

Un-Audited Financial Results for the Quarter Ended 31-Dec-2010

Sl No	Particulars	Ref	STANDALONE			CONSOLIDATED		
			Three month ended 31-12-2010 (Un-Audited)	Corresponding three months ended in the previous year 31-12-2009 (Un-Audited)	Year to date figures for the 12 months ended 31-12-2010 (Un-Audited)	Year to date figures for the 12 months ended 31-12-2010 (Un-Audited)	Three month ended 31-12-2010 (Un-Audited)	Previous accounting Year Ended 31-12-2010 (Audited)
1.	a) Net Sales		3,452	3,873	12,742	13,995	4,032	16,354
	b) Other Operating Income		80	-	80	-	80	-
2.	Expenditure							
a)	(Increase)/Decrease in stock in trade and Work in Progress		90	209	97	(69)	90	133
b)	Consumption of Raw Materials		342	372	1,351	1,349	24	163
c)	Employees cost		2,063	1,650	8,003	7,731	2,419	9,534
d)	Depreciation		189	187	887	632	246	908
e)	Other Expenditure		535	1,051	4,017	3,761	1,227	5,386
	Total Expenditure		3,619	3,469	14,535	13,401	4,006	16,144
3.	(Loss)/Profit from operations before Other Income, Interest & Exceptional Items	(1-2)	(87)	404	(1,713)	594	106	210
4.	Other Income		346	74	821	278	328	371
5.	(Loss)/Profit before Interest & Exceptional Items	(3+4)	259	478	(892)	872	434	581
6.	Interest		21	2	53	3	24	16
7.	(Loss)/Profit after Interest but before Exceptional Items	(5-6)	238	476	(945)	869	410	565
8.	Exceptional Items							
9.	(Loss)/Profit from Ordinary activities before tax	(7+8)	238	476	(945)	869	410	565
10.	Tax Expenses		(93)	66	(86)	156	(111)	83
11.	Net (Loss)/Profit from ordinary activities after tax	(9-10)	331	410	(857)	713	521	472
12.	Extraordinary item (net of tax expense)							
13.	Net (Loss)/Profit for the period		331	410	(857)	713	521	472
14.	Paid-Up Equity Share Capital (face value- Rs 10 per Equity Share)		1,682	1,682	1,682	1,682	1,682	1,682
15.	Reserves excluding Revaluation Reserve as per the Balance Sheet of previous accounting year		-	-	8,310	9,167	-	6,863
16.	Earning per Share							
	- Basic & diluted - not annualised		1.97	2.44	(5.09)	4.24	3.10	2.90
17.	Public Shareholding:							
	- Number of shares		6,482,688	6,482,688	6,482,688	6,482,688	6,482,688	6,482,688
	- Percentage of holding to total shares		39%	39%	39%	39%	39%	39%
18.	Promoters and promoter group shareholding							
a)	Pledged/Encumbered							
	- Number of shares		-	-	-	-	-	-
	- % of Promoter & Promoter Group holding		-	-	-	-	-	-
	- % of Total Share Capital of the Company		-	-	-	-	-	-
b)	Non-Encumbered							
	- Number of shares		10,339,980	10,339,980	10,339,980	10,339,980	10,339,980	10,339,980
	- % of Promoter & Promoter Group holding		100%	100%	100%	100%	100%	100%
	- % of Total Share Capital of the Company		81%	81%	81%	81%	81%	81%

Notes:

- The above statement of unaudited Stand-alone and Consolidated Financial Results for the quarter ended 31st Dec, 2010 was reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meeting held on 17th February 2011. The results have been subjected to limited review by the statutory auditors of the company.
- The Company had opted to publish financial results on a consolidated basis for the first time from the quarter ended 31-Mar-2010. Therefore, the comparative consolidated results of the quarter have not been published.
- A Scheme of Reorganization (Scheme) of the wholly owned subsidiary MPS Content Services (India) Pvt. Ltd. with the parent company, MPS Limited, with effect from 31-December-2010, (the Appointed Date) was sanctioned by the Board of Directors of the Company, MPS Content Services (India) Pvt. Ltd. and its wholly owned subsidiary MPS Content Services Inc. and the National Stock Exchange, the Bombay Stock Exchange and the Madras Stock Exchange, the Madras High Court, pursuant to the applicable provisions of the Companies Act, 1956 towards seeking its sanction to the Scheme. Should the Scheme be sanctioned by the Madras High Court, material changes arising from the sanctioned Scheme, with effect from the Appointed Date, on the financial results will be reflected in the financial statements of MPS Limited for the full year ended 31-December-2010 by way of an adjustment of Rs. 12,26,58 lakhs representing the excess of carrying value of the investment in MPS Content Services Inc. over its share capital, with the Free Reserves of Rs. 3,39,239 lakhs of MPS Limited as on 31-December-2010 resulting in the Free Reserves as on 31-December-2010 to a figure of Rs. 5,06,5,81 lakhs. During the current financial year, the Company had commissioned a study to review the possible impairment of the carrying value of the investment in its wholly owned subsidiary company, namely, MPS Content Services Inc., which reported partial impairment of carrying value of the investment in this subsidiary company. In view of aforesaid, proposed amalgamation and the fact that (a) the presence of the US subsidiary company and its list of customers have contributed significantly to the increase of revenues from North America for the parent company since 2008 and (b) investment made in technology and automation projects to boost productivity are reasonably expected to better profitability, the requirement to make a provision in the books of MPS Limited for the carrying value of the investment in MPS Content Services Inc. and any risk associated with the loan provided to this Company are not considered in these financial statements. As per legal opinion obtained, no provision has been made for Minimum Alternate Tax (MAT) in respect of losses incurred at the Company's Special Economic Zone (SEZ) operation as the company has obtained legal opinion to the effect that the income accrued or arising at a unit in the SEZ, does not fall within the ambit of section 115B of the Income Tax Act, 1981.
- In accordance with the recommendations on 'Derivative Positions of Companies' given by the Institute of Chartered Accountants of India, the Mark-to-Market gains as at 31-Dec-2010 are Rs. 174,99 lakhs, which has not been recognised, as a matter of prudence.
- (a) No provision has been considered for Service Tax amounting to Rs. 227.77 lakhs on overseas commission for the period from 1-July-2003 to 31-December-2006 as, in the opinion of the management, the demand is not sustainable. An appeal has been filed by the Company in the Appellate Tribunal against the said demand.
- (b) The Company has appealed against a disallowance of service tax claim of Rs. 1,90.54 lakhs. The management is of the opinion that this disallowance is not sustainable.
- In response to the auditor's observations in the Limited Review Report for the Quarter Ended 31-December-2010, the footnotes above are self explanatory.
- The number of the investor complaints pending at the beginning of the quarter, received and disposed off during the quarter and lying unresolved at the end of the quarter is Nil.
- The Company operates in a single segment, 'Publishing Services'.
- Previous period figures have been regrouped wherever necessary to conform to current period's classification.

By Order of the Board
RAJESH SETHI
Managing Director & CEO

