

MPS Infotecnics Limited

(Formerly Vishes Infotecnics Limited)

CIN: L30007DL1989PLC131190
An ISO 9001 - 2008 Company



To,

Date: 05/10/2016

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

The Manager-Listing
Bombay Stock Exchange Limited
Floor 25, P J Towers
Dalal Street, Mumbai-400001

NSE Symbol: VISESHINFO

BSE Scrip Code: 532411

Sub: Submission of Annual report for the Financial Year 2015-16

Dear Sir,

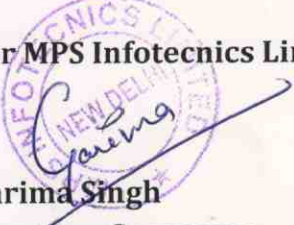
Please find enclosed herewith the Annual Report of the Company for the Financial Year 2015-16 pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for your kind perusal.

This is for your information and records please.

Thanking You,

Yours Truly,

For MPS Infotecnics Limited


Garima Singh
Company Secretary
M.No.37294

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

Ph: +91-120-4713900, Fax: +91-120-4324040

Regd. Office : 703, Arunachal Building,
19, Barakhamba Road, New Delhi-110001

Ph.: +91-11-43571044, Fax: +91-11-43571047

E-mail : info@visheshinfo.com



27th Annual Report 2015-16

MPS Infotecnics Limited
(Formerly Visesh Infotecnics Limited)
Solutions Unlimited



CHARIMAN'S MESSAGE

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

- Mr. Peeyusfi Aggarwal

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CORPORATE INFORMATION

BOARD OF DIRECTORS

| | |
|-----------------------|--|
| Mr. Peeyush Aggarwal | Chairman |
| Mr. Vishal Anand | Chief Executive Officer |
| Mr. Brahm Dutt Sharma | Independent Director |
| Mr. Manoj Jain | Independent Director |
| Mrs. Madhu Sharma | Independent Director |
| Miss. Garima Singh | Company Secretary & Compliance Officer |

STATUTORY AUDITORS

M/s. RMA & Associates
Chartered Accountants
48, First Floor, Hasanpur,
I.P. Extension, Delhi 110092
Ph. No.: 011-45621214
Email: pankajchandraca@gmail.com
FRN: 000978N

BANKERS

Allahabad Bank
ICICI Bank
Axis Bank

REGISTERED OFFICE

703, Arunachal Building,
19, Barakhamba Rad,
Connaught Place, New Delhi 110001
Ph: +91-11-43571044
Fax : +91-11-43571047
Email: info@viseshinfo.com
Website: www.viseshinfo.com
CIN: L30007DL1989PLC131190

SUBSIDIARIES

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

COMMITTEES OF BOARD

| | |
|---|---|
| AUDIT COMMITTEE Mr. Brahm Dutt Sharma, Chairman Mr. Manoj Kumar Jain, Member Mr. Peeyush Aggarwal, Member | STAKEHOLDERS' RELATIONSHIP COMMITTEE Mr. Peeyush Aggarwal, Chairman Mr. Vishal Anand, Member |
| NOMINATION & REMUNERATION COMMITTEE Mr. Brahm Dutt Sharma, Chairman Mr. Manoj Kumar Jain, Member Mr. Peeyush Aggarwal, Member | CORPORATE SOCIAL RESPONSIBILITY COMMITTEE Mr. Peeyush Aggarwal, Chairman Mr. Brahm Dutt Sharma, Member Mr. Manoj Kumar Jain, Member |
| RISK MANAGEMENT COMMITTEE Mr. Brahm Dutt Sharma, Chairman Mr. Manoj Kumar Jain, Member Mr. Peeyush Aggarwal, Member | |

NOTICE

NOTICE is hereby given that Twenty Seventh Annual General Meeting of the Company will be held on Friday, the 30th September, 2016 at 10:00 A.M at the registered office of the Company at 703, Arunachal Building, 19 Barakhamba Road, Connaught Place-110001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the year ended March 31, 2016, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To consider and appoint a Director in place of Mr. Peeyush Kumar Aggarwal (DIN:00090423), who retires by rotation and being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to the provisions of Sub-section (6) of Section 152 and other applicable provisions, of the Companies Act, 2013, Mr. Peeyush Kumar Aggarwal (DIN:00090423), the retiring Director be and is hereby re-appointed”

3. To ratify the appointment of auditor of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time and pursuant to the recommendation of the audit committee and pursuant to the resolution passed by the members at the AGM held on December 30, 2014, the appointment of M/s. RMA & Associates, Chartered Accountants, bearing Firm Registration no.000978N, as the auditors of the Company to hold the office till the conclusion of the AGM to be held in the calendar year 2018, is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the audit committee in consultation with the auditors.”

Date: 2nd Sept, 2016

Place : New Delhi

**By Order of the Board
for MPS Infotecncs Ltd.**

SD/-

**Peeyush Aggarwal
Chairman**

DIN No. 00090423

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
3. Members/proxies should bring the attendance slips duly filled in and PHOTO ID proof for attending the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 27th September 2016 to 30th September 2016 (both days inclusive).
5. All members are requested to bring their own copy of Annual Report along with them.
6. In Compliance with Section 108 of the Companies Act, 2013 read with 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 Disclosures Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Securities Limited. The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The Instructions for e-voting are annexed to the Notice
7. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their Demat Account. Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, MAS Services limited, T-34, IInd Floor, Block T, Okhla Industrial Estate Phase 2 New Delhi-110020.
8. Members desiring any information with regard to accounts and operations of the Company are requested to write to the Company at least 10 days before the date of the meeting to enable the management to keep the information available at the meeting.
9. To support the 'Green Initiative', the members who have not registered their e-mail address are requested to register the same and to intimate the changes, if any, in their address and e-mail-ID to the Company/or Registrar and Share Transfer Agent for better communication in future and as part of effective Corporate Governance.

10. The Annual Report 2015-16, the Notice of the 27th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
11. Members may also note that the Notice of the 27thAGM and the MPS Annual Report 2015-16 will be available on the Company's website, www.viseshinfo.com. The Physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: info@viseshinfo.com.
12. Additional Information, pursuance to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of Directors seeking appointment/re-appointment at the AGM is furnished in Notice. The Directors have furnished consent/ declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules there under.
13. Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting venue. Attendance at the Annual General Meeting will not be allowed without the production of the "Attendance Slip" duly filed and signed.
14. 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.
15. Voting through electronic means:

The Instructions for Shareholders/Members voting electronically are as Under:

- i. In compliance with the provisions of section 108 of the Companies Act, 2013 and with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice. The members, whose name appear in the Register of Members, Holding shares in Physical or in dematerialized form, as on the Cut-off date (Record Date) i.e. Friday, 23rd September, 2016, are entitled to cast their votes electronically on the resolutions set forth in this Notice. The e-voting will commence at 9.00 a.m. on Tuesday, 27th September, 2016 and will end at 6.00 p.m. on Thursday, 29th September, 2016.
- ii. Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The Shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on "Shareholders" tab.
- v. 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.
- vi. Next enter the Image Verification as displayed and Click on Login.

- vii. 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.
- viii. If you are a first time user follow the steps given below:

| For Members holding Shares in Demat Form and Physical Form | |
|---|---|
| PAN* | <p>Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • 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 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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. |
| OR Date of Birth (DOB) | 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). |

- ix. After entering these details appropriately, click on “SUBMIT” tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat 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 demat 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for Visesh Infotecncs Limited on which you choose to vote.
- xiii. 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.
- xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. 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.com and 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 should be mailed to helpdesk.evoting@cdslindia.com and 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.

xx. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e., 23rd September, 2016 may follow the same instructions as mentioned above for e-Voting.

General Instructions:

- i. The e-voting period commences on 27th September, 2016 and ends on 29th September, 2016. During this period, shareholders of the Company holding shares either in Physical form or in dematerialized form, as on the cut-off date, i.e., 23rd September, 2016 may cast their vote electronically. The e-voting module will be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
- ii. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evotingindia.com> under help section or write an email to helpdesk.evoting@cdslindia.com.
- iv. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. 23rd September, 2016.
- v. At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through Postal Ballot paper for all those members who are present but have not cast their vote electronically using the remote e-voting facility.
- vi. The Company has appointed Miss Sakshi Gandhi (CP No. 15750), Associate of M/s. Bharat & Associates Advocates, Chartered Accountants, Company Secretaries and Legal Consultants as the scrutinizer who will collate the electronic voting process in a fair and transparent manner.
- vii. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than three days after the conclusion of the AGM to the chairman of the Company. The Chairman, or any other person

authorized by the Chairman, shall declare the result of the voting forthwith.

- viii. The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website www.viseshinfo.com and on the website of CDSL within two (2) days of the passing of the resolutions at the 27th AGM of the Company to be held on Wednesday, 30th September, 2016.

Date: 2nd Sept, 2016

Place : New Delhi

**By Order of the Board
for MPS Infotecnics Ltd.**

SD/-

**Peeyush Aggarwal
Chairman**

DIN No. 00090423

| Details of Directors Seeking Reappointment At The Annual General Meeting | |
|---|--|
| Particulars | Mr. Peeyush Kumar Aggarwal |
| Date of Birth | October 6, 1963 |
| Date of Appointment | September 3, 1997 |
| Qualification | Fellow Member of the Institute of Chartered Accountants of India. |
| Expertise in specific functional areas | He has extensive experience of over 23 years in the field of Finance and Taxation; Corporate Laws; Project Management; strategic business planning etc. A 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). |
| Directorships held in other Public companies (excluding foreign companies and section 8 companies) | Onus Plantation and Agro Limited Blox Catalogue Cum technology Limited Interworld Digital Limited B.P. Capital Limited Omkam Developers Limited NECC Logistics Limited |
| Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.) | B.P. Capital Ltd. Audit Committee – Member Stake Holder relationship Committee – Chairman Interworld Digital Limited Audit Committee – Member NECC Logistics Limited Audit Committee – Chairman Shareholders / Investor grievance & Transfer Committee – Member |
| No. of shares held in the Company | 786,750,193 |
| Relationship between Directors inter-se | None |

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of Mr. Peeyush Kumar Aggarwal, please refer to the Corporate Governance Report.

DIRECTOR'S REPORT

Dear Members,

Your Directors presents the Twenty Seventh Annual Report of MPS Infotecnics Limited (formerly Visesh Infotecnics Limited) together with the Audited Accounts of the Company, for the year ended 31st March, 2016.

I. FINANCIAL RESULTS

The Financial Results of the Company for the period under review are as follows: -

(₹ in lacs)

| PARTICULARS | 2015-16 Standalone | 2015-16 Consolidated | 2014-15 Standalone | 2014-15 Consolidated |
|------------------------------|-----------------------|-------------------------|-----------------------|-------------------------|
| Income from Operation | 26188.83 | 30077.60 | 23327.12 | 30660.32 |
| Other Income | 651.70 | 683.16 | 3.41 | 29.08 |
| Total Income | 26840.53 | 30760.76 | 23330.53 | 30689.40 |
| Total Expenditure | 26715.34 | 30889.83 | 23498.11 | 30843.32 |
| PBID & Tax | 125.19 | 103.39 | 167.85 | (153.91) |
| Interest | 17.61 | 17.61 | 0.12 | 0.12 |
| Depreciation | 116.23 | 116.23 | 129.03 | 129.03 |
| Profit before tax | (8.64) | (30.45) | (296.74) | (283.06) |
| Provision for Taxation | - | - | - | - |
| Deferred Tax | (33.11) | (32.94) | (68.60) | (66.98) |
| Profit After Tax (PAT) | 24.46 | 2.49 | (228.14) | (216.09) |
| Profit b/f from previous Yr. | (228.13) | (216.09) | (3351.60) | (3337.46) |
| Balance Carried to B/Sheet | 24.46 | 2.49 | (228.13) | (216.09) |
| Paid up equity share Capital | 37744.37 | 37744.37 | 37744.37 | 37744.37 |
| Reserve & Surplus | 6211.02 | 6847.55 | 6186.59 | 6845.06 |

II. DIVIDEND

Due to inadequacy of profits during the year under review, the Board has decided not to recommend any dividend for the year ended 31st March 2016.

III. RESERVE

A sum of Rs. 24.46 lacs i.e. profits after tax is being proposed to be carried to reserves.

IV. COMPANY'S PERFORMANCE, BUSINESS REVIEW / STATE OF COMPANY'S AFFAIRS

The Company is one of the growing Information Technology Company. MPS confirms to ISO 9001:2008 for Design, Development and Maintenance of Application Software, System Integration and supply of smart card

The company with a consistent track record has ability and commitments to ensure customer satisfaction by rewarding quality work on right time and in a right manner.

The Company offers a bouquet of services which includes; System Integration and Networking Solutions (Including Hardware); Telecommunication; Enterprise Software; Domain Registration & Web hosting services; VAS & IT enabled services

The Company, since its inception in the year 1989, has invested heavily in building Intellectual Property. The Company has under its fold highly skilled and experienced software engineers, system Designers, Integrators and system Analyst to provide emphasis on quality customer service.

During the financial year 2015-16 the company's standalone revenues from operations increased to Rs. 26,188.83 lacs from 23,327.12 Lacs in the previous year, a growth of around 11%. Though the revenues from operations have increased, but the company has suffered a nominal loss before tax of Rs. 8.64 lacs as compared to a loss of Rs. 296.74 lacs during the previous financial year. The company's revenues, on consolidated basis, have decreased to Rs. 30,077.60 Lacs during the year under review as against Rs. 30,660.32 lacs, which the company had generated during the previous financial year.

The loss suffered by the company was mainly due to tough Competition not only from the existing IT companies but also from small traders flooding the already saturated IT Segment who are providing products at very low margins. The management is of the view that with better utilization of resources, operations of the company will improve.

Your Company has ventured in the field of VAS and bill payment. It has also launched B2B2C based multipurpose transaction platform <http://www.uvapoint.com>. The platform is used by retailers for providing a host of services to the visiting customers such as prepaid Mobile recharge, Postpaid Mobile Bill Payment, DTH recharge, landline bill payments, data card recharge/payments, etc. The retail network would be used for managing mobile wallets launched by several banks and for solving the cash on delivery issues of the ecommerce industry. The platform has also a mobile application retail store for customers who can buy applications for their mobile phone or desktop for our retail network.

The Company is aggressively working on capitalizing on the ever-growing telecom enabled services market in India. It has firming up plans to push UVA Point – a retail platform – to offer 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. Also in the pipeline is the plan to offer services such as ticket booking, hotel bookings and utility bill payments (Electricity, Insurance premium, Water bills etc.).

These services will be offered through three easy ways – SMS vending on the long code, Mobile application – Working on android, iPhone, blackberry and Java phones (very basic Nokia, Samsung mobile) and through WEB portal. UVA Point will provide standardized platform for retailers to sell all kinds of pre-paid top-up of mobile and DTH operators.

UVA Point was launched in March – April 2012 and the platform has already established a strong network of over 4000 retailers in NCR – Gurgaon, Gujarat, Haryana, Himachal Pradesh, parts of UP, Madhya Pradesh, Goa, and Maharashtra that are offering services through us. Around 99% of the company's revenues are from this sector.

UVA point offers us a huge potential and with ever growing telecom, retail VAS and Apps market, it is expanding its retailers and reach on regular basis so as to capture a larger share, which is estimated at more than Rs. 100k crores per year. UVA Point is targeting to capture 1-2 percent of this market over the next couple of years as the business is highly scalable. We are presently trying to penetrate in the segment and create huge retail channel.

Although the margins are low in mobile and DTH recharge, yet we are constantly trying to increase

margins by increasing the share of other products like software applications, VAS mobile applications, games, etc.

The IT Solutions & Products sector has been underperforming, which had been mainly due to tough competition, low margins and long credit period. However, during the financial year under review, your company has started generating revenues, though, presently it is low but your company is optimistic and expects a steady growth in this sector also.

The revenues under the head IT enabled Services has also been underperforming with revenues falling. The reason again being low margins and tough competition. However, 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, your company is well positioned in the markets it serves with a broad range of service offerings and a diversified customer base.

V. DETAILS OF SUBSIDIARY/ JOINT VENTUR/ASSOCIATE COMPANIES

Your Company has Three wholly owned foreign subsidiary Companies namely:-

M/s Axis Convergence Ltd. (Incorporated in Mauritius), M/s Greenwire Network Ltd. (Incorporated in Hongkong), M/s Opentech Thai Network Specialists Co. Ltd. (OTNS) (Incorporated in Thailand).

There has not been any material change in the nature of the business of the subsidiaries. As required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Companies Act, 2013, the Consolidated Financial Statements of your Company and all its subsidiaries are provided in this Annual Report. The Consolidated Financial Statements have been prepared in accordance with Accounting Standards AS 21 and AS 23 issued by 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.

The performance and financial position of subsidiaries, included in the Consolidated Financial Statement is provided in accordance with the provisions of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014 as a separate statement annexed to the Notes on Accounts containing the salient features of the financial statement of Company's subsidiaries in Form AOC – 1 is annexed as annexure "D".

VI. HUMAN RESOURCES

Your Company is of the view that while Technology can enable processes but it is the People who actually make things happen. In a journey of delivering tangible business value to stakeholders, Associates are envisioned as a strategic differentiator for the Company.

Your Company promotes an empowered and collaborative work environment where leaders stay engaged with the Associates and encourage them to challenge conventional thinking.

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 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.

VII. DIRECTORS

During the year under review Mr. Peeyush Kumar Aggarwal DIN No. 00090423 retires and being eligible offers himself for re-appointment.

The approval of the Members is sought for appointment of Mr. Peeyush Kumar Aggarwal (DIN: 00090423) as Directors of the Company, liable to retire by rotation.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company except infusion of funds by Mr. Peeyush Kumar Aggarwal for the smooth functioning of the Company.

VIII. KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are - Mr. Vishal Anand, Chief Executive Officer, Mr. Sanjay Sharma, Chief Financial Officer and Miss. Garima Singh, Company Secretary who was appointed as the Company Secretary & Compliance Officer w.e.f. 25th May 2015. There has been no change in the key managerial personnel during the year.

IX. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has devised a policy on evaluation of performance of Board of Directors, Committees and Individual directors. This policy is also in compliance to Regulation 19 read with Schedule II, Part D of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the Chairman of the Nomination and Remuneration Committee obtained from all the board members duly filled in evaluation forms for evaluation of the Board as a whole, evaluation of the Committees and peer evaluation. The summary of the evaluation reports were presented to the respective Committees and the Board for their consideration.

X. MANAGERIAL REMUNERATION

The statement containing particulars of employees as required under section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel 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 is available for inspection at the registered office of the Company during working hours.

XI. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

Your Company has a policy to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2016, the Board consisted of 5 members and only 1 (One) is an Executive Director designated as Chief Executive Officer, 3 Independent Director including 1 woman Director and 1 (one) is a Non-Executive Promoter Director.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director, and other matters provided under sub-

section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is attached as Annexure - F to the Board Report. Further the remuneration paid to the Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

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 Directors designated as Chief Executive Officer of the Company are given in Form MGT-9 forming part of the Directors Report.

XII. 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

The Company during the year under review changed its name from Visesh Infotecnics Limited to MPS Infotecnics Limited in the Extra Ordinary General Meeting held on 28th January 2016. Though the company has changed its name but there is no change in the nature of business of the company.

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 the following:

- (i) The Company had increased its Authorized Capital during the Financial Year 2010-11 to 2012-13, however, due to technical issues necessary forms along with the fees w.r.t. increase in Authorized Capital could not be filed and paid. Meanwhile the schedule of fees was increased as per the Companies Act, 2013, though, the Authorized Capital was increased prior to the applicability of Companies Act, 2013 yet the authorities are demanding fee as per the Schedule of Fees applicable pursuant to Companies Act, 2013. On the advice of experts, solicitors on corporate laws, your 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.

(ii) GDR ISSUE

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 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 our Portuguese advocates confirm that the chances of recovery are very high. The suit filed by your company before Portuguese courts is presently pending adjudication.

- (iii) As regards qualification by the Statutory Auditors with regard to the Income Tax for the Assessment year 2013-14 amounting to Rs. 2.73 crores and interest thereon it is stated that your 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.

XIII. DIRECTOR'S RESPONSIBILITY STATEMENT

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 2014-15.

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

The Company has internal financial controls which are adequate and were operating effectively. The controls are adequate for ensuring the orderly & efficient conduct of the business, including adherence to the Company's policies, the safe guarding of assets, the prevention & detection of frauds & errors, the accuracy & completeness of accounting records and timely preparation of reliable financial information

XV. AUDITORS

Pursuant to the provisions of section 139 of the Companies Act and the rules framed there under, M/s. RMA & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company from the conclusion of the twenty-fifth Annual General Meeting of the Company held on 30th December 2014 till the conclusion of the Twenty-ninth Annual general Meeting (AGM) to be held in year 2018, subject to ratification of their appointment at every AGM.

XVI. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed A.K. Friends & Co., Practicing Company Secretary, Delhi to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is provided as "Annexure G. There are no qualifications, reservation or adverse remark or disclaimer made in the Secretarial Audit Report except for the following:

- a) The Company has not filed Annual Return for the year ending 31.03.2011, 31.03.2012, 31.03.2013 & 31.03.2014 which were required to be filed pursuant to the provisions of section 159 of the Companies Act, 1956 prior to the commencement of the Companies Act, 2013
- b) There is a discrepancy as regards the Authorised Capital of the Company as shown by Master Data of the Company on the website of Ministry of Corporate Affairs and the Balance Sheet of the Company.

Both the points raised by the Secretarial Auditor have been appropriately explained at Point XII above. There is nothing more to be added.

XVII. AUDITOR'S REPORT

The observations made in the Auditors' Report and Secretarial Auditor' report are as under:

1. The Company has shown in the balance sheet, bank balances in Banco Efisa (Lisbon Portugal) amounting to Rs. 350,977,439/- (USD8,883,210.75) which the bank has adjusted and the matter is in the court of law. Consequently the bank balances shown in balance sheet is overstated by Rs. 350,977,439/-
2. 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. 3.42 crores towards the same stands payable, under the head "Other Current Liabilities" in the financial statements.
3. Income Tax for the Assessment year 2013-14 amounting to Rs. 2.73 crores and interest thereon is payable.

Report of the Secretarial Auditor is given as an Annexure G which forms part of this report, however, as regards qualifications made by the Auditors' (Statutory as well as Secretarial) in their report your directors state as under:

1. 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 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, alongwith interest, against Banco Efisa and its Holding Company, wherein our Portuguese advocates confirm that the chances of recovery are very high. The suit filed by your company before Portuguese courts is presently pending adjudication.
2. The Company had increased its authorised capital during the Financial Year 2010-11 to 2012-13, however, due to technical issues necessary forms along with the fees w.r.t. 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 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. Due to this reason Annual return could not be filed.
3. As regards Auditors' remarks w.r.t. Income Tax for the Assessment year 2013-14 amounting to Rs. 2.73 crores and interest thereon is payable. It is stated that your 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.

4. As regards observations made by the Auditors at para 9 to the Annexure to the Auditors' report, your Directors state as under:
- (i) Your Company is in talks with the senior officials of the Allahabad Bank and are hopeful of settling with Bank in the near future.

XVIII. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in the prescribed Form MGT-9 is annexed as "Annexure-C", which forms part of this report.

XIX. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's Website: www.viseshinfo.com.

None of the Directors have any material pecuniary relationships or transactions with the Company.

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-E"

XX. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 ("the Act") read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, pursuant to first proviso to Section 136(1) of the Act, this Report is being sent to the Shareholders excluding the aforesaid information. Any shareholder interested in obtaining said information, may write to the Company Secretary at the Registered Office / Corporate Office of the Company and the said information is available for inspection at the Registered Office of the Company.

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

In order to prevent sexual harassment of women at work place a new act. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

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

During the year, no complaints were received by the internal committee.

XXII. CORPORATE GOVERNANCE

A report on Corporate Governance covering amongst others, composition, details of meetings of the Board and Committees along with a certificate for compliance with the conditions of Corporate Governance issued by the Statutory Auditors of the Company, in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Annual

Report is annexed as annexure “D”.

XXIII. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed Management Discussion and Analysis Report which includes detailed review of operation, performance and future outlook of the Company and its businesses as required under clause 49(viii) (D) of the listing agreement is enclosed separately in this report as “Annexure - A”

XXIV. BOARD & COMMITTEE MEETINGS

The board met 8 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.

Meeting of Independent Directors

Independent Directors of the Company met on March 31, 2016, to review the performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, 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.viseshinfo.com

XXV. RISK MANAGEMENT POLICY

In terms of the requirement of the Companies Act, 2013 the Company has developed and implemented the Risk Management Policy. The Audit Committee and the Board reviews the same periodically.

The Risk Management Committee of the Board of Directors periodically reviews the Risk Management framework, identified risks with criticality and mitigation plan.

The company has also laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

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

The particulars of the loans, guarantees and investments have been disclosed in the financial statements.

XXVII. TRANSACTIONS WITH RELATED PARTIES PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure –E in Form AOC-2 and the same forms part of this report.

XXVIII. 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.viseshinfo.com/investors). Due to inadequacy of profit the Company had not contribute any amount towards CSR activities as required under the CSR Rules, 2014.

XXIX. PARTICULARS OF EMPLOYEES

There are no employees employed throughout the financial year who were in receipt of remuneration of Rs. 60 Lacs or more or employed for part of the year who were in receipt of remuneration of Rs. 5 lacs or more a month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014.

Further the report and the accounts are being sent to the members. In terms of section 136 of the Act, the said annexure is open for inspection at the registered office of the Company. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary.

XXX. 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: www.viseshinfo.com/investors).

Policy on dealing with related party transactions is available on the website of the Company (URL: www.viseshinfo.com/investors)

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: www.viseshinfo.com/investors)

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: www.viseshinfo.com/investors)

XXXI. DEPOSITS

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.

XXXII. 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.

XXXIII. 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.

XXXIV. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of foreign exchange earnings and outgo are as follows:

(In Lacs)

| | Year ended 31.03.2016 | Year ended 31.03.2015 |
|---------------------------|-----------------------|-----------------------|
| Foreign exchange earnings | 6.69 | 56.52 |
| Foreign exchange Outgo | 28.51 | 31.24 |

XXXV. 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.

Date: 30th May, 2016

Place : New Delhi

**By Order of the Board
for MPS Infotecncs Ltd.**

SD/-

Peeyush Aggarwal

Chairman

DIN No. 00090423

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(2) of the SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015.

Economy & Indian IT Industry

Information technology (IT) industry in India has played a key role in putting India on the global map. IT industry in India has been one of the most significant growth contributors for the Indian economy. The industry has played a significant role in transforming India's image from a slow moving bureaucratic economy to a land of innovative entrepreneurs and a global player in providing world class technology solutions and business services. The industry has helped India transform from a rural and agriculture-based economy to a knowledge based economy.

Information Technology has made possible information access at gigabit speeds. It has made tremendous impact on the lives of millions of people who are poor, marginalized and living in rural and far flung topographies. Internet has made revolutionary changes with possibilities of e-government measures like e-health, e-education, e-agriculture, etc. Today, whether its filing Income Tax returns or applying for passports online or railway e-ticketing, it just need few clicks of the mouse. India's IT potential is on a steady march towards global competitiveness, improving defense capabilities and meeting up energy and environmental challenges amongst others.

Outlook & Future Prospects

Globalization has had a profound impact in shaping the Indian Information Technology industry. Over the years, verticals like manufacturing, telecom, insurance, banking, finance and lately the retail, have been the growth drivers for this sector. But it is very fast getting clear that the future growth of IT and IT enabled services will be fuelled by the verticals of climate change, mobile applications, healthcare, energy efficiency and sustainable energy. The near future of Indian IT industry sees a significant rise in share of technology spend as more and more service providers both Indian and global target new segments and provide low cost, flexible solutions to customers.

India's Information Technology (IT) industry body-NASSCOM, has projected a 10-12% growth for the Indian software services export segment for FY 2017, lagging the expected 12.3% (in constant currency terms and within the 12-14% band) growth forecast it had made for the financial year FY 2016. A volatile global economy and currency fluctuations, especially the weakening of Rupee against the US Dollar, continued to impact India's information technology and business process management (BPM) services segments. The industry expects double digit growth to continue in fiscal 2017 at the back of growing tech expenditure and digital technology adoption globally.

In April 2016, Gartner Inc - the world's leading information technology research and advisory company, has forecast that the worldwide IT spending to decline 0.5% in CY 2016. It expects the spending in the IT services market to return to growth in CY 2016, aggregating to USD 929 billion, up 2.1% from CY 2015. Telecom service spending is projected to decline 2% in CY 2016, with spending reaching USD 1.4 trillion. In telecom the dampening spends in both fixed and mobile voice are impacting the IT spends; however, mobile data spending is a bright spot with accelerating growth driven by improved pricing on bandwidth, mobile app and 4G/LTE network availability.

Customers in IT industry being aware of the above trends are engaging in cost optimization efforts. The savings achieved from the legacy system optimization and enhancements are being redirected to fund

digital initiatives which, means doing more with the same.

IT Sector attracts the younger generation in terms of job opportunities. Everybody is looking for a career in IT sector due to its attractive packages, on-site offers, etc. IT sector is streamered in to two categories namely IT (Information Technology) and ITES (Information Technology Enabled Services). The career options in these streams are more or less the same and the work environment will differ slightly according to the project and their off-shore team (Off-shore team describes about the country where there off-shore project team works for the project and following their time zones). Information Technology is an area mainly deals with the computer hardware and software.

IT sector is considered to be the fast growing sector in the world. Many countries try to develop their business in India in IT software development and ITES. Many Indian students are graduated in the engineering field and ready for the IT sector business.

Many foreign clients (US, UK and European) have made tie-up with the Indian IT companies to develop their IT sector in India and thus it increases the revenue for our nation. The role of IT sector is to develop the software products, IT services, mobile application, and product management. We may wonder why the foreign countries prefer India for establishing their IT business. The reasons are

- Huge man power
- Can afford the business with 24 / 7 in India
- Minimal employment cost compared with their employment costs
- Security
- Indians are flexible with the rotational shifts
- Long possession of the project

IT sector has been in a growth over the past five years and is expected to grow year by year in the future. Many sectors are dependent on IT to develop their business and expand their revenue using IT and ITeS. The growing rate of IT sector is notably fast and earning large revenue to the nation in one or other terms. IT sector has created additional jobs and thus reduces the unemployment growth rate. IT sector shows very good future prospects and many companies have tied up with the foreign investors to develop the business in IT sector. This also offers wide job opportunity in India as well as in the foreign countries. It is expected that the growth rate in IT sector will increase by 20 percent over the next decade. The Indian economy growth has been boosted with the revenue done by the IT sectors. But, some may include, that the growth rate may even go down as compared with the current situation, as major of the IT business depends upon the foreign clients. But the Indian companies are taking remedial steps to get rid off this situation. So, as far as the present situation, the IT sector will be booming in the near future and many job opportunities will help our nation to increase the revenue. Many people will be employed in a decent fashion and many other sectors too will increase their business with the help of IT sector.

India is 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. The industry employs about 10 million workforces. More importantly, the industry has led the economic transformation of the country and altered the perception of India in the global economy. India's cost competitiveness in providing IT services, which is approximately 3-4 times cheaper than the US, continues to be the mainstay of its Unique Selling Proposition (USP) in the global sourcing market. However, India is also gaining prominence in terms of intellectual capital with several global IT firms setting up their innovation centers in India.

Demand for consulting services grew 9.7% in 2015, compared with forecast growth of 6.0%. Consulting services for digital business, including business model reinvention and operating model transformation,

have been higher than expected. Demand in this area is expected to continue to be high through 2020. We now expect the market to grow at a CAGR of 8.3% instead of the 6.1% forecast in the 1Q16 forecast.

According to Gartner, the forecast for implementation services has been increased slightly from a CAGR of 2.6% in the 1Q16 forecast to a CAGR of 2.9% in this forecast. Growth rates are improving but are still constrained because projects in emerging technologies tend to be small and tentative, while projects in mature segments have experienced lower growth due to increased automation and reduced project size, as buyers increasingly move to cloud implementations.

The worldwide forecast for IT outsourcing (ITO) has been slightly increased from a CAGR of 5.1% in the 1Q16 forecast to a CAGR of 5.6% today. This increase stems from the accelerated willingness of buyer organizations to move to cloud implementations.

Challenges, Risk & Concerns

Cyber security and quality management are few key areas of concern in today's information age. To overcome such concerns in today's global IT scenario, an increasing number of IT-BPO companies in India have gradually started to emphasize on quality to adopt global standards such as ISO 9001 (for Quality Management) and ISO 27000 (for Information Security). Today, centers based in India account for the largest number of quality certifications achieved by any single country.

India aims to transform India into a truly developed and empowered society by 2020. However, to achieve this growth, the sector has to continue to re-invent itself and strive for that extra mile, through new business models, global delivery, partnerships and transformation. A collaborative effort from all stakeholders will be needed to ensure future growth of India's IT-ITeS sector. We will need to rise up to the new challenges and put in dedicated efforts toward providing more and more of end-to-end solutions to the clients to keep the momentum going.

India is now one of the biggest IT capitals in the modern world and has presence of all the major players in the world IT sector.

The Indian information technology sector continues to be one of the sunshine sectors of the Indian economy showing rapid growth and promise. We identified our strategy pillars that will help us grow faster than the industry average as well generates higher returns to all our stakeholders.

MPS Strategy Pillars:

- Growth through Focused Planning; Pursue Big deals; Deepen Domain expertise; and achieving the objective of Social responsibility through Customer Satisfaction.
- Operational excellence through Quality Enrichment; Talent Management; Supportive Infrastructure, focusing on product model.

According to International Organization for standardization, "Risk" refers to 'effect of uncertainty on objectives' and uncertainties include events (which may or may not happen) and uncertainties caused by ambiguity or a lack of information. It also includes both negative and positive impacts on objectives and Risk Management refers to the identification, assessment, and prioritization of risks (defined in ISO 31000 as the effect of uncertainty on objectives) followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. Risk management's objective is to assure uncertainty does not deflect the endeavor from the business goals.

The risk management process of your Company goes through a review annually in order to keep it

aligned with the changing global risks. The risk management process of your Company is accessible to all units of operation across the country and the same is reviewed by the Risk Management Committee on regular basis.

BUSINESS OVERVIEW

MPS OPERATIONS & FUTURE OUTLOOK

MPS is a company incorporated and domiciled in India and has its registered office in New Delhi. It has primary listing on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). MPS confirms to ISO 9001:2008 for Design, Development and Maintenance of Application Software, System Integration and supply of smart card. The Company has ability and commitments to ensure customer satisfaction by rewarding quality work on right time and in a right manner.

The company is presently engaged in System Integration and Networking Solutions (Including Hardware); Telecommunication; Enterprise Software; Domain Registration & Web hosting services; VAS & IT enabled services. Your Company provides end-to-end technology and technology related services on a broad range of Hardware & Software platforms. Your company's top priority is to capture growth opportunities by broadening its range of offerings in the realm of Information Technology.

Your Company in a short span of 3 years has already made a mark in the field of VAS and bill payment. Its multipurpose transaction platform, <http://www.uvapoint.com>, is being used by retailers for providing a host of services to the visiting customers. The platform also has a mobile application retail store for customers who can buy applications for their mobile phone or desktop. The Company has already established a strong network of retailers in NCR – Gurgaon, Gujarat, Haryana, Himachal Pradesh, parts of UP, Madhya Pradesh, Goa, and Maharashtra and have plans to establish network of retailers in other parts of the country in the near future.

The Company is offering a host of telecom enabled services to customers ranging from prepaid mobile top-up, post-paid mobile bill payment, landline bill payments, data-card recharge, mobile application and software application.

UVA Point is targeting to capture 1-2 percent of this market over the next couple of years, market of which is over Rs. 100K Crores and the business is highly achievable.

Your company's Infrastructure Services Division, designs, builds and manages IT infrastructure for its clients, through the effective deployment of hardware, software and networking products from world renowned manufacturers. The Company also provides wide range of Servers, Desktop and Notebook computers; data communication equipments and Wireless Connectivity products manufactured by renowned manufacturers.

Your Company has developed various enterprise applications and off the shelf software products, which were focused around the customer's business processes. The Company has domain knowledge of ERP, ERP Consulting and Client Server technologies. The in-house designed, developed and market accepted ERP solution of the Company, on client server technology with oracle/SQL Server at the back end, has wide application in large and medium scale organizations. The Company has plans to provide its ERP products on Cloud Servers and is working to provide the Software on Cloud, which will benefit small enterprises because of its cost efficiencies.

According to Gartner, the enterprise software market will grow by 7.0% in 2016 in constant currency, up 1.2 percentage points from the previous iteration. This update reflects new expectations around the office suite market that are driving a new five-year compound annual growth rate (CAGR) of 7.1%, compared

with 6.2% in the previous version.

Your company is India's First ICANN Accredited domain registrar and operated through its brand name **SignDomains™** and offers on-line domain registration of top level domains (TLD) including .com .net .org .info to name a few. Your Company 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 the clients through its network of Re-sellers as well as directly by the Company.

Your Company also offers web-hosting solutions on the Company's dedicated servers located in US. Value added services like SMS, payment gateways, messaging, e-identity management, e-commerce are available for corporate clients and other businesses.

MPS is already registered with UIDAI as one of its enrolment agency for Aadhaar Card. Your Company has been awarded a contract by CSC e-governance Services India Ltd to carry out 155 permanent Aadhaar Enrolment Centers across the State of Gujarat and for the said purpose the Company has developed a web portal –www.makemyadhaar.com. Further the Company has also accepted the proposal of SC e-governance Services India Ltd for providing support for implementation of election project in the state of Gujarat.

SEGMENT WISE PERFORMANCE

The company is mainly operating in three segments:

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

Segment wise revenues are provided in Notes on Accounts forming part of Annual Report.

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.

REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S GOVERNANCE PHILOSOPHY

MPS Infotecnics Limited 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, constitution of Board Committees as a part of the internal control system, fair representation of professionally qualified, 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 clause 49 of the Listing Agreement/Chapter IV of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, [the Listing Regulations].

Governance structure of the Company comprises of the Board of Directors and the Committees of the Board at the top level and the internal governance structure at the operational level. 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 primary role of the Board is to protect the interest and enhance the value for all the stakeholders. It conducts the overall strategic supervision and control by setting policies, reporting mechanism and accountability and decision making process to be followed.

Under the overall supervision and control of the Board, the Chief Executive Officer is accountable for the overall working of the Company. The Board gives strategic directions, lays down the policy guidelines and the Chief Executive Officer ensures the implementation of the decisions of the Board and its Committees.

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. 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

The Chief Executive Officer looks after the day-to-day business affairs of the Company, the Board of

Directors reviews the overall business operations at least once in a quarter based on updates on the Company's performance provided by the Chief Executive Officer.

a. Composition of the Board:

The Composition of the Board of Directors, with reference to the number of Executive and Non-Executive Directors, meet with the requirements of the Code of Corporate Governance. The Board is headed by the Non-Executive Chairman, Mr. Peeyush Kumar Aggarwal (DIN: 00090423), who is also the promoter Director. As on March 31, 2016, your Company's Board is comprised of five Directors; which include one Executive Director designated as Chief Executive Officer and four Non-Executive Directors, including three Independent Directors, (out of which one is a Woman Director) who have considerable experience in their respective fields. As required under the provisions of section 149[1] of the Companies Act, 2013 and Rules made thereunder and clause 49 of the Listing Agreement and Regulation 17 of the Listing Regulations, the constitution of Board meets with the requirements stated therein. Non-Executive and Independent Directors have expert knowledge in the fields of finance, General Management, legal and industry. Thus the Board represents a balanced mix of professionals, who bring the benefits of their knowledge and expertise.

b. Board Meetings / Directors' Particulars:

In compliance with clause 49 of the Listing Agreement / Regulation 17 of the Listing Regulations and as required under the Companies Act, 2013, the Board meets at least once in each quarter and the gap between any two Board meetings was not more than 120 days. During the year under review, eight board meetings were held on 29th May 2015, 14th August 2015, 24th September 2015, 30th September 2015, 14th November 2015, 30th December 2015, 18th January 2016 and 13th February 2016.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly / half yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure, compliance with applicable laws and regulations. It monitors overall performance of the Company. The Agenda for the board meeting covers items set out as guidelines in clause 49 of the Listing Agreement / Regulation 17 of Listing Regulations to the extent the same are applicable and relevant. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

The meetings of the Board of Directors are scheduled well in advance and usually held in Delhi. Where the Registered Office of the Company is situated. The Company Secretary prepares detailed agenda for the meetings. Directors are also free to bring up any matter for discussion at the Board Meetings with the permission of the Chairman.

The draft minutes of the meeting approved by the Chairman is circulated to all the Directors within one month after the conclusion of the meetings.

The Board of Directors has complete access to the information within the Company, which inter alia includes –

1. Annual revenue and capital expenditure plans / budgets,
2. Quarterly financial results and results of operations of the Company,
3. Minutes of the meetings of the Board of Directors and Committees of the Board,
4. Any issue, which involves possible public or product liability claims of substantial nature, including any Judgment or Order, if any, which may have strictures on the conduct of the Company and

5. Compliance or non-compliance of any regulatory, statutory nature or listing requirements and investors' service such as non-payment of dividend, delay in transfer of shares, etc.

The Independent Directors play an important role in the deliberations in Board Meetings and bring with them rich expertise in the field of Information Technology, e-commerce, marketing, accountancy, finance, HR and other laws.

While constituting the Committee of Directors, your company has ensured compliance of Regulation 26 of the SEBI (Listing Obligation & Disclosure Requirements) regulation, 2015, i.e. the requirement that a Director shall not be a member of more than 10 committees and Chairman of more than 5 committees; none of the Independent Director serves as an Independent Director in more than seven listed companies.

The following table provide details of the attendance of the Directors at the Board meetings of the Company and also the number of other Directorships held in Indian Public Limited Companies [other than the Company] and Chairmanship / membership in Board Committees of Public Limited Companies as at March 31, 2016.

| Name of the Director | Category and Position | No. of Board Meetings | | Whether attended last AGM - Yes / No | Member [Chairman] ¹ of other Board Committees ² | Number of other directorships held in public Ltd. companies |
|--|--|-----------------------|----------|--------------------------------------|---|---|
| | | Held | Attended | | | |
| Mr. Peeyush Kumar Aggarwal (DIN: 00090423) | Non-Executive Chairman | 8 | 8 | Yes | [2] 3 | 7 |
| Mr. Brahm Dutt Sharma (DIN: 02157681) | Non-Executive Independent | 8 | 8 | Yes | 4 | 2 |
| Mr. Manoj Kumar Jain (DIN: 02573858) | Non-Executive Independent | 8 | 8 | Yes | [2] 1 | 2 |
| Mrs. Madhu Sharma (DIN: 06947852)* | Non-Executive Independent | 8 | 8 | Yes | [2] 1 | 5 |
| Mr. Vishal Anand (DIN: 02059506)** | Executive Director designated as Chief Executive Officer | 8 | 8 | Yes | 1 | 2 |

*Smt. Madhu Sharma was regularized as Director of the Company w.e.f. 30th September, 2015

**Sh. Vishal Anand was regularized as Director of the Company w.e.f. 30th September, 2015

1. Figures in [] indicate the number of Board Committees of which a Director is a Chairman
2. Other Board Committees mean Audit Committee and Stakeholders' Relationship Committee

c. Familiarization Programme:

At the time of appointment of an Independent Director, a formal letter of appointment is given to him / her, which inter alia explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. 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 thereunder, clause 49 of the Listing Agreement / Regulation 25 of the Listing Regulations.

d. Evaluation:

During the year, the Nomination and Remuneration Committee / Board have carried out evaluation of its own performance and the performance of the committees of the Board of Directors, individual Directors and the Chairman of the Board. The Board has evaluated the composition of Board, its committees, experience and expertise, performance of specific duties and obligations, governance matters,

e. Independent Directors' Meeting

As required under clause 49 of the listing agreement / Regulation 25(3) of SEBI (listing Obligation & Disclosure requirements) Regulation 2015, a separate meeting of the Independent Directors was held on (29th May 2015 & 31st March 2016). The Independent Directors at the meeting, inter alia, reviewed the following:

- Performance of Non-independent Directors and the Board of Directors as a whole.
- Performance of the chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- 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.

f. Performance evaluation of Independent Directors

The Company has devised policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

COMMITTEES OF BOARD OF DIRECTORS

The Board currently has the following Committees:

- A) Audit Committee,
- B) Nomination and Remuneration Committee,,
- C) Stakeholders' Relationship Committee,
- D) Corporate Social Responsibility [CSR] Committee and
- E) Risk Management Committee

The terms of reference of the Board Committees are determined by the Board from time to time. The Board is responsible for constituting, assigning and co-opting the members of the Committees. The meetings of the each Board Committees are convened by the respective Committee Chairman.

AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensuring accurate and timely disclosures, with

the highest levels of transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditor, and notes the process and safeguards employed. All possible measures are taken by the Committee to ensure the objectivity and independence of the independent auditor. The Audit Committee of the Company was re-constituted in line with the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015 read with section 177 of the Companies Act, 2013. The committee is headed by an Independent Director. The Company Secretary acts as the secretary to the audit committee. In the Annual General Meeting (AGM) of the Company held on 30th September, 2015 Mr. Brahm Dutt Sharma, Chairman of the audit committee was present.

(a) Composition & Terms of Reference of Committee

The Board of Directors re-constituted the Audit Committee in the year 2014. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013. The Present Audit Committee comprise of following three Directors viz. Mr. Brahm Dutt Sharma, Mr. Manoj Kumar Jain and Mr. Peeyush Kumar Aggarwal, with the Independent Directors forming the majority. Mr. Brahm Dutt Sharma, Independent Director acts as the Chairman of the Committee. All the members of the Audit Committee are financially literate and have accounting or related financial management expertise

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 Auditors of the Company;
- Reviewing, with the management, the Annual financial statements and Auditor's Report thereon before submission to the board for approval;
- Reviewing, with the management, the quarterly financial statements before submissions to the board for approval;
- 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 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;
- 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.
- 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;

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

As on March 31, 2016, Audit Committee of the Company comprises of the following:

| S.No | Name of Member | Category | Number of meetings during the Financial Year 2015-16 | |
|------|-----------------------|----------|--|----------|
| | | | Held | Attended |
| 1 | Mr. Brahm Dutt Sharma | Chairman | 4 | 4 |
| 2 | Mr. Peeyush Aggarwal | Member | 4 | 4 |
| 3 | Mr. Manoj Kumar Jain | Member | 4 | 4 |

Audit Committee held four meetings during the year 2015-16 on 29th May 2015, 14th August 2015, 14th November 2015 and 13th February 2016. The time gap between two meetings did not exceed 120 days .

Adequate Quorum was present at all the meetings.

(c) Invitees at the Audit Committee Meetings:

The representatives of the Statutory Auditors are regularly invited and have attended all the Audit Committee Meetings during the year. The Chief Executive Officer, the Chief Financial Officer are invited to attend and participate in these meetings. The Company Secretary acts as the Secretary of the Committee.

The Company continues to drive benefit from the deliberations of the Audit Committee meetings as the members are experienced in the areas of Finance, Corporate Laws, Tax and industry. It ensures accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

(d) Subsidiary Companies

The Company does not have any material non-listed Indian subsidiary Company however, your company has three (3) Foreign Subsidiaries.

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 are also reviewed by the Board periodically.

NOMINATION AND REMUNERATION COMMITTEE:

(a) Constitution and Composition of the Committee

In compliance with the provisions of section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement / regulation 19 of the Listing Regulations, 2015, the Board has constituted a Nomination and Remuneration Committee [NRC]. The terms of reference of the said NRC is specified in Clause A of Part D of Schedule II of the Listing Regulations which are mentioned below:

- 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.
- The Nomination Committee shall lay down the evaluation criteria for performance evaluation of Independent Directors.
- 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.
- 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.

(b) Composition & Meetings:

The composition of the Committee as on March 31, 2016 and details of attendance of the Committee members at the meeting are given in the following table. The Committee met twice during the year 2015-16 on 29th May, 2015 and 31st March, 2016. All members of the Committee are Non-Executive Directors except Mr. Peeyush Aggarwal who is also a Promoter Director, other members are Independent Directors

| Name of the Member | Category | No. of meetings held during the Financial Year 2015-16 | No. of meetings attended |
|----------------------------|----------|--|--------------------------|
| Mr. Brahm Dutt Sharma | Chairman | 2 | 2 |
| Mr. Manoj Kumar Jain | Member | 2 | 2 |
| Mr. Peeyush Kumar Aggarwal | Member | 2 | 2 |

The Company Secretary acts as the Secretary of the Committee

(c) 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.

NRC decides on the remuneration payable to the Chief Executive Officer out of the profits for the financial year and within the ceilings prescribed under the Act based on the performance of the Company.

The remuneration paid to Mr. Vishal Anand, Executive Director of the Company during the financial year under review was Rs. 2,00,000/- p.m..

STAKEHOLDER' RELATIONSHIP COMMITTEE:

Pursuant to the provisions of section 178 (5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR), Regulations, 2015 the Share Transfer Committee was renamed as Stakeholder Relationship Committee.

(a) Constitution and composition of the Committee

As on 31st March 2016, the Stakeholders Relationship Committee comprises of Mr. Peeyush Kumar Aggarwal and Mr. Vishal Anand. Mr. Peeyush Kumar Aggarwal acts as the chairman of the Committee.

The Company Secretary acts as Secretary to the Committee.

(b) Term of Reference

- 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;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The role of the Stakeholders' Relationship Committee has been specified in Part D of the Schedule II of the Listing Regulations.

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.

(c) Meetings of Stakeholders Relationship Committee

During the F.Y ending March 31, 2016, Stakeholder' Relationship Committee comprises of following members:

| S.No | Name of Member | Category |
|------|----------------------|----------|
| 1 | Mr. Peeyush Aggarwal | Chairman |
| 4 | Mr. Vishal Anand | Member |

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

Eight Stakeholders Relationship Committee were held during the year in which all the members were present. The dates on which the said meetings were held are as follows:

21.01.2016, 29.01.2016, 05.02.2016, 08.02.2016, 11.02.2016,13.02.2016, 26.02.2016, 31.03.2016.

The Company Secretary acts as Secretary to the Committee.

(d) No. of shareholders' complaints received

During FY 2016, the Company received 9 complaints. As on date, no complaints are pending. All complaints were attended and resolved to the satisfaction of the shareholders.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

(a) Terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

(b) Composition of CSR Committee:

The Corporate Social Responsibility Committee comprises of following three members viz. Mr. Peeyush Kumar Aggarwal, Mr. Brahm Dutt Sharma and Mr. Manoj Kumar Jain. Mr. Peeyush Kumar Aggarwal acts as the Chairman of the Committee. No contribution had been made by the company as your company has suffered loss during the financial year under review.

(c) Meeting of CSR Committee and attendance of members during the year

No meeting was held during the under review.

The company Secretary acts as the Secretary to the Committee.

Risk management committee

The board of your Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

During the F.Y ending March 2016, Risk Management Committee comprises of following members:

| S.No | Name of Member | Category |
|------|----------------------|----------|
| 1 | Mr Brahm Dutt Sharma | Chairman |
| 2 | Mr Peeyush Aggarwal | Member |
| 3 | Manoj Kumar Jain | Member |

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 |
|------------|--|------------|----------------------------------|
| 28.01.2016 | 703, Arunachal Building, 19 Barakhamba Road, New Delhi-110001 | 10:00 A.M. | 1 |
| 30.09.2015 | 703, Arunachal Building, 19 Barakhamba Road, New Delhi-110001 | 10:00 A.M. | 0 |
| 30.12.2014 | Auditorium, Bipin Chandra Pal Memorial Trust, A-81, Chittranjan Park, New Delhi-110019 | 10:00 A.M | 0 |
| 25-09-2013 | Auditorium, Bipin Chandra Pal Memorial Trust, A-81, Chittranjan Park, New Delhi-110019 | 10:00 A.M | 0 |

DISCLOSURES

- 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 – 18) – 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.
- The Company has materially complied with the requirements of the SEBI and other statutory authorities on all the matters and there were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to Capital markets during the last three years.
- The Company in the past had increased the Authorized Share Capital, however due to funds constraints the prescribed fee could not be paid. The Companies Act, 2013 which came into effect from 1st April, 2014 wherein schedule of fee applicable w.r.t. increase in Authorized Capital has been revised and increased. The schedule of fee as per Companies Act, 2013 has been made applicable and payable on the increased prior to the applicability of the Companies Act, 2013, hence on the advice of senior Advocate/ Professionals the Company has filed a Writ

petition before the Hon'ble Delhi High Court bearing WP (C) No 5199 of 2015 challenging the applicability of provisions prescribed under para 3 of Table B under registration of Offices and Fee Rules 2014, which is pending adjudication.

- Whistle Blower policy and affirmation that no personal has been denied access to the audit committee.
- The Company has complied with all the mandatory- requirements of Corporate Governance, as required under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

MEANS OF COMMUNICATION

The quarterly, half-yearly, and annual results of the company are regularly published in one prominent widely circulated English newspaper and one in daily Hindi Newspaper viz. The Business Standard (English) & (Hindi). The said results are also promptly forwarded to the Stock Exchanges where the shares of the Company are listed as per the Listing Regulations. Further the said results are also posted on company's website www.viseshinfo.com.

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 from the quarter ended December 31, 2015. 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. Disclosure with regard to the shareholding pattern, change in major shareholding, quarterly Limited Review Report by the Statutory Auditor reports etc. are also sent to the Stock Exchange as required under various Regulations. Annual report of the Company is circulated to all the members and all others entitled thereto.

“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's 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.viseshinfo.com.

You are also entitled to be furnished, a physical copy of the above documents of the Company on demand. Shareholders are requested to support this Green initiative by registering/updating their e-mail addresses for receiving all kinds of electronic communications.

CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and senior management personnel have affirmed their compliance with the code.

CEO/CFO CERTIFICATION

A Certificate from the Chief Executive Officer on the financial statement of the Company was placed and considered by the Board.

GENERAL SHAREHOLDER'S INFORMATION

a) Registered Office : 703, Arunachal, Building, 19 Barakhamba Road,
New Delhi-110001

b) Annual General Meeting:

- Date : 30th September, 2016
- Day : Friday
- Time : 10:00 AM
- Venue : 703, Arunachal Building, 19 Barakhamba Road
New Delhi-110001
- Posting of Annual Report : on or before 5th September 2016
- Last date of receipt of Proxy Form : 48 hours before the Meeting i.e. 28th September 2016 by
10:00 a.m.

c) FINANCIAL YEAR

- Financial year : 1st April to 31st March
- Financial year (during period under review) : 1st April, 2015 to 31st March, 2016
- First Quarter : 1st April, 2015 to 30th June, 2015
- Second Quarter : 1st July, 2015 to 30th September, 2015
- Third Quarter : 1st October, 2015 to 31st December, 2015
- Fourth Quarter : 1st January, 2016 to 31st March, 2016

d) DATE OF BOOK CLOSURE

The Register of members and share transfer Books of the Company will remain closed from 27th September, 2016 to 30th September, 2016 (both dates inclusive).

e) REGISTRAR & SHARE TRANSFER AGENTS (RTA)

| Name | Address | Contact |
|-------------------|--|---|
| MAS Services Ltd. | T-34, II nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 | Tel no. : 011-26387281-83 Fax : 011- 26387384 e-Mail : info@masserv.com |

f) LISTING OF SHARES/ GDRs

Shares of the Company are listed on following stock exchanges:

| Name | Address | Stock Code |
|---------------------------------------|--|------------|
| National Stock Exchange of India Ltd. | Exchange Plaza, Bandra, Kurla Complex, Bandra(E) Mumbai-400051 | VIRESHINFO |
| Bombay Stock Exchange Limited | Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001 | 532411 |

g) WITH EFFECT FROM 28TH AUGUST, 2000 THE SHARES OF MPS INFOTECNICS LIMITED (formerly Visesh Infotecnics Limited) ARE TRADED IN DE-MAT FORM ONLY:

ISIN Code No: INE861A01058

h) INVESTOR SERVICE CELL & ADDRESS FOR CORRESPONDENCE

Address : 703, Arunachal Building, 19 Barakhamba Road,
Connaught Place, New Delhi-110001.
Telephone : +91-11-43571044
Fax : +91-43571047
E-Mail : info@viseshinfo.com

i) COMPLIANCE OFFICER

Miss. Garima Singh, Company Secretary.

j) 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:

| Financial Year April 2015 to March 2016 | National Stock Exchange | | | Bombay Stock Exchange | | |
|---|-------------------------|------|----------------------|-----------------------|------|----------------------|
| | High | Low | No. of shares traded | High | Low | No. of shares traded |
| April, 2015 | 0.15 | 0.05 | 17162296 | 0.14 | 0.09 | 8,15,97,726 |
| May, 2015 | 0.15 | 0.05 | 11949587 | 0.12 | 0.09 | 6,26,05,426 |
| June, 2015 | 0.15 | 0.05 | 40049722 | 0.11 | 0.09 | 5,59,63,683 |
| July, 2015 | 0.15 | 0.05 | 28555061 | 0.11 | 0.06 | 11,82,04,411 |
| August, 2015 | 0.15 | 0.05 | 25178313 | 0.11 | 0.07 | 7,82,54,295 |
| September, 2015 | 0.10 | 0.05 | 5749343 | 0.09 | 0.07 | 3,60,24,412 |
| October, 2015 | 0.10 | 0.05 | 12102568 | 0.09 | 0.06 | 5,86,16,485 |
| November, 2015 | 0.10 | 0.05 | 29017239 | 0.10 | 0.06 | 7,37,54,485 |
| December, 2015 | 0.10 | 0.05 | 16055349 | 0.10 | 0.07 | 15,40,30,556 |
| January, 2016 | 0.20 | 0.05 | 105007567 | 0.15 | 0.08 | 27,67,84,884 |
| February, 2016 | 0.15 | 0.05 | 43995813 | 0.13 | 0.08 | 8,85,73,406 |
| March, 2016 | 0.10 | 0.05 | 27819994 | 0.10 | 0.07 | 7,44,76,566 |

k) 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, 2016:

| Total Issued Capital | No. of Shares | % to total shareholding |
|----------------------|---------------|-------------------------|
| NSDL (Demat Form) | 19,373,499,30 | 51.32 |

| | | |
|-------------------|-----------------------|------------|
| CDSL (Demat Form) | 15,922,693,39 | 42.19 |
| Physical Form | 24,481,738,6 | 6.49 |
| TOTAL | 3,77,44,36,655 | 100 |

l) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2016:

| Shareholding of Nominal Value of (₹) | No. of shareholders | % to total no. of shareholders | Amount in (₹) | % to total shareholding |
|--------------------------------------|---------------------|--------------------------------|-------------------|-------------------------|
| Upto 5000 | 14982 | 56.38% | 24548433 | 0.65% |
| 5,001-10,000 | 3515 | 13.23% | 27355222 | 0.72% |
| 10,001-20,000 | 2423 | 9.12% | 35970059 | 0.95% |
| 20,001-30,000 | 1117 | 4.20% | 28394588 | 0.75% |
| 30,001-40,000 | 502 | 1.89% | 18120392 | 0.48% |
| 40,001-50,000 | 812 | 3.06% | 39335697 | 1.04% |
| 50,001-1,00,000 | 1447 | 5.45% | 119548832 | 3.17% |
| 1,00,001 and above | 1775 | 6.68% | 3481163432 | 92.23% |
| TOTAL | 26573 | 100.00 | 3774436655 | 100.00 |

m) SHAREHOLDING PATTERN AS ON 31ST MARCH 2016:

| Category | No. of Shares | % of total |
|---|-------------------|------------|
| A. Promoters | 1,744,711,967 | 46.22 |
| B. Non-Promoter holding | 46,796,750 | 1.24% |
| i. Banks, Mutual Funds, Insurance Companies, Foreign Institutional Investors (central/state govt. institution/non govt. institutions) | | |
| ii. Private corporate bodies | 553,821,062 | 14.67% |
| iii. Indian public | 13,24,006,411 | |
| iv. NRI's / OCB's | 76,434,724 | 2.03% |
| v. Foreign Investor | - | - |
| vi. Clearing member | 28,665,741 | 0.76% |
| TOTAL | 3774436655 | 100 |

ADDITIONAL INFORMATION

a) Investor Relations Section

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

Contact Person : Ms. 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@viseshinfo.com

b) Auditors

M/s RMA & Associates
 Chartered Accountants
 48, First Floor, Hasanpur,
 I.P Extension, Delhi-110092
 Ph.No. 011-45261214
 Email: pankajchanderca@gmail.com
 FRN-000978N

c) Declaration by Independent Directors under sub-section (6) of section 149 & Regulation 16 (1) (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During FY16, the Company received declaration in terms of the provisions of Section 149 (6).

d) Web link for various documents

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

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

Declaration Affirming Compliance of provisions of the code of conduct

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board Members and the Senior Management have duly complied with the provisions of the code of conduct for Directors and Senior Management Personnel during the Financial Year ended March 31, 2016.



Declaration Affirming Compliance of Whistle Blower Policy

To the best of my knowledge and belief, I hereby affirm that no personnel of the Company has been denied access to the Audit committee during FY16.

Date: 2nd Sept, 2016

Place : New Delhi

**By Order of the Board
for MPS Infotecncs Ltd.**

SD/-

Peeyush Aggarwal

Chairman

DIN No. 00090423

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of MPS Infotecnics Ltd. (formerly Visesh Infotecnics Ltd.)

We have examined the compliance of conditions of Corporate Governance by MPS Infotecnics Ltd. (formerly Visesh Infotecnics Limited) for the financial year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement and 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 Registrars of the Company to the Stakeholder' Relationship Committee, as on March 31, 2016, 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 RMA & Associates
Chartered Accountants
Firm Registration No.000978N

Santosh Verma
Partner
Membership Number - 533944

Place: New Delhi
Date: 30.05.2016

Confirmation of Compliance of Code of Conduct and Ethics

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 2014-15. This code of conduct is available on the Company's website.

Place: New Delhi
Date: 30.05.2015

Peeyush Aggarwal
Chairman
DIN: 00090423
Address: B-313, Saraswati Vihar
Pitampura, Delhi -110034

| FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN as on financial year ended on 31.03.2016 | | |
|--|---|---|
| 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 Infotecncs Limited (Formerly Visesh Infotecncs 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 | 0.18% |
| 2 | IT Enabled Services | 99831326 | 0.24% |
| 3 | Telecommunication | 99843990 | 99.58% |

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

| SI 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 Soi Sukhumvit 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 | | | | No. of Shares held at the end of the year | | | | % 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 | 882200000 | - | 882,200,000 | 23.37% | 882200000 | - | 882,200,000 | 23.37% | 0.00% |
| d) Bank/FI | | - | - | - | - | - | - | - | - |
| e) Any other | | - | - | - | - | - | - | - | - |
| SUB TOTAL:(A) (1) | 1,744,711,967 | - | 1,744,711,967 | 46.22% | 1,744,711,967 | - | 1,744,711,967 | 46.22% | 0.00% |
| (2) Foreign | | | | | | | | | |
| a) NRI- Individuals | - | - | - | - | - | - | - | 0.00% | 0.00% |
| b) Other Individuals | - | - | - | - | - | - | - | 0.00% | 0.00% |
| c) Bodies Corp. | - | - | - | - | - | - | - | 0.00% | 0.00% |
| d) Banks/FI | - | - | - | - | - | - | - | 0.00% | 0.00% |
| e) Any other... | - | - | - | - | - | - | - | 0.00% | 0.00% |
| SUB TOTAL (A) (2) | - | - | - | - | - | - | - | 0.00% | 0.00% |
| "Total Shareholding of Promoter (A)= (A)(1)+(A)(2)" | 1,744,711,967 | 0 | 1,744,711,967 | 46.22% | 1,744,711,967 | - | 1,744,711,967 | 46.22% | 0.00% |
| B. PUBLIC SHAREHOLDING | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | 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% |
| d) State Govt. | - | - | - | - | - | - | - | 0.00% | 0.00% |
| e) Venture Capital Fund | - | - | - | - | - | - | - | 0.00% | 0.00% |
| f) Insurance Companies | - | - | - | - | - | - | - | 0.00% | 0.00% |

| | | | | | | | | | |
|---|----------------------|------------|----------------------|----------------|----------------------|----------|----------------------|----------------|--------------|
| g) FII'S | 22,000,000 | - | 22,000,000 | 0.58% | 46,750,000 | - | 46,750,000 | 1.24% | 0.66% |
| "h) Foreign Venture Capital Funds" | - | - | - | - | - | - | - | 0.00% | 0.00% |
| i) Others (specify) | - | - | - | - | - | - | - | 0.00% | 0.00% |
| SUB TOTAL (B) (1): | 22,046,750 | - | 22,046,750 | 0.58% | 46,796,750 | - | 46,796,750 | 1.24% | 0.66% |
| (2) Non Institutions | | | | | | | | | |
| a) Bodies corporates | | | | | | | | | |
| i) Indian | 682,080,240 | | 868,575,690 | 23.01% | 367,325,612 | | 553,821,062 | 14.67% | -8.34% |
| ii) Overseas | - | - | - | - | - | - | - | 0.00% | 0.00% |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakhs | 193,582,329 | 3,246,536 | 196,828,865 | 5.21% | 280,002,435 | | 283,185,771 | 7.50% | 2.29% |
| ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs | 718,120,530 | 55,000,000 | 773,120,530 | 20.48% | 982,650,488 | | 1,037,650,488 | 27.49% | 7.01% |
| c) Others (specify) | | | | | | | | | |
| i) Clearing Member | 43,888,021 | - | 43,888,021 | 1.16% | 28,665,741 | - | 28,665,741 | 0.76% | -0.40% |
| ii) Directors & their relatives | 3,167,717 | - | 3,167,717 | 0.08% | 3,167,717 | - | 3,167,717 | 0.08% | 0.00% |
| iii) Employees | 27,090 | - | 27,090 | 0.00% | 1,185 | - | 1,185 | 0.00% | 0.00% |
| iv) Non Resident Indians | 62,932,511 | 138,600 | 63,071,111 | 1.67% | 76,296,124 | 138,600 | 76,434,724 | 2.03% | 0.35% |
| v) Trust | 150 | - | 150 | 0.00% | 150 | - | 150 | 0.00% | 0.00% |
| NBFC's Registered with RBI | - | - | - | 0.00% | 1,100 | - | 1,100 | 0.00% | 0.00% |
| SUB TOTAL (B) (2): | 1,703,798,588 | | 1,948,679,174 | 51.63% | 1,738,110,552 | | 1,982,927,938 | 52.54% | 0.91% |
| "Total Public Shareholding (B)= (B)(1)+(B)(2)" | 1,725,845,338 | | 1,970,725,924 | 52.21% | 1,784,907,302 | | 2,029,724,688 | 53.78% | 1.56% |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| i) Public | 58,998,764 | - | 58,998,764 | 1.56% | - | - | - | 0.00% | -1.56% |
| Grand Total (A+B+C) | 3,529,556,069 | | 3,774,436,655 | 100.00% | 3,529,619,269 | | 3,774,436,655 | 100.00% | - |

SHARE HOLDING OF PROMOTERS

| S.No. | Shareholders Name | "Shareholding at the beginning of the year 01.04.2015" | | | "Shareholding at the end of the year 31.03.2016" | | |
|-------|-------------------------------|--|------------------------------------|--|--|------------------------------------|--|
| | | 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% |
| 3. | Omkam Global Capital Pvt Ltd | 299200000 | 7.93% | 0 | 299200000 | 7.93% | 7.93% |
| 4. | Omkam Securities Pvt Ltd | 242000000 | 6.41% | 0 | 242000000 | 6.41% | 6.41% |
| 5. | Omkam Capital Markets Pvt Ltd | 341000000 | 9.03% | 0 | 341000000 | 9.03% | 0.00% |
| | Total | 1744711967 | 46.22% | 20.90% | 1744711967 | 46.22 | 35.24% |

CHANGE IN PROMOTERS' SHAREHOLDING (Please specify, if there is no change)

| | Share holding at the beginning of the Year | | Cumulative Share holding 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 | 1744711967 | 46.22% | 1744711967 | 46.22% |
| 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)* | No Change during the year | | | |
| At the end of the year | 1744711967 | 46.22% | 1744711967 | 46.22% |

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

| S.No | Top 10 Shareholders* | Shareholding at the beginning of the year i.e. 01-04-2015 | | Date wise Increase / Decrease | | | Cumulative Shareholding during the year 31-03-2016 | |
|-----------|------------------------------------|---|----------------------------------|-------------------------------|---------------------|-----------------------------|--|----------------------------------|
| | | 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. | Agrata Real Estate Pvt Ltd | 82500000 | 2.19% | 24-Jul-15 | 37000000 | 0.98% | 45500000 | 1.21% |
| 2. | Addo Constructions Pvt Ltd | 82500000 | 2.19% | 28-Aug-15 | -1050000 | -0.03% | 0 | 0.00% |
| | | | | 11-Sep-15 | -1890118 | -0.05% | | |
| | | | | 18-Sep-15 | -1200000 | -0.03% | | |
| | | | | 23-Sep-15 | -2600000 | -0.07% | | |
| | | | | 30-Sep-15 | -4030389 | -0.11% | | |
| | | | | 9-Oct-15 | -500000 | -0.01% | | |
| | | | | 30-Oct-15 | -1868211 | -0.05% | | |
| 20-Nov-15 | -69361282 | -1.84% | | | | | | |
| 3. | Aansal Securities Services Pvt Ltd | 71500000 | 1.89% | 21-Jan-16 | -21500000 | -0.57% | 50000000 | 1.32% |
| 4. | Jayalalita Commodities Pvt Ltd | 70544517 | 1.87% | 1-Apr-15 | -544517 | -0.01% | 0 | 0% |
| | | | | 19-Jun-15 | 16000000 | 0.42% | | |
| | | | | 17-Jul-15 | 10300000 | 0.27% | | |
| | | | | 23-Oct-15 | 43700000 | 1.16% | | |

| | | | | | | | | |
|-----------|--------------------------------|----------|-------|-----------|-----------|--------|----------|-------|
| 5. | Parkway Properties Pvt Ltd | 70464500 | 1.87% | 1-Apr-15 | -5300000 | -0.14% | 29839933 | 0.79% |
| | | | | 10-Apr-15 | -1500000 | -0.04% | | |
| | | | | 17-Apr-15 | -5800000 | -0.15% | | |
| | | | | 24-Apr-15 | -4906900 | -0.13% | | |
| | | | | 1-May-15 | -6300000 | -0.17% | | |
| | | | | 8-May-15 | -10359512 | -0.27% | | |
| | | | | 15-May-15 | -34657870 | -0.92% | | |
| | | | | 22-May-15 | -1594001 | -0.04% | | |
| | | | | 5-Jun-15 | -46217 | 0.00% | | |
| | | | | 23-Oct-15 | 80700000 | 2.14% | | |
| | | | | 30-Oct-15 | -2900100 | -0.08% | | |
| | | | | 6-Nov-15 | -5576525 | -0.15% | | |
| | | | | 13-Nov-15 | -7567804 | -0.20% | | |
| | | | | 20-Nov-15 | -14077402 | -0.37% | | |
| | | | | 27-Nov-15 | -4807175 | -0.13% | | |
| | | | | 4-Dec-15 | -7159721 | -0.19% | | |
| | | | | 11-Dec-15 | -1100000 | -0.03% | | |
| 18-Dec-15 | -5671340 | -0.15% | | | | | | |
| 31-Dec-15 | -2000000 | -0.05% | | | | | | |
| 6. | Anil Aggarwal | 64450000 | 1.71% | 31-Dec-15 | -27265000 | -0.72% | 14285000 | 0.38% |
| | | | | 8-Jan-16 | -19900000 | -0.53% | | |
| | | | | 15-Jan-16 | -3000000 | -0.08% | | |
| 7. | Adila Traders Pvt Ltd | 63472450 | 1.68% | 1-Apr-15 | -1500000 | -0.04% | 0 | 0% |
| | | | | 10-Apr-15 | -10000000 | -0.26% | | |
| | | | | 17-Apr-15 | -51972450 | -1.38% | | |
| 8. | Walton Construction Pvt Ltd | 63250000 | 1.68% | 31-Mar-16 | 0 | 0.00% | 63250000 | 1.68% |
| 9. | Sunflower Commo-sales Pvt Ltd | 60500000 | 1.60% | 31-Mar-16 | 0 | 0.00% | 60500000 | 1.60% |
| 10. | Jihan Merchantile Pvt Ltd | 55000000 | 1.46% | 31-Mar-16 | 0 | 0.00% | 55000000 | 1.46% |
| 11. | Pataliputra International Ltd. | 50000000 | 1.32% | 31-Mar-16 | 0 | 0.00% | 50000000 | 1.32% |
| 12. | Anju Aggarwal | 49835000 | 1.32% | 31-Mar-16 | 0 | 0.00% | 49835000 | 1.32% |

| | | | | | | | | |
|-----------|--------------------------------------|----------|-------|-----------|----------|-------|----------|-------|
| 13. | Deipakk Bawa | 13674337 | 0.36% | 10-Apr-15 | 50000 | 0.00% | 80000000 | 2.12% |
| | | | | 17-Apr-15 | 10636194 | 0.28% | | |
| | | | | 24-Apr-15 | 2503545 | 0.07% | | |
| | | | | 1-May-15 | 3215215 | 0.09% | | |
| | | | | 8-May-15 | 2387097 | 0.06% | | |
| | | | | 15-May-15 | 2533612 | 0.07% | | |
| | | | | 22-May-15 | 2500000 | 0.07% | | |
| | | | | 29-May-15 | 2500000 | 0.07% | | |
| | | | | 12-Jun-15 | 5000000 | 0.13% | | |
| | | | | 19-Jun-15 | 2500000 | 0.07% | | |
| | | | | 26-Jun-15 | 2435885 | 0.06% | | |
| | | | | 30-Jun-15 | 64115 | 0.00% | | |
| | | | | 24-Jul-15 | 2500000 | 0.07% | | |
| | | | | 31-Jul-15 | 5000000 | 0.13% | | |
| | | | | 7-Aug-15 | 500000 | 0.01% | | |
| | | | | 14-Aug-15 | 2050000 | 0.05% | | |
| | | | | 21-Aug-15 | 3007612 | 0.08% | | |
| | | | | 28-Aug-15 | 4442388 | 0.12% | | |
| | | | | 4-Sep-15 | 2500000 | 0.07% | | |
| | | | | 22-Jan-16 | 2000000 | 0.05% | | |
| | | | | 12-Feb-16 | 2000000 | 0.05% | | |
| 19-Feb-16 | 1000000 | 0.03% | | | | | | |
| 26-Feb-16 | 3000000 | 0.08% | | | | | | |
| 18-Mar-16 | 1003458 | 0.03% | | | | | | |
| 31-Mar-16 | 996542 | 0.03% | | | | | | |
| 14. | Hamraj Fashion Consultants Pvt. Ltd. | 42625000 | 1.13% | 31-Mar-16 | 0 | 0.00% | 42625000 | 1.13% |
| 15. | VIDYASAGAR MAHAVIR-PRASAD SAH | 36045177 | 0.95% | 31-Mar-16 | 0 | 0.00% | 36045177 | 0.95% |
| 16. | Vipin Garg | 33008921 | 0.87% | 31-Mar-16 | 0 | 0.00% | 33008921 | 0.87% |

* Changes in the holding as per the beneficiary position downloaded from the Benpos data provided by the Registrar & Transfer Agent

Shareholding of Directors & KMP

| S.No. | Folio/ Ben- eficiary Account No. | Name of the Share- holder | Date | Reason | Shareholding at the \ beginning of the year | | Cumulative Shareholding during the year |
|-------|--|---------------------------------|-----------|---|--|---|---|
| | | | | | No of shares | % of total shares of the com- pany | No of shares |
| 1. | 12020600- 00800415 | Peeyush Kumar Aggarwal | 1-Apr-15 | At the begin- ning of the year | 786,750,193 | 20.84% | 78,67,50,193 |
| | | | 31-Mar-16 | At the end of the year | 786,750,193 | 20.84% | |
| 2. | IN301436- 10630017 | Sanjay Sharma | 1-Apr-15 | At the begin- ning of the year | 1,100 | 0.00% | 1100 |
| | | | 31-Mar-16 | At the end of the year | 1,100 | 0.00% | |
| 3. | IN300966- 10061380 | Brahm Dutt Sharma | 2-Jun-14 | Appointed as the Director of the Co. W.e.f 2 June,2014 | 2,200 | 0.00% | 2200 |
| | | | 31-Mar-15 | At the end of the year | 2,200 | 0.00% | |
| 4. | IN300239- 10205350 | Manoj Ku- mar jain | 2-Jun-14 | Appointed as the Director of the Co. W.e.f 2 June,2014 | 82,500 | 0.00% | 82500 |
| | | | 31-Mar-15 | 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 | 166406081 | 150667014 | NIL |
| ii) Interest due but not paid | 6719425 | 0 | NIL |
| iii) Interest accrued but not due | 0 | 0 | NIL |
| Total (i+ii+iii) | 173125506 | 150667014 | NIL |
| Change in Indebtedness during the financial year | | | |
| Additions | -6719425 | 10290351 | NIL |

| | | | |
|--|-----------|-----------|-----|
| Reduction | -61323679 | 0 | NIL |
| Net Change | -68043104 | 10290351 | NIL |
| Indebtedness at the end of the financial year | | | |
| i) Principal Amount | 105082402 | 160957365 | NIL |
| ii) Interest due but not paid | 0 | 0 | NIL |
| iii) Interest accrued but not due | 0 | 0 | NIL |
| Total (i+ii+iii) | 105082402 | 160957365 | NIL |

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

| Sl.No | Particulars of Remuneration | Name of the MD/WTD/Manager | Total Amount |
|-------|--|------------------------------|--------------|
| | | Mr. Vishal Anand,CEO* | |
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. | 1200200 | 1200200 |
| | (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) | 1200200 | 1200200 |
| | Ceiling as per the Act (60 lakhs plus 0.01% of the effective capital in excess of Rs. 250 crores.) | | |

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. Brahm Dutt Sharma | - | - | - |
| | Mr. Manoj Kumar Jain | - | - | - |
| | Total (1) | - | - | - |

| | | | | |
|----------|--|---|---|---|
| 2 | Other Non Executive Directors** | | | |
| | Mr. Peeyush Kumar Aggarwal | - | - | - |
| | Total (2) | - | - | - |
| | Total (B)=(1+2) | - | - | - |
| | Total Managerial Remuneration | - | - | - |
| | Ceiling as per the Act (@1% of profits calculated under Section 197 of the Companies Act,2013) | | | |

* 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.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Rs. In Lakh

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | Total |
|---------|--|--------------------------|---------------------------|---------|
| | | Chief Financial Officer | " Company Secretary" | |
| | | Mr. Sanjay Sharma | Miss. Garima Singh | |
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | 782,500 | 173,555 | 956,055 |
| | (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 | 173,555 | 956,055 |

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority (RD/NCLT/ Court) | Appeal 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 | |

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.)

| SI. 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 2015 to 31st March 2016 | 1st April 2015 to 31st March 2016 | 1st January 2015 - 31st December 2015 |
| 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 | 807160 | 559360 | 12020053 |
| 5 | Reserves & Surplus | 51,704,079 | 5751422 | -12115635 |
| 6 | Total Assets | 93463189 | 57005461 | 1389140 |
| 7 | Total Liabilities | 34164627 | 47928575 | 1488431 |
| 8 | Investments | - | - | 3709 |
| 9 | Turnover | 126612678 | 262264158 | - |
| 10 | Profit before taxation | 575580 | -2755853 | - |
| 11 | Provision for taxation | 17276 | - | - |
| 12 | Profit after taxation | 558304 | -2755853 | - |
| 13 | Proposed Dividend | - | - | - |
| 14 | % of Shareholding | 100% | 100% | 99.996% |

**for & on behalf of the Board
MPS Infotecncs Limited**

**Peeyush Aggarwal
Chairman
DIN: 00090423**

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. During the year under review a sum of Rs. 1,02,90,351.17p (Rupees One crore two lacs ninty thousand three hundred fifty one and paise seventeen and over the years the company has received a sum of Rs. 15,55,91,429.08p (Rupees Fifteen crores fifty five lacs ninty one thousand four hundred twenty nine and paise eight 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) For the smooth functioning of the company as well as for day to day funds requirements, the company had been requesting OGCL and OGCL has been infusing the funds. 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. 14,98,000/- (Rupees Fourteen lacs ninty eight thousand had been refunded by the Company. As on date the total amount payable by the company to OGCL is Rs. 3,42,97,353/- (Rupees Three crore fourty two lacs ninty seven thousand three hundred fifty three 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 | 29th May 2015 | 29th May 2015 |
| f | Amount paid as advances, if any: | N.A | N.A |
| 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 with 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 with 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
MPS Infotecnics Limited**

**Peeyush Aggarwal
Chairman
DIN: 00090423**

A. K. FRIENDS & Co.

Practicing Company Secretaries

E-38, 2ND FLOOR BEHIND HIRA SWEETS,
LAXMI NAGAR, DELHI - 110092
PHONE : (O) 43601839
(M) : 9212000759, 9911000759
e-mail : csakf1975@gmail.com

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31,2016

To,
The Members,
MPS INFOTECNICS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MPS INFOTECNICS LIMITED (formerly Visesh 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.

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 31.03.2016 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 31/03/2016 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;
 - (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;
- (i) The Securities and Exchange Board of India (Listing obligations and Disclosures requirements) Regulations, 2015 applicable w.e.f. December 1, 2015 ;

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited & National Stock Exchange Limited;(applicable upto 30th November, 2015) and thereafter a fresh agreement with the said stock exchanges were executed.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- * The Company has delayed in filing of some documents with the Registrar of Companies for which additional fees were duly paid as per the provisions of the Companies Act, 2013.
- * The Company has not filed Annual Return for Years ending 31.03.2012, 31.03.2013 & 31.03.2014 which were required to be filed pursuant to the provisions of section 159 of the Companies Act, 1956 prior to the commencement of the Companies Act, 2013..
- * There is a discrepancy as regards to the Authorised capital of the Company as shown by Master Data of the Company on the website of Ministry of Corporate Affairs and the Balance Sheet of the Company. According to the explanation provided by the management, it has been informed that the company had increased its authorized capital, the details of which are as under:

| Event | Event date | Authorised Capital | Increase in Authorised Capital | Increased Authorised Capital |
|----------------------|------------|--------------------|--------------------------------|------------------------------|
| Preferential Issue | 3-Sep-10 | 500,000,000.00 | 2,350,000,000.00 | 2,850,000,000.00 |
| Merger - PCPL | 28-Jan-11 | 2,850,000,000.00 | 16,400,000.00 | 2,866,400,000.00 |
| Merger - ACPL | 20-Jul-12 | 2,866,400,000.00 | 8,100,000.00 | 2,874,500,000.00 |
| AGM - 2011-12 | 29-Sep-12 | 2,874,500,000.00 | 556,850,000.00 | 3,431,350,000.00 |
| Bonus Issue | 22-Feb-13 | 3,431,350,000.00 | 343,650,000.00 | 3,775,000,000.00 |

However due to technical issues necessary forms along with the fees w.r.t. increase in Authorised Capital could not be filed and paid. Though the Authorised Capital was increased when the provisions of The Companies Act, 1956, were application and fees as per The Companies Act, 1956, was payable, meanwhile, some of the provisions and scheduled of The Companies Act, 2013 including Table of Fees, pursuant to rule 12 of the Companies (Registration of Offices and Fees) Rules, 2014 got notified due to which the fees payable upon increase in Authorised Capital increased drastically and was being demanded though the authorized capital was increased during 2010-11 to 2012-13. Since the fees demanded was in accordance with the Table of Fees as notified under the Companies Act, 2013, the company on legal advice preferred a writ petition before the Hon'ble Delhi High Court, which is registered as WP(C) 5199 of 2015 which is presently pending adjudication.

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 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that 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.

Place: New Delhi

Date: 30.05.2016

For A.K. FRIENDS & CO.


Ashish Kumar Friends
Practising Company Secretary
C.P. No.-4056, Mem No.-FCS-5129

INDEPENDENT AUDITOR'S REPORT

To,
The Members
MPS Infotecncs Limited (formerly known as Visesh Infotecncs Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of MPS Infotecncs Limited New Delhi ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and Cash Flow Statement of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimate that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis of Qualified Opinion

1. The company has shown in the balance sheet, bank balance in Banco Efisa (Lisbon Portugal) amounting to Rs. 347,892,163/- (in USD8883210.75) which the Bank has adjusted and the matter is in court of law. Consequently the bank balance shown in balance sheet is overstated by Rs. 347,892,163/- (Refer Note No. 11(a)).
2. The Company has increased its authorised capital from Rs. 52.45 Crores to Rs. 377.50 Crores during the period From FY 2010-11 to FY 2012-13, ROC fees of Rs.3.90 Crores towards the same stands payable, under the head "Other Current Liabilities" in the Financial Statements. (Refer Note No.1 and 4)
3. Income tax form the A.Y. 2013-14 amounting to Rs. 2.49 Crores and Intrest thereon is payable (Refer Note No. 5)

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph, and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, 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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 referred in Para No. 26 as on record by the board of director, none of the director of this company is disqualified as on 31 March, 2016 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, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 financial statements-Refer Note no. 20 to the financial statements.
 - II. As per information furnished to us, the Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - III. There were no amounts which required to be transferred to the investor Education and Protection Fund by the Company.

For and on behalf of M/s. RMA & Associates
Chartered Accountants
Firm Reg. No.: 000978N

Santosh Verma
Partner
M. No. 533944

Place: - New Delhi
Date : 30th May, 2016

MPS Infotecnics Limited
“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we further state as under:

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) The title deeds of immovable properties are held in the name of the company.
2. (a) The management has conducted the physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
b) The discrepancies noticed on physical verification of the inventory as compared to book records were not material and have been dealt with in the books of account.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the order is not applicable to the Company.
4. 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.
5. The Company has not accepted any deposits from the public. Therefore, the directive issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under does not arise.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. (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 March 31, 2016 for a period of more than six months from the date on when they become payable.
b) According to the information and explanation given to us, there are statutory dues which have not been deposited on account of any dispute, detail is given below:-
 - (a) Dues of income tax a) Rs. 5,104,827/- related to A.Y. 2005-06 against this Rs. 4,000,000/- deposited under protest with income-tax authorities, b) Rs.1,245,589/- related to A.Y. 2006-07, and c) Rs. 43,851,395/- related to A.Y. 2008-09 against this Rs. 15,00,000/- deposited under protest with income-tax authorities. Order passed in favour of the company by CIT (A) XIX, New Delhi and further department has filed appeal with ITAT, New Delhi, against CIT(A)'s order. d) In respect of A.Y. 2009-2010 income tax demand is Rs. 27,487,250/- . Order passed in favour of the company by CIT (A) XIX, New Delhi and further department has filed appeal with ITAT, New Delhi, against CIT(A)'s order. e) Rs.2,73,06,810/- related to A.Y. 2010-11. Order passed in favour of the company by CIT (A) XIX, New Delhi and further department has filed appeal with ITAT, New Delhi, against CIT(A)'s order. In respect of A.Y. 2005-06 & 2006-07, appeals of the Company, are pending before the commissioner of income tax (Appeals), Bangalore (f) in respect of assessment year 2011-12 income tax demand of Rs. 44,57,98,390 has been raised by the income tax authority. An appeal is pending before CIT(A) XXXIII, in respect of said demand and g) A.Y. 2012-13 income tax demand of Rs. 88,30,590 has been raised by the income tax authority, an appeal in this regard, is pending before CIT (A) IX, New Delhi.

8. According to the information and explanations given to us and based on the documents and records produced to us, the company is not regular and has defaulted in repayment of dues to their Bankers and Banker has considered the company as NPA.

| Sr. No. | Name of Bank | Amount (Rs. In lacs) | Nature of dues | Period of default of repayment |
|---------|--|----------------------|---------------------------------------|--------------------------------|
| 1. | Allahabad Bank (South Extension) New Delhi | 274.21 | Interest (Working capital limit A/c) | From 01.09.2013 to 31.03.2016 |

However, the company has entered into one time settlement agreement with Allahabad Bank on 14th Jan, 2016 and has settled for a sum of Rs. 1186.00 lakhs plus interest thereon from the date of settlement to the date of payment.

9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys 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.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company and nor any fraud on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the company is not a Nidhi company within the meaning of relevant law.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based on the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or partly convertible debentures u/s 42 of the Companies Act, 2013 during the year.
15. Based on the audit procedures performed and the information and explanations given by the management, the company has not entered in to any non-cash transaction with directors or others in contravention of section 192 of the Companies Act, 2013.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For and on behalf of M/s. RMA & Associates
Chartered Accountants
Firm Reg. No.: 000978N

Santosh Verma
Partner
M. No. 533944

Place: - New Delhi
Date : 30th May, 2016

MPS Infotecnic Limited

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of MPS INFOTECNICS LIMITED (Formerly known as Visesh Infotecnic Ltd.)

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 LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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.

Inherent 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 March 31, 2016, 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 and on behalf of M/s. RMA & Associates
Chartered Accountants
Firm Reg. No.: 000978N**

**Santosh Verma
Partner
M. No. 533944**

Place: - New Delhi

Date : 30th May, 2016

Balance Sheet as at 31st March, 2016

(Amount in Rs.)

| Particulars | | Note No. | As at 31.03.2016 | As at 31.03.2015 |
|----------------------------------|----------------------------------|----------|----------------------|----------------------|
| 1 | | 2 | 3 | 4 |
| I. EQUITY AND LIABILITIES | | | | |
| 1 | Shareholders' Funds | | | |
| | (a) Share Capital | 1 (a) | 3,774,436,655 | 3,774,436,655 |
| | (b) Reserves and Surplus | 2 | 621,105,535 | 618,659,185 |
| 2 | Non-Current Liabilities | | | |
| | (a) Long-Term Borrowings | 3(a) | 16,307,506 | 61,631,185 |
| | (b) Deferred Tax Liabilities | | 133,059,907 | 136,370,746 |
| 3 | Current Liabilities | | | |
| | (a) Short Term Borrowings | 3(b) | 249,732,261 | 255,441,910 |
| | (b) Trade Payables | | 57,215,875 | 58,734,223 |
| | (c) Other Current Liabilities | 4 | 261,247,772 | 259,312,986 |
| | (d) Short-Term Provisions | 5 | 38,103,487 | 31,418,293 |
| | Total | | 5,151,208,998 | 5,196,005,182 |
| II. ASSETS | | | | |
| 1 | Non-Current Assets | | | |
| | (a) Fixed Assets | 6 | | |
| | (i) Tangible Assets | | 9,930,825 | 18,243,573 |
| | (ii) Intangible Assets | | 64,839,022 | 74,339,022 |
| | (iii) Capital Work-in-Progress | | 826,014,755 | 826,014,755 |
| | (b) Non-Current Investments | 7 | 617,530,195 | 617,530,195 |
| | (c) Long-Term Loans and Advances | 8 | 2,238,171,600 | 2,241,157,256 |
| 2 | Current assets | | | |
| | (a) Inventories | 9 | 624,489,889 | 622,309,889 |
| | (b) Trade Receivables | 10 | 370,099,471 | 359,527,878 |
| | (c) Cash and Bank Balances | 11 (a) | 351,298,915 | 355,199,972 |
| | (d) Short Term Loans & Advances | 11 (b) | 42,208,423 | 49,753,193 |
| | (e) Other Current Assets | 12 | 6,625,907 | 31,929,449 |
| | Total | | 5,151,208,998 | 5,196,005,182 |
| | Notes on Financial Statements | 1 to 26 | | |
| | Significant Accounting Policies | 27 | | |

As per our Audit Report of even date

For RMA & Associates

Chartered Accountants

FRN No. : 000978N

Santosh Verma

Partner

M.No. : 533944

Place : New Delhi

Date : 30.05.2016

For and on behalf of the Board of Directors

Peeyush Aggarwal

Chairman

DIN: 00090423

Vishal Anand

CEO & Director

DIN: 02059506

Garima Singh

Company Secretary

Sanjay Sharma

Chief Financial Officer

Statement of Profit & Loss for the year ended 31st March, 2016

(Amount in Rs.)

| Particulars | Note No. | As at 31.03.2016 | As at 31.03.2015 |
|--|---------------|----------------------|----------------------|
| INCOME : | | | |
| I. Revenue from Operations | 13 | 2,618,883,327 | 2,332,711,996 |
| II. Other Income | 14 | 65,170,239 | 340,858 |
| III. Total Revenue (I + II) | | 2,684,053,565 | 2,333,052,853 |
| IV. EXPENDITURE : | | | |
| Purchases of Stock-in-Trade & Services | | 2,600,511,920 | 2,308,064,159 |
| Changes in Inventories | 15 | (2,180,000) | - |
| Employee's Benefit Expenses | 16 | 19,488,031 | 25,207,613 |
| Finance Costs | 17 | 1,760,862 | 12,266 |
| Depreciation and Amortization Expenses | | 11,623,377 | 12,902,682 |
| Other Expenses | 18 | 53,713,864 | 16,539,900 |
| Total Expenses | | 2,684,918,054 | 2,362,726,619 |
| V. Profit before Exceptional and Extraordinary Items and Tax (III-IV) | | (864,489) | (29,673,766) |
| VI. Exceptional Items | | - | - |
| VII. Profit/(Loss) before Extraordinary Items and Tax (V - VI) | | (864,489) | (29,673,766) |
| VIII. Extraordinary Items | | - | - |
| IX. Profit/(Loss) before Tax (VII- VIII) | | (864,489) | (29,673,766) |
| X. Tax Expenses | | | |
| (1) Current Tax | | - | - |
| (2) Deferred tax | | (3,310,839) | (6,860,300) |
| XI. Profit/(Loss) for the year | | 2,446,350 | (22,813,466) |
| XII. Earnings per equity share of face value of Re. 1/- each | | | |
| (1) Basic | | 0.0006 | (0.01) |
| (2) Diluted | | 0.0006 | (0.01) |
| Notes on Financial Statements Significant Accounting Policies | 1 to 26 27 | | |

As per our Audit Report of even date

For RMA & Associates

Chartered Accountants

FRN No. : 000978N

Santosh Verma

Partner

M.No. : 533944

Place : New Delhi

Date : 30.05.2016

For and on behalf of the Board of Directors

Peeyush Aggarwal

Chairman

DIN: 00090423

Vishal Anand

CEO & Director

DIN: 02059506

Garima Singh

Company Secretary

Sanjay Sharma

Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2016

(Amount in Rs.)

| Particulars | As At 3/31/2016 | As At 3/31/2015 |
|--|---------------------|---------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Tax | | |
| Adjustment for : | (864,489) | (29,673,766) |
| Depreciation & Amortisation | 11,623,377 | 12,902,682 |
| Misc. Expenses Written off | 25,833,689 | 3,423,262 |
| Leave Encashment | 1,298 | (5,835) |
| Gratuity | (883,527) | 3,025 |
| Provision for Income Tax & Interest on Income Tax A.Y. 2013-14 | 7,567,423 | - |
| Interest & Other Costs | 1,760,862 | 12,266 |
| Interest Received | (414,892) | (340,858) |
| (Profit) / Loss on sale of Fixed Assets | (55,115,724) | - |
| Operating Profit Before Working Capital Changes | 10,491,983 | (13,679,224) |
| (Increase)/Decrease in Current Assets | (5,736,970) | (5,634,022) |
| Increase/(Decrease) in Current Liabilities | (5,293,211) | 24,426,823 |
| Net Cash from Operating Activities (A) | 21,522,164 | 5,113,577 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets & Advances on Capital Account | (354,903) | (536,750) |
| Sale of Fixed Assets | 61,660,000 | - |
| Change in Capital WIP | - | - |
| Interest Received | 414,892 | 340,858 |
| Long term Loans & Advances | 2,985,656 | (3,228,191) |
| Net Cash Outflow in Investing Activities (B) | 64,705,645 | (3,424,084) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Issue of Equity Shares | - | - |
| Share Application Money Received | - | - |
| Increase / (Decrease) in Long Term Borrowings | (45,323,679) | (3,229,453) |
| Interest Paid | (1,760,862) | (12,266) |
| Net Cash inflow from Financing Activities (C) | (47,084,541) | (3,241,719) |
| Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C) | (3,901,058) | (1,552,226) |
| Cash and Cash Equivalent as at 01/04/2015 | 355,199,972 | 356,752,197 |
| Cash and Cash Equivalent as at 31/03/2016 | 351,298,915 | 355,199,972 |

Notes:

- Comparative figures have been regrouped wherever necessary.
- 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.
- These earmarked account balances with banks can be utilised only for the specific identified purposes.
- 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 RMA & Associates
Chartered Accountants
FRN No. : 000978N

Santosh Verma
Partner
M.No. : 533944

Place : New Delhi
Date : 30.05.2016

For and on behalf of the Board of Directors

Peeyush Aggarwal
Chairman
DIN: 00090423

Vishal Anand
CEO & Director
DIN: 02059506

Garima Singh
Company Secretary

Sanjay Sharma
Chief Financial Officer

Notes on Financial Statements for the Year ended 31st March, 2016

(Amount in Rs.)

| Note No | Particulars | As at 31.03.2016 | As at 31.03.2015 |
|------------|--|----------------------|----------------------|
| 1 | 2 | 3 | 4 |
| 1 | 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 De- cember 4 , 2007) | | |
| | Total | 3,774,436,655 | 3,774,436,655 |

Notes:

- 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.
- 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.
- The Company had increased the authorized capital during the Financial Year 2010-11 to 2012-13, however due to technical issues necessary forms along with the fees w.r.t. 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 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. Due to this reason Annual Report could not be filed. Hence, "Directors of your company are not disqualified for reappointment in this company and are eligible for appointment in any other company as a Director in terms of Section 164(2) of the Act".

The Details of Shareholders holding more than 5 % shares :

| Name of the Shareholder | 31st March, 2016 | | 31st March, 2015 | |
|------------------------------------|------------------|--------|------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| Mr. Peeyush Aggarwal | 786,750,193 | 20.844 | 786,750,193 | 20.844 |
| Omkam Capital Markets Pvt. Ltd. | 341,000,000 | 9.034 | 341,000,000 | 9.034 |
| Omkam Global Capital Pvt. Ltd | 299,200,000 | 7.927 | 299,200,000 | 7.927 |
| Omkam Securities Markets Pvt. Ltd. | 242,000,000 | 6.412 | 242,000,000 | 6.412 |

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

| Particulars | 31st March, 2016 | 31st March, 2015 |
|--|------------------|------------------|
| | No. of Shares | No. of Shares |
| Equity Shares at the beginning of the year | 3,774,436,655 | 3,774,436,655 |
| Equity Shares at the end of the year | 3,774,436,655 | 3,774,436,655 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|--|--------------------|--------------------|
| 2 | Reserves and Surplus | | |
| | Capital Reserve | 51,457,116 | 51,457,116 |
| | Securities Premium Reserve | 899,102,506 | 899,102,506 |
| | General Reserve | 26,073,430 | 35,913,041 |
| | (Less):- | | |
| | Deficit in earlier year | (357,973,867) | (335,160,401) |
| | Deficit during the year | 2,446,350 | (22,813,466) |
| | Revaluation Reserve | - | (9,839,611) |
| | Total | 621,105,535 | 618,659,185 |
| 3a | LONG TERM BORROWINGS | | |
| | Secured | | |
| | Loans from Other Banks & Institution | 16,307,506 | 61,631,185 |
| | Total | 16,307,506 | 61,631,185 |
| 3b | SHORT TERM BORROWING | | |
| | Secured | | |
| | Working Capital Loan from Allahabad Bank | 88,774,896 | 104,774,896 |
| | Unsecured | | |
| | Others | 160,957,365 | 150,667,014 |
| | Total | 249,732,261 | 255,441,910 |

Notes :

- 1 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 settled all the issues with DBS Bank and the entire outstanding paid off in full.
 - (ii) Barclays bank has assigned its total debt of Rs. 1,45,56,000.00 to Phoenix ARC Pvt. Ltd, including interest of Rs. 5,56,000/-
 - (iii) Your company has entered into an OTS for a sum of Rs. 11,86,50,000.00 with Allahabad Bank and started paying the amount in terms of the same.
 - (iv) Other Unsecured loans included a sum of Rs. 15,55,91,429.00 from directors.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|----------------------------------|--------------------|--------------------|
| 4 | OTHER CURRENT LIABILITIES | | |
| | Interest Payable | - | 6,719,425 |
| | Advance from customers | 209,000,454 | 207,224,655 |
| | Other Payables | 52,247,318 | 45,368,906 |
| | Total | 261,247,772 | 259,312,986 |

Notes: -

Other payable includes Rs.3.90 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.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|--|-------------------|-------------------|
| 5 | SHORT TERM PROVISIONS | | |
| | Provision for Income Tax | 24,899,527 | 27,304,364 |
| | Provision for Interest on Income Tax A.Y. 2013-14 | 9,972,260 | - |
| | Provisions for Employees Benefits - Leave Encashment | 1,603,929 | 1,602,631 |
| | Provisions for Employees Benefits - Gratuity | 1,627,771 | 2,511,298 |
| | Total | 38,103,487 | 31,418,293 |

Note:-

Income tax Liability against Provision for Income Tax in respect of Assessment Year 2013-14, including provision of interest thereon, 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.

Schedule of Depreciation as per Schedule II of Companies Act, 2013

Note 6 - Fixed Assets

(Amount In Rs.)

| Description | Gross Block | | | Depreciation / Amortization | | | | Net Block | |
|--|----------------------|---------------------------------|----------------------|-----------------------------|-------------------|------------------------------------|---------------------------------------|---------------------|---------------------|
| | As At 01.04.2015 | Additions / Adjust- ments | As At 31.03.2016 | As At 01.04.2015 | For the year | Write off through reserve | Deduc- tions / Adjust- ments | As At 31.03.2016 | As At 31.03.2015 |
| A. TANGIBLE ASSETS : | | | | | | | | | |
| Building | 18,031,206 | - | 9,786,806 | 3,578,352 | 278,398 | - | 1,700,124 | 7,630,180 | 14,452,854 |
| Plant & Machinery - Computers and Peripherals | 33,924,724 | 301,410 | 34,226,134 | 33,131,032 | 678,154 | - | - | 416,948 | 793,892 |
| -Office Equipments | 14,091,438 | 53,493 | 14,144,931 | 13,474,782 | 250,031 | - | - | 420,118 | 616,656 |
| Vehicles | 5,206,584 | - | 5,206,584 | 4,288,105 | 305,020 | - | - | 613,459 | 918,479 |
| Furniture & Fixtures | 15,539,164 | - | 15,539,164 | 14,077,272 | 611,773 | - | - | 850,119 | 1,461,892 |
| Sub Total (A) | 86,793,116 | 354,903 | 78,903,619 | 68,549,543 | 2,123,376 | - | 1,700,124 | 9,930,825 | 18,243,573 |
| B. INTANGIBLE ASSETS : | | | | | | | | | |
| Goodwill | 2,800,000 | - | 2,800,000 | 2,800,000 | - | - | - | 2,800,000 | - |
| Software | 95,000,000 | - | 95,000,000 | 20,660,978 | 9,500,000 | - | - | 64,839,022 | 74,339,022 |
| Sub Total (B) | 97,800,000 | - | 97,800,000 | 23,460,978 | 9,500,000 | - | - | 64,839,022 | 74,339,022 |
| Total (A+B) | 184,593,116 | 354,903 | 176,703,619 | 92,010,521 | 11,623,376 | - | 1,700,124 | 101,933,774 | 92,582,595 |
| Capital Work-in-Progress (in- cluding Advances on Capital Account) | 826,014,755 | - | 826,014,755 | - | - | - | - | 826,014,755 | 826,014,755 |
| Grand Total | 1,010,607,871 | 354,903 | 1,002,718,374 | 92,010,521 | 11,623,376 | - | 1,700,124 | 900,784,602 | 918,597,350 |

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 under developed / developed which also includes software with third party for development/modification.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|---|--------------------|--------------------|
| 7 | 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.-20000Equity Share(20000 E.S.) | 201,479,237 | 201,479,237 |
| | Opentec Thai Network Specialists Co. Limited-129995 Equity Shares (129995 E.S.) | 12,020,053 | 12,020,053 |
| | Others | | |
| | Veom Infotech Pvt. Ltd.- 4500 Equity shares (4500E.S.) | 45,000 | 45,000 |
| | Total | 617,530,195 | 617,530,195 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|---------------------------------------|----------------------|----------------------|
| 8 | LONG-TERM LOANS & ADVANCES | | |
| | Advances with Tax Authorities | 14,386,286 | 17,045,511 |
| | Other Loans and Advances | 2,223,785,314 | 2,224,111,746 |
| | Total | 2,238,171,600 | 2,241,157,256 |

- Notes :**
- Other Loans & Advances are subject to balance confirmation.
 - 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 as included in Other Loans & Advances.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|--------------------|--------------------|--------------------|
| 9 | INVENTORIES | | |
| | Stock-in-Trade | 624,489,889 | 622,309,889 |
| | Total | 624,489,889 | 622,309,889 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|-------------------------------|--------------------|--------------------|
| 10 | TRADE RECEIVABLES | | |
| | (Unsecured & Considered Good) | | |
| | Over Six Months | 358,762,844 | 358,546,020 |
| | Others | 11,336,627 | 981,858 |
| | Total | 370,099,471 | 359,527,878 |

- Notes :-** Trade Receivables subject to balance confirmation.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|------------|--|--------------------|--------------------|
| 11a | CASH AND BANK BALANCES | | |
| | Balances with Banks | 407,874 | 1,245,670 |
| | Cash in hand | 253,878 | 431,863 |
| | Fixed Deposits with Banks | 2,745,000 | 2,545,000 |
| | Balances with Foreign Bank - Banco Efisa | 347,892,163 | 350,977,439 |
| | Total | 351,298,915 | 355,199,972 |

- 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. A criminal complaint against the conniving accused for siphoning off the above said amount had been filed and the matter is presently under investigation.

2. Bank guarantee issued to Unique Identification Authority of India Rs. 200,000.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|------------|--|-------------------|-------------------|
| 11b | SHORT TERM LOANS & ADVANCES | | |
| | Advances to Staff | 47,480 | 211,037 |
| | Advance to Suppliers | 40,983,157 | 49,542,156 |
| | Advance with Income Tax Authorities | 1,177,786 | - |
| | Total | 42,208,423 | 49,753,193 |

Notes :

1 Other Loans & Advances, Advance to suppliers are subject to balance confirmation.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|------------------------------|------------------|-------------------|
| 12 | OTHER CURRENT ASSETS | | |
| | Security Deposits | 929,532 | 929,032 |
| | Prepaid Expenses | 4,175,656 | 3,935,351 |
| | Miscellaneous Expenditure | - | 25,833,689 |
| | Interest accrued but not due | 1,520,720 | 1,231,378 |
| | Total | 6,625,907 | 31,929,449 |

Notes:

Preliminary Expenditure included in Miscellaneous Expenditure, have been written off on the basis as provided under section 35D of the Income Tax Act, 1961 as amended from time to time.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|--------------------------------|----------------------|----------------------|
| 13 | REVENUE FROM OPERATIONS | | |
| | Sale of Products & Services | 2,618,883,327 | 2,332,711,996 |
| | Total | 2,618,883,327 | 2,332,711,996 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|--------------------------------|-------------------|------------------|
| 14 | OTHER INCOME | | |
| | Miscellaneous Income | 9,639,623 | - |
| | Profit on sale of Fixed Assets | 55,115,724 | - |
| | Interest income | 414,892 | 340,858 |
| | Total | 65,170,239 | 340,858 |

Note:

The Miscellaneous income includes i) reversal of interest debited in earlier years of DBS Bank & Barclays Bank amounting to Rs. 17,45,090/- & Rs. 19,83,972/- respectively, because both banks loan are settled at less amount of interest ii) Includes waiver of principal amount of Rs. 58,60,537/- by Barclays Bank at the time of settlement of Loan on a total sum of Rs. 2.00 Crores instead of principle outstanding of Rs. 2,58,60,537/- iii) Profit on Sales of Fixed Assets, Rs. 5,51,15,723.83, and iv) interest on FDRs Rs. 4,64,915/-

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|---|--------------------|------------------|
| 15 | CHANGES IN INVENTORIES OF STOCK-IN-TRADE | | |
| | Opening Stock | 622,309,889 | 622,309,889 |
| | Less: Closing Stock | 624,489,889 | 622,309,889 |
| | Total | (2,180,000) | - |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|---|-------------------|-------------------|
| 16 | EMPLOYEE'S BENEFIT EXPENSES | | |
| | Salaries and Wages | 16,705,519 | 21,956,053 |
| | Director's Remuneration | 1,152,600 | 1,426,819 |
| | Contribution to Provident and Other Funds | 555,314 | 509,168 |
| | Staff Welfare Expenses | 1,074,598 | 1,315,574 |
| | Total | 19,488,031 | 25,207,613 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|---------------------|------------------|------------------|
| 17 | FINANCE COST | | |
| | Interest Expenses | 1,760,862 | 12,266 |
| | Total | 1,760,862 | 12,266 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|---|-------------------|-------------------|
| 18 | OTHER EXPENSES | | |
| | Advertisement and Publicity | 93,388 | 95,682 |
| | AGM / Board Meeting Expenses | 28,252 | 44,366 |
| | Audit Fees | 171,750 | 168,540 |
| | Bank Charges | 353,521 | 176,995 |
| | Books & Periodicals | 1,720 | 2,450 |
| | Business Promotion Expenses | 109,052 | 92,886 |
| | Commission | 1,342,040 | - |
| | Communication Expenses | 1,140,773 | 1,976,757 |
| | Conveyance Expenses | 533,032 | 713,524 |
| | Exchange Rate Fluctuation | 6,819 | 77,021 |
| | Freight & Cartage | 150 | 1,300 |
| | Insurance Premium | 18,011 | 29,286 |
| | Legal & Professional Charges | 1,330,794 | 1,177,526 |
| | Listing Fees | 1,098,072 | 1,278,145 |
| | Donation and Diwali Expenses | 100,270 | 160,364 |
| | Deferred Revenue Expenditure Written off (ROC Fees) | 25,833,689 | 3,423,262 |
| | Power, Fuel & Water Charges | 1,080,225 | 1,353,181 |
| | Printing & Stationery | 158,697 | 377,137 |
| | Rates & Taxes | 15,058,415 | 377,532 |
| | Rent Charges | 2,921,136 | 1,700,400 |
| | Repair & Maintenance Charges | 409,792 | 626,919 |
| | Security Service Charges | 430,511 | 473,144 |
| | Subscription & Membership Fees | - | 53,997 |
| | Short & Excess | 28,897 | 33 |
| | Server Rentals | 610,066 | 689,658 |
| | Travelling & Tour Expenses -Directors | 198,192 | 268,829 |
| | Travelling & Tour Expenses -Others | 476,021 | 787,604 |
| | Vehicle Running & Maintenance | 180,581 | 413,362 |
| | Total | 53,713,864 | 16,539,900 |

Note 19 - Disclosure Under Accounting Standard 11- Transactions occurred in Foreign Currency

(Amount in Rs.)

| Particulars | As at 31st March, 2016 | As at 31st March, 2015 |
|---|------------------------|------------------------|
| Import/Export in Foreign Currency | | |
| FOB Value of Export | 668,765 | 5,651,719 |
| Value of Imports | 2,850,677 | 2,896,731 |
| Expenditure in Foreign Currency | | |
| Travelling and Conveyance | 320,594 | 228,609 |
| Profit and (Loss) Foreign Exchange Fluctuation | | |
| Net Profit / (Loss) in Foreign Exchange Fluctuation | (6,819) | (77,021) |

Note 20 - Disclosure under Accounting Standard 29 - Contingent Liabilities

- A. Dues of Income Tax
- Rs. 5,104,827/- related to A.Y. 2005-06 against this Rs. 4,000,000/- deposited with Income-tax Authorities (Rs. 1,104,827/-),
 - Rs. 1,245,589/- related to A.Y. 2006-07 (Rs. 1,245,589/-),
 - Rs. 43,851,395/- related to F.Y. 2008-09 against this Rs. 1,500,000/- deposited with Income-tax Authorities (Rs. 42,351,395/-),
 - Rs. 27,487,250/- related to F.Y. 2009-10 (Nil),
 - In respect of A.Y. 2010-11 is 27,306,810/- (Nil)
 - In respect of A.Y. 2011-12 Income-tax demand of Rs. 445,798,390/- (445,798,390/-),
 - A.Y. 2012-13 Income Tax Demand of Rs. 88,30,590 (Nil)
- B. Interest on Cash Credit (NPA as per Bank) of Rs. 2,13,78,631/- (Rs. 2,43,59,929/-), which is under settlement with Bank .
- C. ROC fees of increase in authorised share capital Rs. 2,74,21,105.29/- (Rs. 23,509,819/-).
- D. Bank guarantee Rs. 200,000. (Nil)
- E. Service tax demand of Rs. 35,53,123/- against which paid Rs. 10,00,000.00 (Nil)

Note 21 - Payment to auditors

(Amount in Rs.)

| Particulars | As at 31st March, 2016 | As at 31st March, 2015 |
|----------------------|------------------------|------------------------|
| Audit Fee for | | |
| -Statutory Audit | 171,750 | 168,540 |

Note 22 - Disclosure under Accounting Standard 17 - Segment Reporting

Particulars for the year ended 31st March, 2016

(Amount in Rs.)

| Segment Information | | | | |
|--------------------------------|-------------------------|---------------------|----------------------|----------------------|
| Particulars | Business Segments | | | Total |
| | IT Solutions & Products | IT Enabled Services | Telecommunication | |
| Revenue | 4,832,250 | 6,279,001 | 2,607,772,075 | 2,618,883,326 |
| Inter-Segment Revenue | - | (13,333,339) | (2,319,378,657) | (2,332,711,996) |
| Total | 4,832,250 | 6,279,001 | 2,607,772,075 | 2,618,883,326 |
| | - | (13,333,339) | (2,319,378,657) | (2,332,711,996) |
| Segment Result | (171,009) | (1,023,460) | (22,604,059) | (23,798,528) |
| | - | (2,298,065) | (5,048,941) | (7,347,006) |
| Interest | | | | 1,760,862 |
| | | | | (12,266) |
| | | | | (25,559,390) |
| Unallocable Expenses (net) | | | | (7,359,272) |
| | | | | 40,475,338 |
| | | | | (22,665,351) |
| Operating Income | | | | (66,034,727) |
| | | | | (30,014,623) |
| Other Income (net) | | | | 65,170,239 |
| | | | | (340,858) |
| Profit before tax | | | | (864,489) |
| | | | | (29,673,766) |
| Tax Expenses | | | | (3,310,839) |
| | | | | (6,860,300) |
| Net Profit for the year | | | | 2,446,350 |
| | | | | (22,813,466) |

Note:

- Primary Segmentation has been done according to the nature of product & services. The Company's Operations predominantly relate to the following segments:
 - IT Solution & Products (including software)
 - IT Enabled Services
 - Telecommunication
- There is no Inter division or Inter Segment transfer of goods.
- 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.
- 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 23 - RELATED PARTY DISCLOSURES

| Description of Relationship | Names of Related Parties | Outstanding Balance As At 31st March, 2016 |
|--|--|--|
| 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) Mr. Vishal Anand (CEO & Director) Ms. Garima Singh (Company Seceratory) Mr. Sanjay Sharma (CFO) | (155,591,429) - - - |
| Relatives of KMP | | |
| Entities in which KMP/ Relatives of KMP can exercise significant influence | Omkam Global Capital Private Limited eVisesh.Com Ltd. | (34,797,353) 92,000 |

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

| Particulars | Omkam Global Capital Private Limited | eVisesh. Com Ltd. | Mr. Vishal Anand | Ms. Garima Singh | Mr. Sanjay Sharma |
|-------------|--------------------------------------|-------------------|------------------|------------------|-------------------|
| | | | | | |

| | | | | | |
|----------------------------------|--------------|--------|-----------|---------|---------|
| Sale of Goods | - | - | - | - | - |
| Purchase of Goods | - | - | - | - | - |
| Advance from Customers | (34,797,353) | - | - | - | - |
| Advance given | - | 92,000 | - | - | - |
| Remuneration to Directors & KMPs | - | - | 1,200,200 | 173,555 | 782,500 |
| Share Application Money Received | - | - | - | - | - |
| Share Application Money Refunded | - | - | - | - | - |

Note 24 - EARNINGS PER SHARE (EPS)

(Amount in Rs.)

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|--|---------------------|---------------------|
| Basic | | |
| Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders | 2,446,350 | (22,813,466) |
| Weighted Average number of equity shares used as denominator for calculating EPS | 3,774,436,655 | 3,774,436,655 |
| Basic Earnings per share | 0.0006 | (0.01) |
| Face Value per equity share | 1 | 1 |
| Diluted | | |
| Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders | 2,446,350 | (22,813,466) |
| Weighted Average number of equity shares used as denominator for calculating EPS | 3,774,436,655 | 3,774,436,655 |
| Basic Earnings per share | 0.0006 | (0.01) |
| Face Value per equity share | 1 | 1 |

Note 25 - DEFERRED TAX

(Amount in Rs.)

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|---|---------------------|---------------------|
| Depreciation as per Companies Act, 1956 | 11,623,377 | 22,742,293 |
| Depreciation as per Income Tax Act, 1961 | 1,507,447 | 1,614,349 |
| Timing Difference B/w Depreciation as per Companies Act and Income Tax Act | (10,115,930) | (21,127,944) |
| Provision for Employee Benefit | 220,751 | 290,413 |
| Total | (10,336,681) | (21,418,357) |
| Closing DTA transferred to Profit & Loss account | (3,310,839) | (6,860,300) |
| Opening DTL | 136,370,746 | 143,231,046 |
| Deferred Tax Liability / (Assets) (Net) | 133,059,907 | 136,370,746 |

Note 26

Company had increased its authorised capital during the Financial Year 2010-11 to 2012-13, however, due to technical issues

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting & Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standard notified under the Companies (Accounting Standard) Rules, 2006 (As amended) and the relevant provisions of the Companies Act, 1956. The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

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. Own Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

D. Leased Assets

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

E. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion. The cost of intangible assets comprises its purchase price, including any imports duties and other taxes and any directly attributable expenditure on making the assets ready for its intended use and net of any trade discounts and rebates.

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. Investments

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term

Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

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 and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

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 resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

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. The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

Independent Auditors' Report on Consolidated Financial Statements

To the Members of MPS Infotecnics Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MPS Infotecnics Limited ("the Holding Company") and its subsidiaries and associate (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31 March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, as at 31 March 2016, and their consolidated profit and loss and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, 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, and the consolidated cash flow statement 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 Accounting Standards 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 of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated outside India, none of the Directors of the group companies incorporated outside India is disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts; and
 - ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India.

Other Matter

The consolidated financial statements include the Company's share of total assets Rs. 15,18,61,504/- and net loss of Rs. 21,97,549/- for the year ended March, 2016, as considered in the consolidated financial statements, in respect of AXIS Convergence Inc, Greenwire Network Limited and Opentech Network Specialists Company Limited, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

For and on behalf of M/s. RMA & Associates
Chartered Accountants
Firm Reg. No.: 000978N

Santosh Verma
Partner
M. No. 533944

Place: - New Delhi
Date : 30th May, 2016

Annexure - A to the Auditors' Report

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 2016, we have audited the internal financial controls over financial reporting of **MPS Infotecnics Limited** ("the Holding Company") and its subsidiary companies which are companies incorporated outside India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated outside India, are 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 ("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 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 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.

Inherent 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 Holding Company and its subsidiary companies, which are companies incorporated outside India, have, 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 2016, 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 ICAI.

For and on behalf of M/s. RMA & Associates
Chartered Accountants
Firm Reg. No.: 000978N

Place: - New Delhi
Date : 30th May, 2016

Santosh Verma
Partner
M. No. 533944

Consolidated Balance Sheet as at 31st March, 2016

(Amount in Rs.)

| Particulars | | Note No. | As at 31.03.2016 | As at 31.03.2015 |
|----------------------------------|----------------------------------|----------|----------------------|----------------------|
| 1 | | 2 | 3 | 4 |
| I. EQUITY AND LIABILITIES | | | | |
| 1 | Shareholders' Funds | | | |
| | (a) Share Capital | 1 (a) | 3,774,436,655 | 3,774,436,655 |
| | (b) Reserves and Surplus | 2 | 688,810,939 | 684,505,885 |
| 2 | Non-Current Liabilities | | | |
| | (a) Long-Term Borrowings | 3(a) | 16,307,506 | 61,631,185 |
| | (b) Deferred Tax Liabilities | | 133,059,907 | 136,370,746 |
| 3 | Current Liabilities | | | |
| | (a) Short Term Borrowings | 3(b) | 249,732,261 | 255,441,910 |
| | (b) Trade Payables | | 138,919,846 | 58,734,223 |
| | (c) Other Current Liabilities | 4 | 262,802,526 | 335,818,681 |
| | (d) Short-Term Provisions | 5 | 38,426,396 | 31,584,722 |
| | Total | | 5,302,496,035 | 5,338,524,006 |
| II. ASSETS | | | | |
| 1 | (a) Fixed Assets | | | |
| | (i) Tangible Assets | 6 | 9,930,825 | 18,243,573 |
| | (ii) Intangible Assets | | 64,839,022 | 74,339,022 |
| | (iii) Capital Work-in-Progress | | 826,014,755 | 826,014,755 |
| | (b) Goodwill | | 616,910,728 | 616,910,728 |
| | (c) Non-Current Investments | 7 | 48,709 | 48,709 |
| | (d) Long-Term Loans and Advances | 8 | 2,238,171,600 | 2,241,157,256 |
| | (e) Other Non Current Assets | | 749,861 | 749,861 |
| 2 | Current Assets | | | |
| | (a) Inventories | 9 | 624,489,889 | 622,309,889 |
| | (b) Trade Receivables | 10 | 517,832,178 | 496,890,086 |
| | (c) Cash and Bank Balances | 11 (a) | 352,878,171 | 358,420,692 |
| | (d) Short Term Loans & Advances | 11 (b) | 42,380,931 | 49,942,655 |
| | (e) Other Current Assets | 12 | 8,249,367 | 33,496,776 |
| | Total | | 5,302,496,035 | 5,338,524,006 |
| | Notes on Financial Statements | 1 to 20 | | |
| | Significant Accounting Policies | 21 | | |

As per our Audit Report of even date

For RMA & Associates

Chartered Accountants

FRN No. : 000978N

Santosh Verma

Partner

M.No. : 533944

Place : New Delhi

Date : 30.05.2016

For and on behalf of the Board of Directors

Peeyush Aggarwal

Chairman

DIN: 00090423

Vishal Anand

CEO & Director

DIN: 02059506

Garima Singh

Company Secretary

Sanjay Sharma

Chief Financial Officer

Consolidated Statement of Profit & Loss for the year ended 31st March, 2016

(Amount in Rs.)

| Particulars | Note No. | As at 31.03.2016 | As at 31.03.2015 |
|--|---------------|----------------------|----------------------|
| INCOME : | | | |
| I. Revenue from Operations | 13 | 3,007,760,163 | 3,066,032,467 |
| II. Other Income | 14 | 68,315,977 | 2,907,837 |
| III. Total Revenue (I + II) | | 3,076,076,140 | 3,068,940,303 |
| IV. EXPENDITURE : | | | |
| Purchases of Stock-in-Trade & Services | | 2,986,335,331 | 3,032,837,567 |
| Changes in Inventories | 15 | (2,180,000) | - |
| Employee's Benefit Expenses | 16 | 19,488,031 | 25,207,613 |
| Finance Costs | 17 | 1,760,862 | 12,266 |
| Depreciation and Amortization Expenses | | 11,623,377 | 12,902,682 |
| Other Expenses | 18 | 62,093,302 | 26,286,903 |
| Total Expenses | | 3,079,120,902 | 3,097,247,031 |
| V. Profit before Exceptional and Extraordinary Items and Tax (III-IV) | | (3,044,762) | (28,306,727) |
| VI. Exceptional Items | | - | - |
| VII. Profit/(Loss) before Extraordinary Items and Tax (V - VI) | | (3,044,762) | (28,306,727) |
| VIII. Extraordinary Items | | - | - |
| IX. Profit/(Loss) before Tax (VII- VIII) | | (3,044,762) | (28,306,727) |
| X. Tax Expenses | | | |
| (1) Current Tax | | 17,276 | 162,514 |
| (2) Deferred tax | | (3,310,839) | (6,860,300) |
| XI. Profit/(Loss) for the year | | 248,802 | (21,608,942) |
| XII. Earnings per equity share of face value of Re. 1/- each | | | |
| (1) Basic | | 0.0001 | (0.006) |
| (2) Diluted | | 0.0001 | (0.006) |
| Notes on Financial Statements Significant Accounting Policies | 1 to 20 21 | | |

As per our Audit Report of even date

For RMA & Associates

Chartered Accountants

FRN No. : 000978N

Santosh Verma

Partner

M.No. : 533944

Place : New Delhi

Date : 30.05.2016

For and on behalf of the Board of Directors

Peeyush Aggarwal

Chairman

DIN: 00090423

Vishal Anand

CEO & Director

DIN: 02059506

Garima Singh

Company Secretary

Sanjay Sharma

Chief Financial Officer

Consolidated Cash Flow Statement for the year ended 31st March, 2016

(Amount in Rs.)

| Particulars | As At 3/31/2016 | As At 3/31/2015 |
|--|---------------------|---------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Tax | (3,044,762) | (28,306,727) |
| Adjustment for : | | |
| Depreciation & Amortisation | 11,623,377 | 12,902,682 |
| Misc. Expenses Written off | 25,833,689 | 3,423,262 |
| Leave Encashment | 1,298 | (5,835) |
| Gratuity | (883,527) | 3,025 |
| Provision for Income Tax & Interest on Income Tax A.Y. 2013-14 | 7,706,627 | (162,514) |
| Interest & Other Costs | 1,760,862 | 12,266 |
| Interest Received | (414,892) | (340,858) |
| (Profit) / Loss on sale of Fixed Assets | (55,115,724) | - |
| Operating Profit Before Working Capital Changes | (12,533,052) | (12,474,700) |
| (Increase)/Decrease in Current Assets | (16,146,648) | (22,278,565) |
| Increase/(Decrease) in Current Liabilities | 1,459,819 | 34,876,206 |
| Net Cash from Operating Activities (A) | (27,219,881) | 122,943 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets & Advances on Capital Account | (354,903) | (536,750) |
| Sale of Fixed Assets | 61,660,000 | - |
| Change in Capital WIP | - | - |
| Interest Received | 414,892 | 340,858 |
| Long term Loans & Advances | 2,985,656 | (3,228,191) |
| Net Cash Outflow in Investing Activities (B) | 64,705,646 | (3,424,084) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Issue of Equity Shares | - | - |
| Share Application Money Received | - | - |
| Increase / (Decrease) in Long Term Borrowings | (45,323,679) | (3,229,453) |
| Interest Paid | (1,760,862) | (12,266) |
| Net Cash inflow from Financing Activities (C) | (47,084,541) | (3,241,719) |
| Foreign Currency Translation Reserve | 4,056,252 | 3,734,350 |
| Net Increase/(Decrease) in Cash & Cash Equivalent (A+B+C) | (5,542,522) | (2,808,510) |
| Cash and Cash Equivalent as at 01/04/2015 | 358,420,692 | 361,229,202 |
| Cash and Cash Equivalent as at 31/03/2016 | 352,878,171 | 358,420,692 |

Notes:

- Comparative figures have been regrouped wherever necessary.
- 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.
- These earmarked account balances with banks can be utilised only for the specific identified purposes.
- 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 RMA & Associates
Chartered Accountants
FRN No. : 000978N

Santosh Verma
Partner
M.No. : 533944

Place : New Delhi
Date : 30.05.2016

For and on behalf of the Board of Directors

Peeyush Aggarwal
Chairman
DIN: 00090423

Vishal Anand
CEO & Director
DIN: 02059506

Garima Singh
Company Secretary

Sanjay Sharma
Chief Financial Officer

Notes on Financial Statements for the Year ended 31st March, 2016

(Amount in Rs.)

| Note No | Particulars | As at 31.03.2016 | As at 31.03.2015 |
|------------|--|----------------------|----------------------|
| 1 | 2 | 3 | 4 |
| 1 | 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 : | | |
| | (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 De- cember 4 , 2007) | 3,774,436,655 | 3,774,436,655 |
| | Total | 3,774,436,655 | 3,774,436,655 |

Notes:

- 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.
- 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.
- The Company had increased the authorized capital during the Financial Year 2010-11 to 2012-13, however due to technical issues necessary forms along with the fees w.r.t. increase in Authorised Capital, could not be filed and paid. Measwhile 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. Due to this reason Annual Report could not be filed. Hence, "Directors of your company are not disqualified for reappointment in this company and are eligible for appointment in any other company as a Director in terms of Section 164(2) of the Act".

The Details of Shareholders holding more than 5 % shares :

| Name of the Shareholder | 31st March, 2016 | | 31st March, 2015 | |
|------------------------------------|------------------|--------|------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| Mr. Peeyush Aggarwal | 786,750,193 | 20.844 | 786,750,193 | 20.844 |
| Omkam Capital Markets Pvt. Ltd. | 341,000,000 | 9.034 | 341,000,000 | 9.034 |
| Omkam Global Capital Pvt. Ltd | 299,200,000 | 7.927 | 299,200,000 | 7.927 |
| Omkam Securities Markets Pvt. Ltd. | 242,000,000 | 6.412 | 242,000,000 | 6.412 |

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

| Particulars | 31st March, 2016 | 31st March, 2015 |
|--|------------------|------------------|
| | No. of Shares | No. of Shares |
| Equity Shares at the beginning of the year | 3,774,436,655 | 3,774,436,655 |
| Equity Shares at the end of the year | 3,774,436,655 | 3,774,436,655 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|--|--------------------|--------------------|
| 2 | Reserves and Surplus | | |
| | Capital Reserve | 51,457,116 | 51,457,116 |
| | Securities Premium Reserve | 899,102,506 | 899,102,506 |
| | General Reserve | 54,570,009 | 64,409,619 |
| | Foreign Currency Translation Reserve | 38,787,012 | 34,730,760 |
| | (Less):- | | |
| | Deficit in earlier year | (355,354,506) | (333,745,565) |
| | Deficit during the year | 248,802 | (21,608,941) |
| | Revaluation Reserve | - | (9,839,610) |
| | Total | 688,810,939 | 684,505,885 |
| 3a | LONG TERM BORROWINGS | | |
| | Secured | | |
| | Loans from Other Banks & Institution | 16,307,506 | 61,631,185 |
| | Total | 16,307,506 | 61,631,185 |
| 3b | SHORT TERM BORROWING | | |
| | Secured | | |
| | Working Capital Loan from Allahabad Bank | 88,774,896 | 104,774,896 |
| | Unsecured | | |
| | Others | 160,957,365 | 150,667,014 |
| | Total | 249,732,261 | 255,441,910 |

Notes :

- 1 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 settled all the issues with DBS Bank and the entire outstanding paid off in full.
 - (ii) Barclays bank has assigned its total debt of Rs. 1,45,56,000.00 to Phoenix ARC Pvt. Ltd, including interest of Rs. 5,56,000/-
 - (iii) Your company has entered into an OTS for a sum of Rs. 11,86,50,000.00 with Allahabad Bank and started paying the amount in terms of the same.
 - (iv) Other Unsecured loans included a sum of Rs. 15,55,91,429.00 from directors.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|----------------------------------|--------------------|--------------------|
| 4 | OTHER CURRENT LIABILITIES | | |
| | Interest Payable | - | 6,719,425 |
| | Advance from customers | 209,000,454 | 207,224,655 |
| | Other Payables | 53,802,072 | 121,874,602 |
| | Total | 262,802,526 | 335,818,681 |

Notes :-

Other payable includes Rs.3.90 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.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|--|-------------------|-------------------|
| 5 | SHORT TERM PROVISIONS | | |
| | Provision for Income Tax | 25,222,436 | 27,470,793 |
| | Provision for Interest on Income Tax A.Y. 2013-14 | 9,972,260 | - |
| | Provisions for Employees Benefits - Leave Encashment | 1,603,929 | 1,602,631 |
| | Provisions for Employees Benefits - Gratuity | 1,627,771 | 2,511,298 |
| | Total | 38,426,396 | 31,584,722 |

Note:-

Income tax Liability against Provision for Income Tax in respect of Assessment Year 2013-14, including provision of interest thereon, 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.

Schedule of Depreciation as per Schedule II of Companies Act, 2013

Note 6 - Fixed Assets

(Amount In Rs.)

| Description | Gross Block | | | Depreciation / Amortization | | | Net Block | | | |
|--|----------------------|---------------------------------|---------------------------------------|-----------------------------|---------------------|-------------------|------------------------------------|---------------------------------------|---------------------|---------------------|
| | As At 01.04.2015 | Additions / Adjust- ments | Deduc- tions / Adjust- ments | As At 31.03.2016 | As At 01.04.2015 | For the year | Write off through reserve | Deduc- tions / Adjust- ments | As At 31.03.2016 | As At 31.03.2015 |
| A. TANGIBLE ASSETS : | | | | | | | | | | |
| Building | 18,03,1,206 | - | 8,244,400 | 9,786,806 | 3,578,352 | 278,398 | - | 1,700,124 | 7,630,180 | 14,452,854 |
| Plant & Machinery | | | | | | | | | | |
| - Computers and Peripherals | 33,924,724 | 301,410 | - | 34,226,134 | 33,131,032 | 678,154 | - | - | 33,809,186 | 793,692 |
| -Office Equipments | 14,091,438 | 53,493 | - | 14,144,931 | 13,474,782 | 250,031 | - | - | 13,724,813 | 616,656 |
| Vehicles | 5,206,584 | - | - | 5,206,584 | 4,288,105 | 305,020 | - | - | 613,459 | 918,479 |
| Furniture & Fixtures | 15,539,164 | - | - | 15,539,164 | 14,077,272 | 611,773 | - | - | 14,689,045 | 1,461,892 |
| Sub Total (A) | 86,793,116 | 354,903 | 8,244,400 | 78,903,619 | 68,549,543 | 2,123,376 | - | 1,700,124 | 9,930,825 | 18,243,573 |
| B. INTANGIBLE ASSETS : | | | | | | | | | | |
| Goodwill | 2,800,000 | - | - | 2,800,000 | 2,800,000 | - | - | - | 2,800,000 | - |
| Software | 95,000,000 | - | - | 95,000,000 | 20,660,978 | 9,500,000 | - | - | 30,160,978 | 74,339,022 |
| Sub Total (B) | 97,800,000 | - | - | 97,800,000 | 23,460,978 | 9,500,000 | - | - | 32,960,978 | 74,339,022 |
| Total (A+B) | 184,593,116 | 354,903 | 8,244,400 | 176,703,619 | 92,010,521 | 11,623,376 | - | 1,700,124 | 101,933,774 | 92,582,595 |
| Capital Work-in-Progress (in- cluding Advances on Capital Account) | 826,014,755 | - | - | 826,014,755 | - | - | - | - | 826,014,755 | 826,014,755 |
| Grand Total | 1,010,607,871 | 354,903 | 8,244,400 | 1,002,718,374 | 92,010,521 | 11,623,376 | - | 1,700,124 | 101,933,774 | 918,597,350 |

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.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|---|------------------|------------------|
| 7 | NON-CURRENT INVESTMENTS | | |
| | In Equity Shares of Subsidiaries Companies | | |
| | Axis Convergence Inc -20000 Equity Share (20000E.S.) | - | - |
| | Greenwire Network Ltd.-20000Equity Share(20000 E.S.) | - | - |
| | Opentec Thai Network Specialists Co. Limited-129995 Equity Shares (129995 E.S.) | - | - |
| | Others | | |
| | Veom Infotech Pvt. Ltd.- 4500 Equity shares (4500E.S.) | 45,000 | 45,000 |
| | Investment of Subsidiary Companies | 3,709 | 3,709 |
| | Total | 48,709 | 48,709 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|---------------------------------------|----------------------|----------------------|
| 8 | LONG-TERM LOANS & ADVANCES | | |
| | Advances with Tax Authorities | 14,386,286 | 17,045,511 |
| | Other Loans and Advances | 2,223,785,314 | 2,224,111,746 |
| | Total | 2,238,171,600 | 2,241,157,256 |

Notes :

- Other Loans & Advances are subject to balance confirmation.
- 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 as included in Other Loans & Advances.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|----------|--------------------|--------------------|--------------------|
| 9 | INVENTORIES | | |
| | Stock-in-Trade | 624,489,889 | 622,309,889 |
| | Total | 624,489,889 | 622,309,889 |

| Note | Name of the Shareholder | 31st March, 2016 | 31st March, 2015 |
|-----------|-------------------------------|--------------------|--------------------|
| 10 | TRADE RECEIVABLES | | |
| | (Unsecured & Considered Good) | | |
| | Over Six Months | 358,762,844 | 344,358,185 |
| | Others | 159,069,334 | 152,531,901 |
| | Total | 517,832,178 | 496,890,086 |

Notes :- Trade Receivables subject to balance confirmation.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|------------|--|--------------------|--------------------|
| 11a | CASH AND BANK BALANCES | | |
| | Balances with Banks | 1,987,130 | 4,466,390 |
| | Cash in hand | 253,878 | 431,863 |
| | Fixed Deposits with Banks | 2,745,000 | 2,545,000 |
| | Balances with Foreign Bank - Banco Efisa | 347,892,163 | 350,977,439 |
| | Total | 352,878,171 | 358,420,692 |

Note:

1. 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. A criminal complaint against the conniving accused for siphoning off the above said amount had been filed and the matter is presently under investigation.

2. Bank guarantee issued to Unique Identification Authority of India Rs. 200,000.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|------------|--|-------------------|-------------------|
| 11b | SHORT TERM LOANS & ADVANCES | | |
| | Advances to Staff | 47,480 | 211,037 |
| | Advance to Suppliers | 40,983,157 | 49,542,156 |
| | Advance with Income Tax Authorities | 1,350,295 | 189,462 |
| | Total | 42,380,931 | 49,942,655 |

Notes :

Other Loans & Advances, Advance to suppliers are subject to balance confirmation.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|------------------------------|------------------|-------------------|
| 12 | OTHER CURRENT ASSETS | | |
| | Security Deposits | 1,924,525 | 1,867,894 |
| | Prepaid Expenses | 4,175,656 | 3,935,351 |
| | Miscellaneous Expenditure | - | 25,833,689 |
| | Interest accrued but not due | 1,520,720 | 1,231,378 |
| | Other Current Assets | 628,466 | 628,465 |
| | Total | 8,249,367 | 33,496,776 |

Notes:

Preliminary Expenditure included in Miscellaneous Expenditure, have been written off on the basis as provided under section 35D of the Income Tax Act, 1961 as amended from time to time.

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|--------------------------------|----------------------|----------------------|
| 13 | REVENUE FROM OPERATIONS | | |
| | Sale of Products & Services | 3,007,760,163 | 3,066,032,467 |
| | Total | 3,007,760,163 | 3,066,032,467 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|--------------------------------|-------------------|------------------|
| 14 | OTHER INCOME | | |
| | Miscellaneous Income | 12,785,361 | 2,566,979 |
| | Profit on sale of Fixed Assets | 55,115,724 | - |
| | Interest income | 414,892 | 340,858 |
| | Total | 68,315,977 | 2,907,837 |

Note:

The Miscellaneous income includes i) reversal of interest debted in earlier years of DBS Bank & Barclays Bank amounting to Rs. 17,45,090/- & Rs. 19,83,972/- resectively, beacuse both banks loan are settled at less amount of interest ii) Includes waiver of principal amount of Rs. 58,60,537/- by Barclays Bank at the time of settlement of Loan on a total sum of Rs. 2.00 Crores instead of principle outstanding of Rs. 2,58,60537/- iii) Profit on Sales of Fixed Assets, Rs. 5,51,15,723.83, and iv) interest on FDRs Rs. 4,64,915/-

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|---|--------------------|------------------|
| 15 | CHANGES IN INVENTORIES OF STOCK-IN-TRADE | | |
| | Opening Stock | 622,309,889 | 622,309,889 |
| | Less: Closing Stock | 624,489,889 | 622,309,889 |
| | Total | (2,180,000) | - |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|---|-------------------|-------------------|
| 16 | EMPLOYEE'S BENEFIT EXPENSES | | |
| | Salaries and Wages | 16,705,519 | 21,956,053 |
| | Director's Remuneration | 1,152,600 | 1,426,819 |
| | Contribution to Provident and Other Funds | 555,314 | 509,168 |
| | Staff Welfare Expenses | 1,074,598 | 1,315,574 |
| | Total | 19,488,031 | 25,207,613 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|---------------------|------------------|------------------|
| 17 | FINANCE COST | | |
| | Interest Expenses | 1,760,862 | 12,266 |
| | Total | 1,760,862 | 12,266 |

| Note | Particulars | 31st March, 2016 | 31st March, 2015 |
|-----------|---|-------------------|-------------------|
| 18 | OTHER EXPENSES | | |
| | Advertisement and Publicity | 93,388 | 95,682 |
| | AGM / Board Meeting Expenses | 28,252 | 44,366 |
| | Audit Fees | 532,731 | 571,922 |
| | Bank Charges | 839,144 | 1,370,029 |
| | Books & Periodicals | 1,720 | 2,450 |
| | Business Promotion Expenses | 141,280 | 92,886 |
| | Commission | 1,342,040 | - |
| | Communication Expenses | 1,140,773 | 1,976,757 |
| | Conveyance Expenses | 533,032 | 713,524 |
| | Exchange Rate Fluctuation | 6,819 | 77,021 |
| | Freight & Cartage | 150 | 1,300 |
| | Insurance Premium | 18,011 | 29,286 |
| | Legal & Professional Charges | 2,208,406 | 1,703,756 |
| | Listing Fees | 1,098,072 | 1,278,145 |
| | Donation and Diwali Expenses | 100,270 | 160,364 |
| | Deferred Revenue Expenditure Written off (ROC Fees) | 25,833,689 | 3,423,262 |
| | Power, Fuel & Water Charges | 1,080,225 | 1,353,181 |
| | Printing & Stationery | 158,697 | 377,137 |
| | Rates & Taxes | 15,058,415 | 377,532 |
| | Rent Charges | 2,921,136 | 1,700,400 |
| | Repair & Maintenance Charges | 409,792 | 626,919 |
| | Security Service Charges | 430,511 | 473,144 |
| | Subscription & Membership Fees | - | 53,997 |
| | Short & Excess | 28,897 | 33 |
| | Server Rentals | 7,233,059 | 7,681,315 |
| | Travelling & Tour Expenses -Directors | 198,192 | 268,829 |
| | Travelling & Tour Expenses -Others | 476,021 | 787,604 |
| | Vehicle Running & Maintenance | 180,581 | 413,362 |
| | Misscellaneous Expenses | - | 632,699 |
| | Total | 62,093,302 | 26,286,903 |

Note 19 - Disclosure Under Accounting Standard 11- Transactions occurred in Foreign Currency

(Amount in Rs.)

| Particulars | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
| Basic | | |
| Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders | 248,802 | (21,608,942) |
| Weighted Average number of equity shares used as denominator for calculating EPS | 3,774,436,655 | 3,774,436,655 |
| Basic Earnings per share | 0.0001 | (0.006) |
| Face Value per equity share | 1 | 1 |
| Diluted | | |
| Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders | 248,802 | (21,608,942) |
| Weighted Average number of equity shares used as denominator for calculating EPS | 3,774,436,655 | 3,774,436,655 |
| Basic Earnings per share | 0.0001 | (0.006) |
| Face Value per equity share | 1 | 1 |

Note 20 - DEFERRED TAX

(Amount in Rs.)

| Particulars | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
| Depreciation as per Companies Act, 1956 | 11,623,377 | 22,742,293 |
| Depreciation as per Income Tax Act, 1961 | 1,507,447 | 1,614,349 |
| Timing Difference B/w Depreciation as per Companies Act and Income Tax Act | (10,115,930) | (21,127,944) |
| Provision for Employee Benefit | 220,751 | 290,413 |
| Total | (10,336,681) | (21,418,357) |
| Closing DTA transferred to Profit & Loss account | (3,310,839) | (6,860,300) |
| Opening DTL | 136,370,746 | 143,231,046 |
| Deferred Tax Liability / (Assets) (Net) | 133,059,907 | 136,370,746 |

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting & Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standard notified under the Companies (Accounting Standard) Rules, 2006 (As amended) and the relevant provisions of the Companies Act, 1956. The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

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. Own Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

D. Leased Assets

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

E. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion. The cost of intangible assets comprises its purchase price, including any imports duties and other taxes and any directly attributable expenditure on making the assets ready for its intended use and net of any trade discounts and rebates.

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. Investments

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term

Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

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 and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

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 resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

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. 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]**

MPS INFOTECNICS IIMITED
(Formerly – Visesh Infotecnics Limited)
(CIN : L30007DL1989PLC131190)
Registered Office: 703, ARUNACHAL BUILDING, 19 BARAKHAMBHA ROAD,
CONNAUGHT PLACE, NEW DELHI – 110001
Email: info@viseshinfo.com; gsingh@viseshinfo.com
Website: www.viseshinfo.com

Name of the member(s):

Registered Address:

E-mail Id: Folio / DP ID-Client ID No:

I/We being the member(s) holding shares of the above named Company appoint:

| | | |
|---|---|---|
| Name: Address E-mail Id Signature or failing him/her | Name: Address E-mail Id Signature or failing him/her | Name: Address E-mail Id Signature or failing him/her |
|---|---|---|

As my/our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 27th Annual General Meeting of the Company, to be held on the 30th September 2016 at 10:00 a.m. at Registered office of the company at 703, Arunachal Building, 19, Barakhamba Road, New Delhi 110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolution Proposed | Optional* | |
|----------------|---|-----------|---------|
| | | For | Against |
| | ORDINARY BUSINESSES | | |
| 1. | To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2016 and the audited Profit & loss Account for the year ended on that date, along with Consolidated financial accounts and the Reports of the Auditors' and Directors thereon | | |
| 2. | To consider and appoint a Director in place of Mr. Peeyush Kumar Aggarwal (DIN:00090423), who retires by rotation and being eligible, offers himself for re-appointment. | | |
| 3. | To ratify the appointment of Statutory Auditors | | |

Signed this.....day of.....2016

Signature of Shareholder..... Signature of Proxy Holder(s).....

Note:

- 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.
- For the text of the Resolutions, Explanatory Statements & Notes, please refer to the Notice convening the 27th Annual General Meeting dated 2nd September 2016
- It is optional to put "X" in the appropriate column 'against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate
- Please complete all details including details of member(s) in above box before submission

MPS INFOTECNICS LIMITED (Formerly – Visesh Infotecnics Limited)
Registered Office: 703, ARUNACHAL BUILDING, 19 BARAKHAMBHA ROAD, CONNAUGHT PLACE, NEW DELHI – 110001

ATTENDANCE SLIP: 27th Annual General Meeting

To be handed over at the entrance of the meeting venue.

I/we hereby record my/our presence at the Twenty-seventh Annual General Meeting of the Company at 703, Arunachal Building, 19, Barakhamba Road, New Delhi 110001 on Friday, September 30, 2016 at 10:00 a.m.

No. of shares held:

Member's Folio/DP ID-Client ID No.

Member's/Proxy's name

Member's/Proxy's Signature



If undelivered please return to:

MPS Infotecnics Limited

(Formerly Visesh Infotecnics Limited)

An ISO 9001-2008 Company

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

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

E-mail : info@viseshinfo.com

