

MPS Limited

Registered Office: #27, G.N Chetty Road, T.Nagar, Chennai 600017

Un-Audited Financial Results for the Quarter Ended 30-Sep-2011

Sl. No	Particulars	Ref.	Three months ended	Corresponding Three months ended in the previous year	Year to date figures for the Nine months ended	Year to date figures for the Nine months ended in the previous year	Year ended
			30-09-2011 (Un-Audited)	30-09-2010 (Un-Audited)	30-09-2011 (Un-Audited)	30-09-2010 (Un-Audited)	31-12-2010 (Audited)
1.	a) Net Sales		3,969	3,832	11,080	10,721	12,742
	b) Other Operating Income		-	-	-	-	-
2.	Expenditure						
	a) (Increase)/Decrease in Work in Progress		(20)	(53)	(18)	7	97
	b) Consumption of Raw Materials		14	23	43	68	1,351
	c) Employees cost		2,198	2,501	6,681	7,551	8,424
	d) Depreciation / Amortization		211	235	613	627	667
	e) Other Expenditure		1,201	1,354	3,530	3,872	4,040
	Total Expenditure		3,604	4,060	10,849	12,125	14,579
3.	Profit / (Loss) from operations before Other Income, Interest & Exceptional Items	(1-2)	365	(228)	231	(1,404)	(1,837)
4.	Other Income		54	107	411	453	901
5.	Profit / (Loss) before Interest & Exceptional Items	(3+4)	419	(121)	642	(951)	(936)
6.	Interest		21	13	82	42	33
7.	Profit / (Loss) after Interest but before Exceptional Items	(5-6)	398	(134)	560	(993)	(969)
8.	Exceptional Items		-	-	-	-	-
9.	Profit / (Loss) from Ordinary activities before tax	(7+8)	398	(134)	560	(993)	(969)
10.	Tax Expenses		123	(5)	153	(2)	(88)
11.	Net Profit / (Loss) from ordinary activities after tax	(9-10)	275	(129)	407	(991)	(881)
12.	Extraordinary item (net of tax expense)		-	-	-	-	-
13.	Net Profit / (Loss) for the period		275	(129)	407	(991)	(881)
14.	Paid-Up Equity Share Capital (face value - Rs 10 per Equity Share)		1,682	1,682	1,682	1,682	1,682
15.	Reserves excluding Revaluation Reserve as per the Balance Sheet of previous accounting year						5,043
16.	Earning per Share						
	- Basic & diluted - (Rs., not annualised)		1.63	(0.77)	2.42	(5.89)	(5.24)
17.	Public Shareholding:						
	- Number of shares		6,482,688	6,482,688	6,482,688	6,482,688	6,482,688
	- Percentage of holding to total shares		38.54%	38.54%	38.54%	38.54%	38.54%
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
	- % of Promoter & Promoter Group holding		100.00%	100.00%	100.00%	100.00%	100.00%
	- % of Total Share Capital of the Company		61.46%	61.46%	61.46%	61.46%	61.46%

b

Notes:

1. The above statement of Unaudited Financial Results for the Quarter Ended 30-September-2011 was reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meeting held on 15-November-2011. The results have been subjected to a Limited Review by the Statutory Auditors of the Company.
2. Consequent to the Scheme of amalgamation of the wholly owned subsidiaries of the Company, MPS Technologies Limited and MPS Content Services Inc., USA and its wholly owned subsidiary MPS Content Services India Private Limited with the Company, with effect from 31-December-2010, sanctioned by the Honourable High Court of Madras vide its order dated 29-June-2011, the financial results of the Company include the results of the amalgamated entities.
3. On 11-October-2011, HM Publishers Holdings Limited, the holding company, entered into a Share Purchase Agreement with ADI BPO Services Private Limited ('Acquirer'), a domestic company, to sell its entire shareholding in the Company, comprising of 10,339,980 equity shares representing 61.46% of the issued, subscribed and paid up equity capital of the Company. Following this agreement, the sale was concluded as an open-market block deal transaction on the National Stock Exchange and in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto, open offer proceedings have been initiated by the Acquirer with a Public Announcement on 14-October-2011.
4. In accordance with the announcement by the Institute of Chartered Accountants of India in respect of 'Accounting for Derivatives', the Mark-to-Market loss of Rs. 363 Lacs on forward exchange contracts as at 30-September-2011, has been charged to the Profit and Loss Account.
- 5 (a) No provision has been considered necessary for Service Tax Demand amounting to Rs. 228 Lacs on overseas commission payable for the period from 1-July-2003 to 31-December-2006 as the demand is being contested by the Company. In view of the Instruction issued by the Central Board of Excise and Customs F No. 27 6/8/2009-CX8A dated 26-September-2011 accepting the judgement of the Hon'ble Supreme Court in a number of cases, the service tax liability on any taxable service provided by a non-resident or a person located outside India, to a recipient in India, would arise only with effect from 18-April-2006 i.e. the date of enactment of section 66A of the Finance Act, 1994. The demand on account of the above for the period 18-April-2006 to 31-December-2006 amounts to Rs. 72 Lacs which, if confirmed by the Appellate Authority is eligible for refund since the services rendered by the Company are exempt from service tax.

(b) The Company has received orders disallowing input credit on service tax aggregating to Rs.462 Lacs, against which the Company has filed appeals. It is the opinion of the management, based on the legal opinion that these disallowances are not sustainable.
6. The Board of Directors of the Company, at their meeting held on 15-November-2011, approved the change in the Company's financial year from the existing calendar year to a 15 month period from 01-January-2011 to 31-March-2012.
7. In response to the Auditor's observations in the Limited Review report for the Quarter ended 30-September-2011, the note in 5(a) and 5(b) address auditors' observation.
8. The number of investor complaints pending at the beginning of the quarter and lying unresolved at the end of the quarter is Nil. One complaint was received and disposed off during the quarter.
9. The Company operates in a single segment, "Publishing Services".
10. Figures for the previous period have been regrouped/ recast where necessary.

Mumbai
Dated: 15th November 2011

By Order of the Board
Rajiv K Sethi

Managing Director