :

	As at 31.03.2020			
Name of the Shareholder	**No. of Shares**	**% held**	**No. of Shares**	**% held**
Mr. Peeyush Aggarwal	786,750,193	21	786,750,193	20.84
Omkam Capital Markets Pvt. Ltd.	341,000,000	9	341,000,000	9.03
Ms. Seema Aggarwal	75,761,774	2	75,761,774	20

The reconciliation of the number of shares outstanding is set out as below

		31st March, 2020
Particulars	**No. of Shares**	**No. of Shares**
Equity Shares at the beginning of the year	3,774,436,655	3,774,436,655
Add: Shares issued on conversion of convertible warrants	-	-
Add: Shares issued as Bonus Shares (1:10)	-	-
Equity Shares at the end of the year	3,774,436,655	3,774,436,655

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
9	**OTHER EQUITY**		
	a. Reserves & Surplus		
	Capital Reserve	51,457,116	51,457,116
	Securities Premium Reserve	899,102,506	899,102,506
	General Reserve	26,073,430	26,073,430
	(Less):-		
	Deficit in earlier year	(316,803,852)	(228,489,467)
	Deficit during the year	(33,092,913)	(88,314,384)
	Total a	**626,736,287**	**659,829,201**
	b. Other Comprehnsive Income		
	Items that will not be subsequently reclassified to OCI		
	Remeasurements of Defined Benefit Liability	1,332,739	1,459,977
	Total (a+b)	**628,069,026**	**661,289,178**

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
10	**LONG TERM BORROWINGS**		
	Secured		
	Loans from Other Banks & Institution	24,466,298	20,789,185
	Total	**24,466,298**	**20,789,185**

Note No.	Particulars	As at 31.03.2020	As at31.03.2019
11	**SHORT TERM BORROWING**		
	Secured		
	Working Capital Loan from Allahabad Bank	28,112,169	27,599,876
	Unsecured		
	Others	180,253,406	179,380,978
	Total	**208,365,575**	**206,980,854**

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
12	**SHORT TERM PROVISIONS**		
	Provision for Income Tax	2,080,074	2,080,074
	Provisions for Employees Benefits - Leave Encashment	1,651,429	1,510,016
	Provisions for Employees Benefits - Gratuity	1,059,092	778,339
	Provisions for Expenses		
	Total	**4,790,595**	**4,368,429**
	Note: Income tax liability amounting to Rs. 20.80 Lacs in respect of assesmsent year 2013-14, still payable against which provision for income tax, had already been made in the books of account. As such this liability has no further impact on the profits / retained earnings of the reported period of the company.		
	Notes: Working Capital Loans from Allahabad Bank and Loans from Phoenix ARC Pvt. Ltd. are secured by way of charge on movable and immovable properties of the Company.		
	(i) Company has entered into an OTS for a sum of Rs. 118,650,000.00 with Allahabad Bank as on 14.01.2016 and paid a sum of Rs. 10,27,40,318/- till 31.05.2017 and further re entered into an OTS of Rs. 281.00 Lacs and paid Rs. 13.30 lacs		
	(ii) Other Unsecured loans inclued a sum of Rs. 174,887,470/- from directors.		

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
13	OTHER CURRENT LIABLITIES		
	Advance from customers	5,681,314	14,763,036
	Other Payables	66,935,148	100,835,527
	Total	**72,616,462**	**115,598,564**
	Note : Other payable includes Rs. 5.86 Crores towards ROC fees in connection with increase in Authorised share capital from Rs. 52.45 Crores to Rs. 377.50 Crores in various EGMs held and Merger through Court orders held during the Period from FY 2010-11 to FY 2012-13. Kindly refere Note No. 1 (3) under the head "Share Capital".		
	Note: Trade Payables are subject to balance conirmation.		

MPS Infotecnics Limited

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
14	**REVENUE FROM OPERATIONS**		
	Sale of Products & Services	81,192,869	170,039,069
	CUSTOM COLLECTION REFUND	226,550	-
	Total	**81,419,419**	**170,039,069**

Note No.	Particulars	As at 31.03.2020	As at31.03.2019
15	**OTHER INCOME**		
	Miscellaneous Income	9,000	5,874
	Profit on sale of Fixed Assets	-	46,000
	Interest income	20,194	1,197,302
	Total	**29,194**	**1,249,176**

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
16	**CHANGES IN INVENTORIES OF STOCK-IN-TRADE**		
	Opening Stock	621,971,389	623,171,984
	Less: Closing Stock	621,971,389	621,971,389
	Total	**-**	**1,200,595**

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
17	**EMPLOYEE's BENEFIT EXPENSES**		
	Salaries and Wages	2,553,346	5,328,542
	Contribution to Provident and Other Funds	29,031	171,148
	Staff Welfare Expenses	18,729	64,505
	Total	**2,601,106**	**5,564,195**

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
18	**FINANCE COST**		
	Interest Expenses	4,189,405	5,999,442
	Total	**4,189,405**	**5,999,442**

Note No.	Particulars	As at 31.03.2020	As at 31.03.2019
19	**OTHER EXPENSES**		
	Advertisement and Publicity	108,096	142,560
	AGM / Board Meeting Expenses	10,113	10,256
	Audit Fees	150,000	150,000
	Bank Charges	82,915	95,439
	Commission	-	59,701
	Communication Expenses	43,523	28,164
	Conveyance Expenses	17,967	34,406
	Exchange Rate Fluctuation	248,867	-
	Freight & Cartage	219,273	-
	Loading & Unloading Expenses	2,520	-
	Insurance Premium	20,515	-
	Legal & Professional Charges	202,960	438,490
	Listing Fees	1,581,523	1,407,133
	Membership Fee	7,250	-
	Power, Fuel & Water Charges	142,758	153,847
	Printing & Stationery	46,203	90,250
	Rates & Taxes	5,038,653	5,055,415
	Rent Charges	3,396,336	2,223,336
	Repair & Maintenance Charges	115,342	48,577
	Travelling & Tour Expenses -Others	-	18,402
	Vehicle Running & Maintenance	-	39,490
	Ware House Rent	21,333	-
	Ware House Registration charges	14,005	-
	Total	**11,470,152**	**9,995,467**

MPS Infotecnics Limited		
Note 20 - Disclosure Under Indian Accounting Standard 21- Transactions occurred in Foreign Currency		
		(Amount in Rs.)
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Import/Export in Foreign Currency		
FOB Value of Export	30,346,026	172,958
Value of Imports	1,901,264	1,837,890
Expenditure in Foreign Currency	-	-
Profit and (Loss) Foreign Exchange Fluctuation	-	-
Net Profit / (Loss) in Foreign Excange Fluctuation	**(248,867)**	**(34,406)**
Note 21 - Disclosure under Indian Accounting Standard 37 - Contingent Liabilities		
A. Dues of Income Tax		
a) A.Y. 2008-09 Rs. 465,50,998/- (Rs. 465,50,998/-),		
b) A.Y. 2009-10 Rs. 2,27,56,825/- (2,27,56,825/-)		
b) A.Y. 2010-11 Rs. 27,306,810/- (Nil)		
B. Interest on Cash Credit (NPA as per Bank) of Rs.1,79,04,100/- (Rs. 1,45,02,084/-), which is under settlement with Bank .		
C. ROC fees of increase in authorised share capital Rs. 42061713/- (Rs. 3,91,22,905/-).		
D. Service Tax demand Rs. 35,53,123/- against this Rs. 10,00,000/- paid. (Rs. 25,53,123/-). Subsequent to the closure of Financial year, the liability has been settled and paid.		
Note 22 - Payment to auditors		**(Amount in Rs.)**
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Audit Fee for		
-Statutory Audit	150000	150000

Note 23 - Disclosure under Indian Accounting Standard 108 - Segment Reporting

(Amount in Rs.)

Particulars for the year ended 31st March, 2020	Business Segments			
	IT Solutions & Products	IT Enabled Services	Telecommunication	Total
Revenue	-	5,257,961	76,161,458	**81,419,419**
	1,151,912	5,005,572	163,881,586	170,039,069
Inter-Segment Revenue	-	-	-	-
Total	-	5,257,961	76,161,458	**81,419,419**
	1,151,912	5,005,572	163,881,586	170,039,069
Segment Result		(643,176)	(13,798,767)	**(14,441,943)**
	(435,673)	(2,626,568)	(8,872,026)	(11,934,266)
Interest				**4,189,405**
				(5,999,442)
				(18,631,348)
				(17,933,709)
Unallocable Expenses (net)				**37,564,108**
				(36,791,968)
Operating Income				**(56,195,455)**
				(54,725,677)
Other Income (net)				**29,194**
				(1,249,176)
Extra ordiniary & prior period itmes				-
				-
Profit before tax				**(56,166,262)**
				(53,476,501)
Tax Expenses				**23,073,349**
				(34,837,882)
Net Profit for the year				**(33,092,913)**
				(88,314,384)

Note:

1. Primary Segmentation has been done according to the nature of product & services.The Company's Operations
   a) IT Solution & Products (including software)
   b) IT Enabled Services
   c) Telecommunication

2. There is no Inter division or Inter Segment transfer of goods.

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

4. The Company caters mainly to the Domestic market and the Export turnover is not significant in the context of the total turnover. As such there are no geographical segments

Note 24 - Disclosure Under Indian Accounting Standard 24 - RELATED PARTY DISLOSURES

Description of Relationship	Names of Related Parties	Outstanding Balance As At 31st March, 2020		
Ultimate Holding Company	No			
Holding Company	No			
Subsidiary Companies	Axis Convergence Inc			
	Greenwire Network Limited			
	Opentec Thai Network Specialists Limited			
Fellow Subsidiary Company	No			
Key Management Personnel (KMP)	Mr, Peeyush Kumar Aggarwal (Chairman & M.D.)	(174,887,470)		
	Ms. Garima Singh (Company Seceratary)	-		
	Mr. Sanjay Sharma (CFO)	-		
Relatives of KMP	None			
Entities in which KMP/ Relatives of KMP can exercise significant influence	Omkam Global Capital Private Limited	(38,153,580)		

Note:
1. Related Parties transactions during the year, have been identified by the management

Particulars	Omkam Global Capital Private Limited	Ms. Prachi Sharma	Ms. Garima Singh	Mr. Sanjay Sharma
Sale of Goods	-	-	-	-
Purchase of Goods	-	-	-	-
Other Advances	(38,153,580)	-	-	-
Advance given	-	-	-	-
Remuneration to Directors & KMPs	-	260,000	27,021	782,500
Share Application Money Received	-	-	-	-
Share Application Money Refunded	-	-	-	-

Note 25 - Disclosure under Indian Accounting Standard 33- EARNINGS PER SHARE (EPS)

(Amount in Rs.)

Particulars	As at 31ST March 2020	As at 31 March 2019
Basic		
Net Profit after tax as per Statement of Profit & Loss attribu	(33,092,913)	(88,314,384)
Weighted Average number of equity shares used as denom	3,774,436,655	3,774,436,655
Basic Earnings per share	(0.009)	(0.023)
Face Value per equity share	1	1
Diluted		
Net Profit after tax as per Statement of Profit & Loss attribu	(33,092,913)	(88,314,384)
Weighted Average number of equity shares used as denom	3,774,436,655	3,774,436,655
Basic Earnings per share	(0.009)	(0.023)
Face Value per equity share	1	1

Note 26 - DEFERRED TAX

Particulars	As at 31ST March, 2020	As at 31st March, 2019
WDV As per Companies' Books	231,168,395	267,000,771
WDV AS as per Income Tax Act, 1961	79,860,866	130,720,559
Timing Difference B/w Depreciation as per Comp	151,307,529	136,280,212
Provision for Employee Benefit	2,710,521	2,288,355
Total	148,597,008	(133,991,857)
Closing DTA transferred to Profit & Loss account	38,635,222	(34,837,882)
Opening DTL	(61,708,570)	(26,870,689)
Deferred Tax Liability / (Assets) (Net)	(23,073,348)	(61,708,570)

SIGNIFICANT ACCONTING POLICIES

Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2016 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI) ("Previous GAAP).

These financial statements for the year ended 31st March, 2020 are the second financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS was 1st April, 2016.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

A. Basis of Accounting & Preparation of Financial Statements

These financial statements are prepared on the accrual basis of accounting, under the historical cost convention except for the following:

(i) Certain financial assets and financial liabilities measured at fair value;

There is no change in the system of accounting as being consistently followed from earlier years unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time between procurement of raw material and realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

C. Property, plant and equipment (PPE) and Capital work-in-progress (CWIP)

Transition to Ind AS

The Company has elected to continue with carrying value of all Property, plant and equipment and Capital work-in-progress (CWIP) under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2016.

Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation and impairment) adjusted by revaluation of certain assets.

The Property, plant and equipment (PPE) and Capital work-in-progress (CWIP) are stated at cost net of cenvat credit and/or at revalued price less accumulated depreciation and Accumulated Impairment.

Useful life of assets are considered on the basis of schedule-II of Companies Act 2013.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

D. Leased Assets

Operating Leases: Rentals are expensed with reference to lease terms and other considerations.

E. Intangible Assets

Transition to Ind AS:

The Company has elected to continue with carrying value of computer software under the previous GAAP, as deemed cost as at the transition date i.e. 1st April, 2016. Under the previous GAAP, computer software was stated at their original cost (net of accumulated amortization and accumulated impairment, if any).

Intangible assets expected to provide future enduring economic benefits are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition less accumulated amortization and impairment, if any.

F. Depreciation and Amortisation

Depreciation on fixed assets is provided to the extent of depreciable amount on straight line method (SLM) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life. Intangible Assets are amortised over a period of 10 years considering the useful life of the underlying assets on Straight Line Basis.

G. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

H. Foreign Currency Transactions

(a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
(b) Monetary items denominated in foreign currencies at the yearend are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the yearend rate and rate on the date of the contract is recognised as exchange difference
(c) Non monetary foreign currency items are carried at cost.

(d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

I. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided by the management after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Financial instruments

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

1) At amortised cost,
2) At fair value through other comprehensive income (FVTOCI), and
3) At fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in subsidiary carried at deemed cost and associate carried at cost.

Deemed cost is the carrying amount under the previous GAAP as at the transition date i.e. 1st April, 2016. Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in profit or loss. The Company may make an irrevocable election to present in OCI subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price is deferred and after initial recognition deferred difference is recognised as gain or loss to the extent it arises from change in input to valuation technique. If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI.

There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

De-recognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, charges in bringing them to their respective present location and condition.

J. Revenue Recognition

Revenue from Fixed Price Software Contracts is recognised principally on the basis of completed Milestones as specified in the contracts.

Software Development and Services are recognised on time basis as per terms of specified contracts

Sale of Software / Hardware products is recognised on the dispatch of goods from company's premises. No provision has been made for possible returns or expenses during the warranty period.

Income from Annual Maintenance Contracts, Web Hosting and Domain Registration are accounted for in the ratio of period expired to the total period of the contract and the amount received from the customers towards the un-expired portion of such contract is treated as advance received.

Interest Income is recognized on time proportion basis.

K. Employee Benefits

(a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

(b) Post employment benefits:

Defined contribution plans:
A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The company makes specified monthly contributions towards provident fund. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which employee renders the related service.

Defined benefit plan:
The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized in the other comprehensive income

Long term employment benefits

The Company's net obligation in respect of long-term employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

L. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

M. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction (other than a business combination) affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credit to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised on all taxable temporary differences.

N. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

O. Estimated fair value of unlisted securities

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques including the net assets value (NAV) model. The Group uses its judgment to select a variety of method / methods and make assumptions that are mainly based on market conditions existing at the end of each financial year. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

P. The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation

To,
The Members of MPS Infotecnics Limited
Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of MPS Infotecnics Limited ("MPS" or "Holding company") and its subsidiaries, (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2020, consolidated Loss, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The following items shown as Intangible Assets / Inventories, no provision for impairment of assets has been made in accordance with Ind AS 36 –

(a) Intangible Assets under development (Capital Work-in-progress) (software development) Rs. 56.44 Cr.;
(b) Software rights Rs. 23.06 Cr.; and
(c) Stock-in-trade (source codes) Rs. 62.20 Cr. which are being carried forward in the accounts since the last over 3 years.

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.

2. **Assets of subsidiaries –**

The Holding company has no subsidiaries in India; the consolidated statements include those of 3 subsidiaries in Mauritius, Hong Kong and Thailand. There have been no operations in these overseas subsidiaries since the last few years, nor is there updated information in respect thereof.

The consolidated financial statements as of 31st March 2020 include the following, pertaining to the 3 subsidiaries:
(a) Total assets of ₹. 16.78Cr. which are not material to the Group
(b) Total revenue of ₹. Nil .
(c) Net cash inflows of ₹. 0.95 Lacs for the year ended on that date.

The consolidated statements also include the holding company's share of net loss (and other comprehensive income) of ₹. NIL for the year under review.

No audit of the subsidiaries has been done either by us or by a local audit Firm; such unaudited financial statements and information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosure included in respect of these subsidiaries and our report in terms of subsections 3 and 11 of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such un-audited financial information.

Investment aggregating to ₹. 61.69 Cr. in these subsidiaries, appear as "Non-current investments" (note 2) in the accounts of the Holding company for the year, at original cost.

The management has not been able to assess impairment loss, if any. There is also uncertainty in the realization of receivables of these subsidiaries, aggregating to ₹. 16.49 Cr.

3. **Goodwill aggregating to Rs. 61.69 Cr**. - In the absence of valuation reports of Goodwill, the extent of impairment and its impact, if any, on profit and loss account, reserves and surplus is not ascertained;

In the absence of balance confirmation, there is also uncertainty in the realization of receivables of these subsidiaries aggregating to Rs. 16.49 Cr. hence as auditors of the Company we are unable to comment and ascertain its impact on profit and loss account, reserves and surplus..

4. **Disputed bank balance in overseas Bank ₹. 34.79 Cr**.

Funds raised by MPS from a GDR issue in FY 2007-08 were kept in an account with Banco Efisa in Lisbon, Portugal to be deployed in terms of the Information Memorandum of the GDR issue.

During FY 2008-09, the Bank debited USD 8,883,210.75 out of the balance in this account; the company has denied and disputed this debit and initiated legal action against the Bank, under criminal jurisprudence of Portuguese Law. Based on information arising during the investigation, MPS has also initiated a civil suit against the Bank and its holding company for recovery of the disputed amount along with interest.

Though MPS' advocates have confirmed that the chances of recovery are very high, yet in our opinion, Bank Balances in the consolidated statements are overstated to the extent of Rs. 34.79 Cr.

5. Other non-current assets include other loans and advances of Rs. 223.42 C-r. 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.

6. Non-payment of fees to Registrar of Companies ₹. 5.86 Cr.

MPS had increased its authorized capital in stages during the period 2010 to 2013, but applicable fees were not deposited with the Registrar of Companies (ROC).

Meanwhile the schedule of fees was increased substantially by the Companies Act, 2013; MPS's writ petition challenging the revision in fees on the ground that the capital was increased prior to the 2013 Amendment, was dismissed by the Delhi High Court.

MPS has filed Special Leave Petition in the Supreme Court in April 2019 and the same is pending adjudication by the Hon'ble Apex Court.

The amount payable ₹. 5.86 Cr. (calculated as per Companies Act, 1956) appears as "other current liabilities" (notes 9 and 14); provision has been made for the additional fees, which is reflected under the head "Other Expenses – Rates & Taxes".

7. Default in deposit of Income tax dues - ₹. 20.80 Lacs

MPS had defaulted in deposit of income tax dues aggregating to Rs. 20.80 Lacs for the AY 2013-14; provision appears under the head "Short Term Provisions" (note 12).

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs).

Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Consolidated 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 (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the Basis for Qualified Opinion section above, we have determined the matters described below to be the key audit matters to be communicated in our report.

1. Evaluation of uncertain tax positions: The Holding Company has material uncertain direct and indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 21 under the head "Contingent Liabilities" in the Consolidated Financial Statements.

Auditor's Response.
We obtained from the Company's management, details of the status as of 31st March 2020 concerning tax assessments and demands for current as well as past years. We assessed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes to evaluate whether any change was required to management's position on these uncertainties.

2. Holding Company's business model
MPS's existing business model has been impacted by the uncertainty due to its high dependence on Telecommunication segment which has shown a significant decline due to very tough competition from online operators and other service providers such as Vodafone, Idea, Jio and others who have been providing similar services. This has resulted in losses leading to difficulty in bank financing and increasing dependence on loans from others.

During the year under review, MPS has diversified into export of telecommunication equipments on trial basis; MPS hopes to recover losses and make profit in due course by way of continued exports and better purchase prices on volume-buying but has been adversely impacted due to out-brake of COVID-19 pandemic since December 2019 and subsequent global lockdown of operation. The Company hopes to recover and recover losses and make profits as soon as the pandemic is over and the economic activities resumes globally.

3. Sundry Debtors of holding company includes sundry debtors aggregating to Rs. 16.49 Crores pertaining to Subsidiaries which are more than 3 years. However in the opinion of auditors there should be a regular process of identification and making provision for bad and doubtful debts. Such a process has not been followed. We therefore are unable to comment on the extent of un-provided bad and doubtful debts and their impact on loss and reserves.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Board's report including

the Annexures and the Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for:

- maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 financial 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 and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls system in place 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 the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 audit report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements.

  Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

  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.

  From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and consideration of financial information of the 3 subsidiaries, as were certified by the Management, and as referred to in para 2 in the Basis for Qualified Opinion section above, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations, as on 31st March 2020, received from the directors of the Holding company incorporated in India and certificate of Non-disqualification of Directors pursuant to section 164 (2) issued by the Secretarial Auditor M/s. Kundan Aggarwal & Associates, both taken on record by the Holding company's Board of Directors, none of the directors are disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, please refer to our separate Report in "Annexure A" which is based on our audit report of the Holding company and the unaudited information given by Management concerning the 3 subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, according to the information and explanations given to us, no remuneration has been paid by the Company to its directors during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us :

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii) There are no long-term contracts including derivative contracts and hence no provision is required to be made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund, by the Holding company; there are no Indian subsidiaries.

For Nemani Garg Agarwal & Co.
Chartered Accountants
Firm Reg. No. 010192N
Sd/-
SK Nemani
Partner
Membership no. 037222
Place: New Delhi
Date: 30 July 2020

Annexure A

(Referred to in paragraph 1 (f) under "Report on other Legal and Regulatory requirements" section in our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March, 2020, we have audited the internal financial controls over financial reporting of the Holding company, MPS Infotecnics Limited; we have relied on the unaudited information given by Management with respect to the 3 overseas subsidiary companies which form part of the consolidated statements covered by this Report.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding company only as the 3 subsidiary companies, are incorporated outside India and have not been audited. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding company excluding its subsidiary companies which are companies incorporated outside India and have not been audited.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the

company are being made only in accordance with authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on Management's certificate concerning the subsidiaries incorporated outside India, the Group has, in all material respects, a reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating reasonably effectively as at 31 March 2020 in accordance with the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nemani Garg Agarwal & Co.
Chartered Accountants
Firm Reg. No. 010192N
Sd/-
SK Nemani
Partner
Membership no. 037222

Place: New Delhi
Date: 30 July 2020

MPS Infotecnics Limited
CIN: L30007DL1989PLC31190
703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001

Consolidated BALANCE SHEET AS AT 31st MARCH, 2020

(Amount in Rs.)

PARTICULARS	NOTE NOs.	AS AT 31.03.2020	AS AT 31.03.2019
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	1(a)	524,168	699,044
CAPITAL WORK IN PROGRESS		-	-
INVESTMENT PROPERTY		-	-
GOODWILL		616,910,728	616,910,728
INTANGIBLE ASSETS	1(b)	230,644,227	266,301,727
INTANGIBLE ASSETS UNDER DEVELOPMENT	1(C)	564,439,755	564,439,755
FINANCIAL ASSETS			
Non-Current Investments	2	4,669	4,423
LOANS		-	-
OTHER FINANCIAL ASSETS		-	-
DEFERRED TAX ASSETS (NET)		-	-
OTHER NON CURRENT ASSETS	3	2,234,227,890	2,239,780,543
TOTAL NON CURRENT ASSETS		**3,646,751,437**	**3,688,136,222**
CURRENT ASSETS			
INVENTORIES	4	621,971,389	621,971,389
FINANCIAL ASSETS			
TRADE RECEIVABLES	5	350,873,097	344,977,804
CASH AND CASH EQUIVALENTS-OWNED FUND	6(a)	387,086	617,481
BANK BALANCES & LOANS	6(b)	349,036,453	348,711,449
OTHER FINANCIAL ASSETS		-	-
CURRENT TAX ASSETS (NET)		-	-
OTHER CURRENT ASSETS	7	12,530,789	35,341,879
TOTAL CURRENT ASSETS		**1,334,798,814**	**1,351,620,002**
TOTAL ASSETS		**4,981,550,252**	**5,039,756,224**
EQUITY AND LIABILITIES			
EQUITY SHARE CAPITAL	8	3,774,436,655	3,774,436,655
OTHER EQUITY	9	704,183,197	731,163,951
TOTAL EQUITY		**4,478,619,852**	**4,505,600,607**
LIABILITIES			
NON CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
BORROWINGS	10	24,466,298	20,789,185
DEFERRED TAX LIABILITY (NET)		38,635,222	61,708,570
OTHER NON CURRENT LIABILITIES		-	-
TOTAL NON CURRENT LIABILITIES		**63,101,520**	**82,497,755**
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
BORROWINGS	11	208,365,575	206,980,854
TRADE PAYABLES		151,591,502	122,478,547
OTHER FINANCIAL LIABILITIES			
PROVISIONS	12	5,336,389	4,869,229
OTHER CURRENT LIABILITIES	13	74,535,413	117,329,232
CURRENT TAX LIABILITY			
TOTAL CURRENT LIABILITIES		439,828,879	451,657,862
TOTAL EQUITY AND LIABILITIES		**4,981,550,252**	**5,039,756,224**
NOTES ON FINANICAL STATEMENTS	**1-26**		
SIGNIFICANT ACCOUNTING POLICIES AND	**27**		

As per our Audit Report of even date

For Nemani Garg Agarwal & Co.	**For and on behalf of the Board of Directors**	
Chartered Accountants		
FRN No. : 010192N		
Sd/-	Sd/-	Sd/-
S.K. Nemani	**Peeyush Aggarwal**	**Rachit Garg**
Partner	**Chairman & Managing Director**	**Director**
M.No. : 037222	**DIN: 00090423**	**DIN 7574194**
	Sd/-	Sd/-
Place : New Delhi	**Garima Singh**	**Sanjay Sharma**
Date : 30th July 2020	**Company Secretary**	**Chief Financial Officer**

MPS Infotecnics Limited
CIN: L30007DL1989PLC31190
703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001

Consolidated Statement of Profit & Loss Account for the year ended 31st March, 2020

(Amount in Rs.)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
REVENUE			
REVENUE FROM OPERATIONS	14	81,419,418.72	170,039,069.00
OTHER INCOME	15	29,193.71	1,249,176.00
TOTAL REVENUE		81,448,612.43	171,288,245.00
EXPENDITURE			
PURCHASE OF STOCK -IN -TRADE & SERVICES		83,521,835.07	166,791,432.00
CHANGE IN INVENTORIES	16	-	1,200,595.00
EMPLOYEE BENEFIT EXPENSES	17	2,601,106.00	5,564,195.00
FINANCE COST	18	4,189,405.16	5,999,442.00
DEPRECIATION & AMORTISATION EXPENSES		35,832,376.00	35,213,617.00
OTHER EXPENSES	19	11,470,151.91	9,995,467.00
TOTAL EXPENDITURE		**137,614,874.14**	**224,764,748.00**
PROFIT BEFORE TAX		**(56,166,261.71)**	**(53,476,503.00)**
TAX EXPENSES			
- CURRENT TAX		-	-
- DEFERRED TAX (NET)		23,073,348.56	(34,837,882.00)
PROFIT AFTER TAX		**(33,092,913.15)**	**(88,314,385.00)**
OTHER COMPREHENSIVE INCOME			
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT & LOSS			
- REMEASUREMENTS OF THE DEFINED BENEFIT LIABILITY/ASSET		(127,238.00)	1,091,286.00
- GAIN OR LOSS ARISING ON FAIR VALUATION OF EQUITY INSTRUMENT		-	-
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)		(127,238.00)	1,091,286.00
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(33,220,151.15)**	**(87,223,099.00)**
EARNING PER SHARE (EQUITY SHARE OF RS 10/- EACH) - **BASIC & DILUTED**		(0.009)	(0.023)
WEIGHTED AVERAGE NUMBER OF EQUITY SHARES USED IN COMPUTING EARNING PER SHARE		3,774,436,655	3,774,436,655
NOTES ON FINANICAL STATEMENTS	1-26		
SIGNIFICANT ACCOUNTING POLICIES AND	27		

As per our Audit Report of even date

For Nemani Garg Agarwal & Co.	**For and on behalf of the Board of Directors**	
Chartered Accountants		
FRN No. : 010192N		
Sd/-	Sd/-	Sd/-
S.K. Nemani	**Peeyush Aggarwal**	**Rachit Garg**
Partner	**Chairman & Managing Director**	**Director**
M.No. : 037222	**DIN: 00090423**	**DIN 7574194**
	Sd/-	Sd/-
Place : New Delhi	**Garima Singh**	**Sanjay Sharma**
Date : 30th July 2020	**Company Secretary**	**Chief Financial Officer**

MPS Infotecnics Limited
L30007DL1989PLC31190
703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001
Consolidated Cash Flow Statement for the year ended 31st March, 2020

Amount in Rs.

	Particulars	As At 31-Mar-20	As At 31-Mar-19
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax	(56,166,262)	(53,476,503)
	Adjustment for :		
	Depreciation & Amortisation	35,832,376	35,213,617
	Leave Encashment	141,413	81,480
	Gratuity	280,753	(903,011)
	Comprehncive Income	(127,238)	1,091,286
	Interest & Other Costs	4,189,405	5,999,442
	Interest Received	(20,194)	(1,197,302)
	(Profit) / Loss on sale of Fixed Assets	-	(46,000)
	Operating Profit Before Working Capital Changes	(15,869,746)	(13,236,990)
	(Increase)/Decrease in Current Assets	16,915,797	21,064,763
	Increase/(Decrease) in Current Liabilities	(12,296,143)	(8,529,298)
	Net Cash from Operating Activities (A)	**(11,250,092)**	**(701,525)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets	-	(9,999)
	Sale of Fixed Assets	-	46,000
	Change in Capital WIP	-	-
	(Increase)/Decrease in Investment	(246)	(227)
	Interest Received	20,194	1,197,302
	Long term Loans & Advances	5,597,649	(3,032,820)
	Net Cash Outflow in Investing Activities (B)	**5,617,597**	**(1,799,745)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Issue of Equity Shares	-	-
	Share Application Money Received	-	-
	Increase / (Decrease) in Long Term Borrowings	3,677,113	3,669,566
	Interest Paid	(4,189,405)	(5,999,442)
	Net Cash inflow from Financing Activities (C)	**(512,293)**	**(2,329,876)**
	Foreign Currency Translation Reserve	6,239,397	4,285,447
	Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C)	(6,144,787)	(4,831,145)
	Cash and Cash Equivalent as at 01/04/2019	**349,328,930**	**349,874,628**
	Cash and Cash Equivalent as at 30/09/2019 / 31/03/2019	**349,423,540**	**349,328,930**

Notes:

1. Comparative figures have been regrouped wherever necessary.
2. The cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard – 3 on Cash Flow Statement notified by the Companies (Accounting Standards) Rules, 2006.
3. These earmarked account balances with banks can be utilised only for the specific identified purposes.
4. Bank Balance as shown in cash and Cash Equivalents amounting to Rs. 34,78,92,163 in Banco Efisa bank in Portugal is not available for use, because the bank has Debited the account by same amount, the matter is in court of Law.

As per our Audit Report of even date

For For Nemani Garg Agarwal & Co.	**For and on behalf of the Board of Directors**	
Chartered Accountants		
FRN No. : 010192N		
Sd/-	**Sd/-**	**Sd/-**
S.K. Nemani	**Peeyush Aggarwal**	**Rachit Garg**
Partner	**Chairman & Managing Director**	**Director**
M.No. : 037222	**DIN: 00090423**	**DIN 7574194**
	Sd/-	**Sd/-**
Place : New Delhi	**Garima Singh**	**Sanjay Sharma**
Date : 30th July 2020	**Company Secretary**	**Chief Financial Officer**

Notes to the Standalone Financial Statements For the year ended March 31, 2020

Note 1 - Fixed Assets

(Amount In Rs.)

Description	Gross Block				Depreciation / Amortization				Net Block	
	As At 01.04.2019	Additions / Adjustments	Deductions / Adjustments	As At 31.03.2020	As At 01.04.2019	For the Year	Deductions / Adjustments	As At 31.03.2020	As At 31.03.2020	As At 31.03.2019
A. PROPERTY PLANT & MACHINERY :										
Building	-	-	-	-	-	-	-	-	-	-
Plant & Machinery										
- Computers and Peripherals	34,326,883	-	-	34,326,883	34,167,581	74,898	-	34,242,479	84,404	159,302
-Office Equipments	14,329,413	-	-	14,329,413	14,183,314	73,295	-	14,256,609	72,804	146,099
Vehicles	4,379,893	-	-	4,379,893	4,264,523	5,034	-	4,269,557	110,336	115,370
Furniture & Fixtures	15,539,164	-	-	15,539,164	15,260,891	21,649	-	15,282,540	256,624	278,273
Sub Total (A)	68,575,353	-	-	68,575,353	67,876,309	174,876	-	68,051,185	524,168	699,044
B. INTANGIBLE ASSETS :										
Goodwill	2,800,000	-	-	2,800,000	2,800,000	-	-	2,800,000	-	-
Software	356,575,000	-	-	356,575,000	90,273,273	35,657,500	-	125,930,773	230,644,227	266,301,727
				-						
Sub Total (B)	359,375,000	-	-	359,375,000	93,073,273	35,657,500	-	128,730,773	230,644,227	266,301,727
Total (A+B)	427,950,353	-	-	427,950,353	160,949,582	35,832,376	-	196,781,959	231,168,395	267,000,771
C. CAPITAL WORK IN PROGRESS										
Capital Work-in-Progress (includir	564,439,755	-	-	564,439,755	-	-	-	-	564,439,755	564,439,755
Grand Total A+B+C	992,390,108	-	-	992,390,108	160,949,582	35,832,376	-	196,781,959	795,608,150	831,440,526

Note :

1. The Company has developed or customized various computer software in house. The company has source code for all these software and has all the rights over the product. However there is no formal registration of IPR. The company has shown these software under the sub-head "Software" under the head "intangible" in its financial statements and the same is certified by the management. Capital WIP includes various software product underdeveloped / developed which also includes software with third party for development/modification. During the year, the Company has received software product worth Rs. 5.50 Crores as sales return which was sold in the previous year.

2. During the financial year 2013-14, the Company transferred softwares (under the head Intangible Assetsin Fixed Assets) amounting to Rs. 62.23 crores into stock in trade at WDV as on 01/04/2013. The management of the company has decided to sell these various safotware products in the martket.

Note No.	Particulars	31/03/2020	31/03/2019
2	**NON-CURRENT INVESTMENTS**		
	In Equity Shares of Subsidiaries Companies		
	Axis Convergence Inc -20000 Equity Share (20000E.S.)	-	-
	Greenwire Network Ltd.-25641 Equity Share(25641 E.S.)	-	-
	Opentec Thai Network Specialists Co. Limited-129995 Equit	-	-
	Others		
	Investment by Subsidiaries	4,669	4,423
	Total	**4,669**	**4,423**

Note No.	Particulars	31/03/2020	31/03/2019
3	**OTHER NON CURRNET ASSETS**		
	a. LONG-TERM LOANS & ADVANCES		
	Advances with Tax Authorities	10,178,591	13,249,408
	Other Loans and Advances	2,224,049,299	2,226,499,747
	Total (a)	**2,234,227,890**	**2,239,749,155**
	b. OTHER NON CURRENT ASSETS	-	
	Prepaid Rent on Security Deposit	31,388	31,388
	Total (b)	**31,388**	**31,388**
	Total (a) + (b)	**2,234,227,890**	**2,239,780,543**
	Notes :		
	1. Other Loans & Advances are subject to balance confirmation.		
	2. During the financial year 2013-14, due to change in business plan and consequential ammendment in terms, Capital Advances amounting to Rs. 220 Crore has been taken as long term advances and included in Other Loans & Advances.		

Note No.	Particulars	31/03/2020	31/03/2019
4	**INVENTORIES**		
	Stock-in-Trade	621,971,389	621,971,389
	Total	**621,971,389**	**621,971,389**

Note No.	Particulars	31/03/2020	31/03/2019
5	**TRADE RECEIVABLES**		
	(Unsecured & Considered Good)		
	Over Six Months	297,548,207	343,629,395
	Others	53,324,890	1,348,409
	Total	**350,873,097**	**344,977,804**
	Notes : Trade Receivables subject to balance confirmation. The management considers the same is good and recoverable.		

Note No.	Particulars	31/03/2020	31/03/2019
6 (a)	**CASH BALANCES**		
	Cash in hand	387,086	617,481
	Total (a)	**387,086**	**617,481**
6(b)	**BANK BALANCES**		
	Balances with Banks	474,290	384,286
	Fixed Deposits with Banks	670,000	435,000
	Balances with Foreign Bank - Banco Efisa	347,892,163	347,892,163
	Total (b)	**349,036,453**	**348,711,449**
	Total (a) (b)	**349,423,539**	**349,328,930**
	Note: The funds raised by the Company from GDR issue during F.Y. 2007-08 were kept in fixed deposit account with Banco Efisa, Lisbon, Portugal, as the said amount was to be deployed in terms of INFORMATION MEMORANDUM of the GDR issue. During the F.Y. 2008-09, the Bank in Portugal, Banco Efisa wrongly debited an amount of USD 8,883,210.75 out of the balance lying in the Company's Account with the Bank. The Company has denied and disputed this debit and had initiated legal action under criminal jurisprudence of Portuguese Law. During the criminal investigation, several new facts/documents have come to our knowledge and based on the evaluation of new facts/documents by Barristers, Senior Advocates and investigation carried out of in India, London and Portugal; your Company has initiated a strong civil action for recovery of USD 8,883,210.75, along with interest, against Banco Efisa and its Holding Company, wherein the Portuguese advocates confirm that the chances of recovery are very high.		

Note No.	Particulars	31/03/2020	31/03/2019
7	**OTHER CURRENT ASSETS**		
	SHORT TERM LOANS & ADVANCES		
	Advance to Suppliers	6,363,404	29,669,628
	Advance with Tax Authorities	1,032,452	568,585
	Total (a)	7,395,856	30,238,213
	OTHER CURRENT ASSETS		
	Security Deposits	501,334	501,334
	Security Deposit Ammortisation Adjustment	(31,388)	(31,388)
	Prepaid Expenses	4,260,496	4,223,545
	Interest accrued but not due	373,103	410,175
	Total (b)	5,134,932	5,103,666
	Total (a) + (b)	**12,530,789**	**35,341,879**
	Note: Other Loans & Advances, Advance to suppliers are subject to balance confirmation, however these loans and advances are good and recoverable.		

Note No.	Particulars	31/03/2020	31/03/2019
8	**SHARE CAPITAL**		
	Equity Share Capital		
	Authorised Share Capital :	3,775,000,000	3,775,000,000
	3,775,000,000 Equity Share of Re.1/- each		
	(Previous Year 3,775,000,000 equity share of Re. 1/- each)		
	Issued, Subscribed & Paid Up Share Capital :	3,774,436,655	3,774,436,655
	(377,44,36,655 Equity Shares of Re. 1/- each Includes 102,404,764 Equity Shares Consequent to issue of 46,54,762 GDR vide information Memorandum Dated December 4 , 2007)		
	Total	**3,774,436,655**	**3,774,436,655**
	Notes:		
	1. The Company has only one class of equity shares having a par value of Re.1/- each per share. Each holder of equity share is entitled to one vote per share.		
	2. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company after discharging the liabilities of the Company.		
	3.The Company had increased the authorized capital during the Financial Year 2010-11 to 2012-13, however due to technical issues necessory forms along woth the fees w.r.t. increase in Authorised Capital, could not be filed and paid. Measnwhile the schedule of fees was increased as per the companies act, 2013. However, the authorised capital was increased prior to the applicability of companies act, 2013. The company has filed a Writ Petition bearing No. WP(C) 5199 of 2015 before the Hon'ble High Court of Delhi, challenging the applicability of provisions prescribed under Para 3 of Table B under Registration of Offices and Fees Rules 2014 and the same is pending adjudication.		

The Details of Shareholders holding more than 5 % shares :

Name of the Shareholder	31st March, 2020		31st March, 2019	
	No. of Shares	% held	No. of Shares	% held
Mr. Peeyush Aggarwal	786,750,193	20.84	786,750,193	20.84
Omkam Capital Markets Pvt. Ltd.	341,000,000	9.03	341,000,000	9.03
Ms. Seema Aggarwal	75,761,774	2.00	75,761,774	2.00

The reconciliation of the number of shares outstanding is set out as below		
Particulars	**31st March, 2020**	**31st March, 2019**
	Nos. of Shares	**Nos. of Shares**
Equity Shares at the beginning of the year	3,774,436,655	3,774,436,655
Add: Shares issued on conversion of convertible warrants	-	-
Add: Shares issued as Bonus Shares (1:10)	-	-
Equity Shares at the end of the year	3,774,436,655	3,774,436,655

Note No.	**Particulars**	**31/03/2020**	**31/03/2019**
9	**Other Equity**		
	a. Reserves & Surplus		
	Capital Reserve	51,457,116	51,457,116
	Securities Premium Reserve	899,102,506	899,102,506
	General Reserve	54,570,009	54,570,009
	Foreign Currency Translation Reserve	47,567,922	41,328,525
	(Less):-	-	
	Deficit in earlier year	(316,754,182)	(228,439,798)
	Deficit during the year	(33,092,913)	(88,314,386)
	Total a	702,850,458	729,703,972
	b. Other Comprehnsive Income		
	Items that will not be subsequently reclassified to OCI	-	-
	Remeasurements of Defined Benefit Liability	1,332,739	1,459,977
	Gain or Loss arising out of Fair Valuation of Equity Instrument		-
	Total (a+b)	**704,183,197**	**731,163,951**

Note No.	**Particulars**	**31/03/2020**	**31/03/2019**
10	**LONG TERM BORROWINGS**		
	Secured		
	Loans from Other Banks & Institution	24,466,298	20,789,185
	Total	**24,466,298**	**20,789,185**

Note No.	**Particulars**	**31/03/2020**	**31/03/2019**
11	**SHORT TERM BORROWING**		
	Secured		
	Working Capital Loan from Allahabad Bank	28,112,169	27,599,876
	Unsecured		
	Others	180,253,406	179,380,978
	Total	**208,365,575**	**206,980,854**

Note No.	Particulars	31/03/2020	31/03/2019
12	**SHORT TERM PROVISIONS**		
	Provision for Income Tax	2,080,074	2,080,074
	Provisions for Employees Benefits - Leave Encashment	1,651,429	1,510,016
	Provisions for Employees Benefits - Gratuity	1,059,092	778,339
	Provisions for Expenses	545,794	500,800
	Total	**5,336,389**	**4,869,229**
	Note: Income tax liability amounting to Rs. 20.80 Lacs in respect of assesmsent year 2013-14, still payable against which provision for income tax, had already been made in the books of account. As such this liability has no further impact on the profits / retained earnings of the reported period of the company.		
	Notes : Working Capital Loans from Allahabad Bank and Loans from Phoenix ARC Pvt. Ltd. are secured by way of charge on movable and immovable properties of the Company.		
	(i) Company has entered into an OTS for a sum of Rs. 118,650,000.00 with Allahabad Bank as on 14.01.2016 and paid a sum of Rs. 10,27,40,318/- till 31.05.2017 and further re entered into an OTS of Rs. 281.00 Lacs and paid Rs. 13.30 lacs.		
	(ii) Other Unsecured loans inclued a sum of Rs. 174,887,470/- from directors.		

Note No.	Particulars	31/03/2020	31/03/2019
13	**OTHER CURRENT LIABLITIES**		
	Advance from customers	5,681,314	14,763,036
	Other Payables	68,854,099	102,566,196
	Total	**74,535,413**	**117,329,232**
	Note : Other payable includes Rs. 5.86 Crores towards ROC fees in connection with increase in Authorised share capital from Rs. 52.45 Crores to Rs. 377.50 Crores in various EGMs held and Merger through Court orders held during the Period from FY 2010-11 to FY 2012-13. Kindly refere Note No. 1 (3) under the head "Share Capital".		
	Note: Trade Payables are subject to balance conirmation.		

Note No.	Particulars	AS AT 31/03/2020	AS AT 31/03/2019
14	**REVENUE FROM OPERATIONS**		
	Sale of Products & Services	81,192,868.72	170,039,069.00
	CUSTOM COLLECTION REFUND	226,550.00	
	Total	**81,419,418.72**	**170,039,069.00**

Note No.	Particulars	AS AT 31/03/2020	AS AT 31/03/2019
15	**OTHER INCOME**		
	Miscellaneous Income	9,000.00	5,874.00
	Profit on sale of Fixed Assets	-	46,000.00
	Prepaid Income on Security Deposit	-	-
	Less: Prepaid Expenses on Security Deposit		
	Interest Income Staff Loan (Amortisation)		-
	Interest income	20,193.71	1,197,302.00
			-
	Total	**29,193.71**	**1,249,176.00**

Note No.	Particulars	AS AT 31/03/2020	AS AT 31/03/2019
16	**CHANGES IN INVENTORIES OF STOCK-IN-TRADE**		
	Opening Stock	621,971,389.00	623,171,984.00
	Less: Closing Stock	621,971,389.00	621,971,389.00
	Total	**-**	**1,200,595.00**

Note No.	Particulars	AS AT 31/03/2020	AS AT 31/03/2019
17	**EMPLOYEE's BENEFIT EXPENSES**		
	Salaries and Wages	2,553,346.00	5,328,542.00
	Contribution to Provident and Other Funds	29,031.00	171,148.00
	Staff Welfare Expenses	18,729.00	64,505.00
	Total	**2,601,106.00**	**5,564,195.00**

Note No.	Particulars	AS AT 31/03/2020	AS AT 31/03/2019
18	**FINANCE COST**		
	Interest Expenses	4,189,405.16	5,999,442.00
	Total	**4,189,405.16**	**5,999,442.00**

Note No.	Particulars	AS AT 31/03/2020	AS AT 31/03/2019
19	**OTHER EXPENSES**		
	Advertisement and Publicity	108,096.00	142,560.00
	AGM / Board Meeting Expenses	10,113.00	10,256.00
	Audit Fees	150,000.00	150,000.00
	Bank Charges	82,914.82	95,439.00
	Commission	-	59,701.00
	Communication Expenses	43,522.97	25,164.00
	Conveyance Expenses	17,967.00	34,406.00
	Exchange Rate Fluctuation	248,866.71	-
	Freight & Cartage	219,273.03	-
	LOADING & UNLOADING EXPENSES	2,520.00	-
	Insurance Premium	20,515.00	494,046.00
	Legal & Professional Charges	202,960.00	1,407,133.00
	Listing Fees	1,581,522.73	-
	MEMBERSHIP FEE	7,250.00	-
	Power, Fuel & Water Charges	142,758.01	153,847.00
	Printing & Stationery	46,203.00	34,694.00
	Rates & Taxes	5,038,653.22	5,058,415.00
	Rent Charges	3,396,336.00	2,223,336.00
	Repair & Maintenance Charges	115,342.36	48,577.00
	Travelling & Tour Expenses -Others	-	18,402.00
	Vehicle Running & Maintenance	-	39,490.00
	Ware House Rent	21,333.00	-
	Ware House Registration charges	14,005.06	-
	Total	**11,470,151.91**	**9,995,467.00**

MPS Infotecnics Limited		
Note 20 - Disclosure Under Indian Accounting Standard 21- Transactions occurred in Foreign Currency		
		(Amount in Rs.)
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Import/Export in Foreign Currency		
FOB Value of Export	30,346,026	172,958
Value of Imports	1,901,264	1,837,890
Expenditure in Foreign Currency	-	-
Profit and (Loss) Foreign Exchange Fluctuation	-	-
Net Profit / (Loss) in Foreign Excange Fluctuation	**(248,867)**	**(34,406)**
Note 21 - Disclosure under Indian Accounting Standard 37 - Contingent Liabilities		
A. Dues of Income Tax		
a) A.Y. 2008-09 Rs. 465,50,998/- (Rs. 465,50,998/-),		
b) A.Y. 2009-10 Rs. 2,27,56,825/- (2,27,56,825/-)		
b) A.Y. 2010-11 Rs. 27,306,810/- (Nil)		
B. Interest on Cash Credit (NPA as per Bank) of Rs.1,79,04,100/- (Rs. 1,45,02,084/-), which is under settlement with Bank .		
C. ROC fees of increase in authorised share capital Rs. 42061713/- (Rs. 3,91,22,905/-).		
D. Service Tax demand Rs. 35,53,123/- against this Rs. 10,00,000/- paid. (Rs. 25,53,123/-). Subsequent to the closure of Financial year, the liability has been settled and paid.		
Note 22 - Payment to auditors		**(Amount in Rs.)**
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Audit Fee for		
-Statutory Audit	150000	150000

Note 23 - Disclosure under Indian Accounting Standard 108 - Segment Reporting

(Amount in Rs.)

Particulars for the year ended 31st March, 2020	Business Segments			
	IT Solutions & Products	IT Enabled Services	Telecommunication	Total
Revenue	-	5,257,961	76,161,458	**81,419,419**
	1,151,912	5,005,572	163,881,586	170,039,069
Inter-Segment Revenue	-	-	-	-
Total	-	5,257,961	76,161,458	**81,419,419**
	1,151,912	5,005,572	163,881,586	170,039,069
Segment Result		(643,176)	(13,798,767)	**(14,441,943)**
	(435,673)	(2,626,568)	(8,872,026)	(11,934,266)
Interest				**4,189,405**
				(5,999,442)
				(18,631,348)
				(17,933,709)
Unallocable Expenses (net)				**37,564,108**
				(36,791,968)
Operating Income				**(56,195,455)**
				(54,725,677)
Other Income (net)				**29,194**
				(1,249,176)
Extra ordiniary & prior period itmes				-
				-
Profit before tax				**(56,166,262)**
				(53,476,501)
Tax Expenses				**23,073,349**
				(34,837,882)
Net Profit for the year				**(33,092,913)**
				(88,314,384)

Note:

1. Primary Segmentation has been done according to the nature of product & services.The Company's Operations
   a) IT Solution & Products (including software)
   b) IT Enabled Services
   c) Telecommunication

2. There is no Inter division or Inter Segment transfer of goods.

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

4. The Company caters mainly to the Domestic market and the Export turnover is not significant in the context of the total turnover. As such there are no geographical segments

Note 24 - Disclosure Under Indian Accounting Standard 24 - RELATED PARTY DISLOSURES

Description of Relationship	Names of Related Parties	Outstanding Balance As At 31st March, 2020
Ultimate Holding Company	No	
Holding Company	No	
Subsidiary Companies	Axis Convergence Inc	
	Greenwire Network Limited	
	Opentec Thai Network Specialists Limited	
Fellow Subsidiary Company	No	
Key Management Personnel (KMP)	Mr, Peeyush Kumar Aggarwal (Chairman & M.D.)	(174,887,470)
	Ms. Garima Singh (Company Seceratary)	-
	Mr. Sanjay Sharma (CFO)	-
Relatives of KMP	None	
Entities in which KMP/ Relatives of KMP can exercise significant influence	Omkam Global Capital Private Limited	(38,153,580)

Note:
1. Related Parties transactions during the year, have been identified by the management

Particulars	Omkam Global Capital Private Limited	Ms. Prachi Sharma	Ms. Garima Singh	Mr. Sanjay Sharma
Sale of Goods	-	-	-	-
Purchase of Goods	-	-	-	-
Other Advances	(38,153,580)	-	-	-
Advance given	-	-	-	-
Remuneration to Directors & KMPs	-	260,000	27,021	782,500
Share Application Money Received	-	-	-	-
Share Application Money Refunded	-	-	-	-

Note 25 - Disclosure under Indian Accounting Standard 33- EARNINGS PER SHARE (EPS)		
		(Amount in Rs.)
Particulars	**As at 31ST March 2020**	**As at 31 March 2019**
Basic		
Net Profit after tax as per Statement of Profit & Loss attribu	(33,092,913)	(88,314,384)
Weighted Average number of equity shares used as denom	3,774,436,655	3,774,436,655
Basic Earnings per share	(0.009)	(0.023)
Face Value per equity share	1	1
Diluted		
Net Profit after tax as per Statement of Profit & Loss attribu	(33,092,913)	(88,314,384)
Weighted Average number of equity shares used as denom	3,774,436,655	3,774,436,655
Basic Earnings per share	(0.009)	(0.023)
Face Value per equity share	1	1

Note 26 - DEFERRED TAX		
Particulars	**As at 31ST March, 2020**	**As at 31st March, 2019**
WDV As per Companies' Books	231,168,395	267,000,771
WDV AS as per Income Tax Act, 1961	79,860,866	130,720,559
Timing Difference B/w Depreciation as per Comp	151,307,529	136,280,212
Provision for Employee Benefit	2,710,521	2,288,355
Total	148,597,008	(133,991,857)
Closing DTA transferred to Profit & Loss account	38,635,222	(34,837,882)
Opening DTL	(61,708,570)	(26,870,689)
Deferred Tax Liability / (Assets) (Net)	(23,073,348)	(61,708,570)

SIGNIFICANT ACCONTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENT

Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2016 with restatement of previous year figures presented in this financial statements. Accordingly, the Consolidated Financial Statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI) ("Previous GAAP).

These Consolidated Financial Statements for the year ended 31st March, 2020 are the second Consolidated Financial Statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS was 1st April, 2016.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the Consolidated Financial Statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

A. Basis of Accounting & Preparation of Consolidated Financial Statements

These Consolidated Financial Statements are prepared on the accrual basis of accounting, under the historical cost convention except for the following:

i) Certain financial assets and financial liabilities measured at fair value;

There is no change in the system of accounting as being consistently followed from earlier years unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time between procurement of raw material and realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

Principles of Consolidation

The consolidated financial statements relate to MPS Infotecnics Limited ('the Holding Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

a). The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".

b).The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
c). The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.
d). Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
e). Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

B. Use of Estimates

The preparation of Consolidated Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Consolidated Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

C. Property, plant and equipment (PPE) and Capital work-in-progress (CWIP)

Transition to Ind AS

The Company had elected to continue with carrying value of all Property, plant and equipment and Capital work-in-progress (CWIP) under the previous GAAP as deemed cost as at the transition date i.e. 1st April, 2016.

Under the previous GAAP, Property, plant and equipment were stated at their original cost (net of accumulated depreciation and impairment) adjusted by revaluation of certain assets.

The Property, plant and equipment (PPE) and Capital work-in-progress (CWIP) are stated at cost net of cenvat credit and/or at revalued price less accumulated depreciation and Accumulated Impairment.

Useful life of assets are considered on the basis of schedule-II of Companies Act 2013.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

D. Leased Assets

Operating Leases: Rentals are expensed with reference to lease terms and other considerations.

E. Intangible Assets

Transition to Ind AS:

The Company has elected to continue with carrying value of computer software under the previous GAAP, as deemed cost as at the transition date i.e. 1st April, 2016. Under the previous GAAP, computer software was stated at their original cost (net of accumulated amortization and accumulated impairment, if any).

Intangible assets expected to provide future enduring economic benefits are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition less accumulated amortization and impairment, if any.

F. Depreciation and Amortisation

Depreciation on fixed assets is provided to the extent of depreciable amount on straight line method (SLM) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life. Intangible Assets are amortised over a period of 10 years considering the useful life of the underlying assets on

Straight Line Basis.

G. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

H. Foreign Currency Transactions

(a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

(b) Monetary items denominated in foreign currencies at the yearend are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the yearend rate and rate on the date of the contract is recognised as exchange difference

(c) Non monetary foreign currency items are carried at cost.

(d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

I. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided by the management after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Financial instruments

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

1) At amortised cost,
2) At fair value through other comprehensive income (FVTOCI), and
3) At fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in subsidiary carried at deemed cost and associate carried at cost.

Deemed cost is the carrying amount under the previous GAAP as at the transition date i.e. 1st April, 2016. Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in profit or loss. The Company may make an irrevocable election to present in OCI subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price is deferred and after initial recognition deferred difference is recognised as gain or loss to the extent it arises from change in input to valuation technique. If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI.

There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

De-recognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

J. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, charges in bringing them to their respective present location and condition.

K. Revenue Recognition

Revenue from Fixed Price Software Contracts is recognised principally on the basis of completed Milestones as specified in the contracts.

Software Development and Services are recognised on time basis as per terms of specified contracts

Sale of Software / Hardware products is recognised on the dispatch of goods from company's premises. No provision has been made for possible returns or expenses during the warranty period.

Income from Annual Maintenance Contracts, Web Hosting and Domain Registration are accounted for in the ratio of period expired to the total period of the contract and the amount received from the customers towards the un-expired portion of such contract is treated as advance received.

Interest Income is recognized on time proportion basis.

L. Employee Benefits

(a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

(b) Post employment benefits:

Defined contribution plans:
A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The company makes specified monthly contributions towards provident fund. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which employee renders the related service.

Defined benefit plan:
The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized in the other comprehensive income

Long term employment benefits

The Company's net obligation in respect of long-term employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

M. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

N. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction (other than a business combination) affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credit to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised on all taxable temporary differences.

O. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

P. Estimated fair value of unlisted securities

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques including the net assets value (NAV) model. The Group uses its judgment to select a variety of method / methods and make assumptions that are mainly based on market conditions existing at the end of each financial year. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Q. The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation

Form No. MGT-11
Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member:	
Registered Address:	
Registered E-Mail Address:	
Folio No. /Client ID:	
DP ID:	

I / We, being the member(s) of …….. shares of the above named company, hereby appoint:

1. Name: _____
   Address: _____
   E-mail Id: _____
   Signature: _____,
   or failing him/her
2. Name: _____
   Address: _____
   E-mail Id: _____
   Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 31st Annual General Meeting of members of the Company, to be held on Wednesday, December 30th, 2020 at 10.00 a.m. at the 703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	RESOLUTIONS	Vote (Optional, see Note 2) (Please mention no. of shares)	
		For	Against
A.	**ORDINARY BUSINESS**		
1.	Approval of Financial Statements		
2.	Re-appointment of Mr. Ram Niwas Sharma, who is liable to retire by rotation		
B.	**SPECIAL BUSINESS**		
3.	Re-appointment of Mr. Peeyush Kumar Aggarwal as an Managing Director		
4.	Re-appointment of Mrs. Madhu Sharma as an Independent Director		
5.	Appointment of Mr. Santosh Pradhan as an Independent Director		
6.	Approval of Related Party Transactions		
7.	To consider and approve disinvestment in subsidiaries of the company		

Signed this ….. day of…… 2020

Signature of Shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting (on or before 11:00 a.m. on December 28, 2020).
2. It is optional to indicate your preference. If you leave the 'for' or 'against' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

MPS INFOTECNICS LIMITED

CIN: L30007DL1989PLC131190

Registered Office: 703, Arunachal Building, 19, Barakhamba Road, New Delhi-110001

ATTENDANCE SLIP: 31st ANNUAL GENERAL MEETING

Registered Folio no. / DP ID no. / Client ID no. :

Number of shares held:

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the 31st Annual General Meeting of the Company at the 703, Arunachal Building, 19 Barakhamba Road Connaught Place New Delhi-110001 on Wednesday, December 30th , 2020, at 10:00 a.m. ……..……

_____ _____

Name of the member / proxy
(in BLOCK letters)

Signature of the member / proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall at the registration desk. Members are requested to bring their copies of the Annual Report to the AGM.

ROUTE MAP TO THE VENUE OF THE 31ST ANNUAL GENERAL MEETING

Route map of the venue of 31st Annual General Meeting of MPS Infotecnics Limited to be held on Wednesday, September 30, 2020 at 10.00 a.m. at the 703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-10001

