



MPS Limited

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 CIN: L22122TN1970PLC005795

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

(All Rs in lacs, except per equity share data)

| Sl No | Particulars | Three months ended 30-Sep-2017 (Un-Audited) | Preceding three months ended 30-Jun-2017 (Un-Audited) | Corresponding three months ended in previous year 30-Sep-2016 (Un-Audited) | Year to date figures for six months in current period ended 30-Sep-2017 (Un-Audited) | Year to date figures for six months in previous period ended 30-Sep-2016 (Un-Audited) | Previous Year ended 31-Mar-2017 (Audited) |
|-------|---|--|--|---|---|--|--|
| I | Revenue from operations (net) | 6,867 | 6,690 | 7,517 | 13,557 | 13,706 | 28,870 |
| II | Other income | 489 | 799 | 875 | 1,288 | 1,199 | 1,942 |
| III | Total Income (I+II) | 7,356 | 7,489 | 8,392 | 14,845 | 14,905 | 30,812 |
| IV | Expenses | | | | | | |
| | Employee benefit expense | 2,757 | 2,979 | 3,253 | 5,736 | 6,051 | 12,129 |
| | Finance cost | 1 | 1 | 1 | 2 | 2 | 17 |
| | Depreciation and amortization expense | 210 | 226 | 149 | 436 | 258 | 588 |
| | Other expenses | 1,741 | 1,662 | 1,894 | 3,403 | 3,171 | 7,411 |
| | Total expenses | 4,709 | 4,868 | 5,297 | 9,577 | 9,482 | 20,145 |
| V | Profit before exceptional items (III-IV) | 2,647 | 2,621 | 3,095 | 5,268 | 5,423 | 10,667 |
| VI | Exceptional items | - | - | - | - | - | 411 |
| VII | Profit before tax (V-VI) | 2,647 | 2,621 | 3,095 | 5,268 | 5,423 | 10,256 |
| VIII | Tax Expense | | | | | | |
| | Current tax | 896 | 696 | 921 | 1,592 | 1,666 | 3,167 |
| | Reversal of excess provision for tax relating to earlier years | - | - | - | - | - | (133) |
| | Deferred tax charge | 47 | (120) | 134 | (73) | 72 | 179 |
| | Total tax expense | 943 | 576 | 1,055 | 1,519 | 1,738 | 3,213 |
| IX | Profit for the period (VII-VIII) | 1,704 | 2,045 | 2,040 | 3,749 | 3,685 | 7,043 |
| X | Other comprehensive income, net of income tax | | | | | | |
| | Items that will not be reclassified to profit or loss | | | | | | |
| | Remeasurement of the net defined benefit liability/asset | 14 | (106) | (49) | (92) | (60) | (59) |
| | Income tax relating to items that will not be reclassified to profit or loss | (5) | 37 | 17 | 32 | 21 | 20 |
| | Items that will be reclassified subsequently to profit or loss | | | | | | |
| | Exchange differences on translation of foreign operations | 95 | 9 | (96) | 104 | (43) | (230) |
| | Total other comprehensive income, net of tax | 104 | (60) | (128) | 44 | (82) | (269) |
| XI | Total comprehensive income for the period (IX+X) | 1,808 | 1,985 | 1,912 | 3,793 | 3,603 | 6,774 |
| XII | Paid-Up equity share capital (Face Value - Rs 10 per Equity Share) | 1,862 | 1,862 | 1,862 | 1,862 | 1,862 | 1,862 |
| XIII | Earnings per equity share (nominal value of share Rs. 10) (previous year: Rs. 10) | | | | | | |
| | Basic and Diluted | 9.15 | 10.98 | 10.95 | 20.13 | 19.79 | 37.82 |

STATEMENT OF UNAUDITED CONSOLIDATED ASSETS AND LIABILITIES

| Sl No | Particulars | As at 30-Sep-2017 (Un-Audited) | As at 31-Mar-2017 (Audited) |
|-------|-------------------------------|-----------------------------------|--------------------------------|
| A | ASSETS | | |
| 1 | Non-current assets | | |
| | Property, plant and equipment | 2,058 | 2,215 |
| | Investment property | 116 | 117 |
| | Goodwill | 1,797 | 1,708 |
| | Other Intangible assets | 1,152 | 818 |
| | Financial assets | | |
| | Loans | 150 | 151 |
| | Other financial assets | 26 | 28 |
| | Income tax assets (net) | 687 | 659 |
| | Other non-current assets | 420 | 1,459 |
| | Total non-current assets | 6,406 | 7,155 |



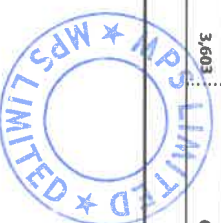
| | | | | |
|----------|---------------------------------------|--------|--|--------|
| 2 | Current Assets | | | |
| | Financial assets | | | |
| | Investments | 24,097 | | 20,599 |
| | Trade receivables | 6,011 | | 6,010 |
| | Cash and cash equivalents | 2,508 | | 1,677 |
| | Loans | 26 | | 31 |
| | Other financial assets | 2,173 | | 1,926 |
| | Other current assets | 533 | | 743 |
| | Total current assets | 35,348 | | 30,986 |
| | TOTAL ASSETS | 41,754 | | 38,141 |
| B | EQUITY AND LIABILITIES | | | |
| 1 | Equity | | | |
| | Equity share capital | 1,862 | | 1,862 |
| | Other equity | 36,722 | | 32,928 |
| | Total equity | 38,584 | | 34,790 |
| 2 | Liabilities | | | |
| | Non-current liabilities | | | |
| | Deferred tax liabilities (net) | 432 | | 532 |
| | Total non-current liabilities | 432 | | 532 |
| 3 | Current liabilities | | | |
| | Financial liabilities | | | |
| | Trade payables | 1,003 | | 1,100 |
| | Other financial liabilities | 472 | | 844 |
| | Other current liabilities | 637 | | 507 |
| | Provisions | 381 | | 240 |
| | Income tax liabilities (net) | 245 | | 128 |
| | Total current liabilities | 2,738 | | 2,819 |
| | TOTAL - EQUITY AND LIABILITIES | 41,754 | | 38,141 |

NOTES:

- The above results were reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meeting held on 23 October 2017. The Statutory auditors of the Company have carried out limited review of the financial results for the quarter ended and half year ended 30 September 2017 and an unmodified report has been issued. The same has been filed with Stock Exchanges and is also available on the Company's website at www.adf-mps.com.
 - These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016. The Group has not opted to avail the relaxation provided by SEBI in respect of disclosure requirements for corresponding figures of earlier periods. Accordingly, the figures for the year ended 31 March 2017 have been presented after incorporating the applicable Ind AS adjustments in addition to the figures for the quarter and half year ended 30 September 2016.
 - The consolidated financial results of MPS limited (the Company), its subsidiaries (collectively known as "the Group") are prepared in accordance with Accounting Standard (Ind AS-110) "Consolidated Financial Statements" as specified under the section 133 of the Companies Act, 2013.
 - Transition to Ind-AS:
The Company adopted Ind AS from 01 April 2017. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) and Companies (Accounting Standards) Amendment Rules, 2016, which was the previous GAAP (referred to as "Previous GAAP").
- Impact of transition has been provided in the Equity as at 01 April 2016 and results for the quarter and half year ended 30 September 2016 and previous year ended 31 March 2017 have been restated to comply with Ind-AS to make them comparable.
- Reconciliations between financial results, as previously reported (as per "Previous GAAP") and Ind AS for quarter/half year/year presented are as under:

| Particulars | (INR in Lacs) | | |
|---|---|--|---------------------|
| | Corresponding three months ended in previous year | Year to date figures for six months in previous period ended | Previous Year ended |
| | 30-Sep-2016 | 30-Sep-2016 | 31-Mar-2017 |
| Net Profit under Previous GAAP | 2,014 | 3,690 | 6,996 |
| Impact of fair valuation of current investment | 14 | 4 | (7) |
| Impact of fair valuation of forward exchange contracts | (12) | (87) | (87) |
| Impact of expected credit loss | (47) | (27) | (20) |
| Impact on depreciation due to business combination accounting | 27 | 27 | 80 |
| Others (refer note i below) | 48 | 60 | 58 |
| Consequential tax adjustments | (4) | 18 | 23 |
| Net Profit for the period under Ind AS | 2,040 | 3,685 | 7,043 |
| Other Comprehensive Income/(loss) (net of taxes) | (128) | (82) | (269) |
| Total Comprehensive Income under Ind AS | 1,912 | 3,603 | 6,774 |

i) Others include adjustments resulting from classification of actuarial gain/(loss) to OCI, etc.



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b. Reconciliations of equity between Previous GAAP and Ind AS for the year ended 31 March 2017 are as under:

(INR in lacs)

| Particulars | Previous Year ended 31-Mar-2017 |
|---|---------------------------------|
| Equity reported under Previous GAAP | 34,707 |
| Impact of fair valuation of current investment | 5 |
| Impact of expected credit loss | (6) |
| Impact of depreciation due to business combination accounting | 80 |
| Others | (1) |
| Consequential tax adjustments | 5 |
| Equity reported under Ind AS | 34,790 |

5 Segment Reporting

(a) Based on the "management approach" as defined in Ind AS108 Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along with these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segment.

(INR in lacs)

| Sl.No | Particulars | Three months ended 30-Sep-2017 | Preceding three months ended 30-Jun-2017 | Corresponding three months ended in previous year 30-Sep-2016 | Year to date figures for six months in current period ended 30-Sep-2017 | Year to date figures for six months in previous period ended 30-Sep-2016 | Previous Year ended 31-Mar-2017 |
|-------|---|--------------------------------|--|---|---|--|---------------------------------|
| I | Segment revenue | | | | | | |
| | Content solutions | 5,613 | 5,233 | 5,903 | 10,846 | 11,540 | 24,274 |
| | Platform solutions | 1,254 | 1,457 | 1,614 | 2,711 | 2,166 | 4,596 |
| | Total revenue from operations | 6,867 | 6,690 | 7,517 | 13,557 | 13,706 | 28,870 |
| II | Segment results (profit before tax, exceptional items and interest from each segment) | | | | | | |
| | Content solutions | 2,109 | 1,706 | 1,923 | 3,815 | 4,155 | 8,547 |
| | Platform solutions | 372 | 531 | 657 | 903 | 909 | 1,470 |
| | Total | 2,481 | 2,237 | 2,580 | 4,718 | 5,064 | 10,017 |
| | Profit before tax and other income | | | | | | |
| | Less: Finance cost | 1 | 1 | 1 | 2 | 2 | 17 |
| | Less: Exceptional item and un-allocable expenditure (net of un-allocable income) | (167) | (385) | (516) | (552) | (361) | (256) |
| | Profit before tax | 2,647 | 2,621 | 3,095 | 5,268 | 5,423 | 10,256 |

(b) Assets and liabilities used in the Group's business are not identified to any of the reportable segments, as these are used interchangeably between segments and the management believes that it is not practicable to provide segment disclosures relating to total assets and liabilities.

- 6 The Group acquired group of assets including application platform business from Digital River, Inc. a company based in USA vide asset purchase agreement dated 3 February 2017 for the consideration of Rs.428 Lacs which qualifies for business combination accounting. The customary conditions for consummation of the said acquisition have been complied with effect from 1 April 2017. As a result, the Company has recorded net assets amounting to Rs.378 lacs at fair value and the differential consideration is allocated to Goodwill amounting to Rs.50 Lacs.
- 7 The Group utilized a sum of Rs.2,756 Lacs, out of total proceeds of Rs.14,780 Lacs from Qualified Institutional Plan ("QIP") (net of issue expenses) raised during the financial year ended 31 March 2015. The balance proceeds of Rs.12,024 Lacs, pending utilization for the objects of QIP-growth opportunities such as acquisitions, strategic initiatives, general corporate purposes and any other purposes as may be permissible under applicable law, remain invested in interest/dividend bearing liquid instruments, including money market mutual funds.
- 8 During the quarter ended 31 March 2017, MAG+AB a subsidiary, had filed for voluntary liquidation. MAG+AB, is currently carrying on its operations prior to closing as contractually/statutorily required.
- 9 During the quarter ended 30 September 2017, MagPlus Inc., a step down subsidiary of the Company in USA, was merged with MPS North America, LLC, USA, a Wholly Owned Subsidiary of the Company and consequently MagPlus Inc., USA, ceased to be a step down subsidiary of the Company w.e.f. 10 August 2017.
- 10 The Group during the year ended 31 March 2017, re-structured part of its operations. Accordingly, an amount of Rs.411 Lacs pertaining to severance pay and other expenses have been disclosed as an exceptional item.
- 11 The Group had sold its premises on second floor of Brigade Towers located in Bengaluru for a consideration of Rs.610 Lacs and accounted for a pre tax profit of Rs.591 Lacs during the corresponding three months ended 30 September 2016 in previous year.
- 12 Other income includes Rs.413 lacs for the preceding quarter ended 30 June 2017 which represents amount written back as liability not to be payable by the Company.



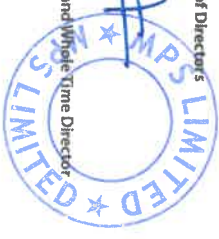
13 The Standalone results of the Company are available on the Company's website www.adl-mps.com. The key standalone financial information of the Company is given below:

(All in INR)

| Particulars | Three months ended 30-Sep-2017 (Un-Audited) | Preceding three months ended 30-Jun-2017 (Un-Audited) | Corresponding three months ended in previous year 30-Sep-2016 (Un-Audited) | Year to date figures for six months in current period ended 30-Sep-2017 (Un-Audited) | Year to date figures for six months in previous period ended 30-Sep-2016 (Un-Audited) | Previous Year ended 31-Mar-2017 (Audited) |
|---|--|--|---|---|--|--|
| Revenue from operations | 5,879 | 5,434 | 5,714 | 11,313 | 10,784 | 22,356 |
| Profit before tax | 2,799 | 2,511 | 3,054 | 5,310 | 5,110 | 10,064 |
| Tax expense | 998 | 699 | 1,034 | 1,697 | 1,617 | 3,149 |
| Profit for the period | 1,801 | 1,812 | 2,020 | 3,613 | 3,493 | 6,915 |
| Other comprehensive income, net of income tax | 9 | (70) | (32) | (61) | (39) | (39) |
| Total comprehensive income for the period | 1,810 | 1,742 | 1,988 | 3,552 | 3,454 | 6,876 |

By Order of the Board of Directors
Rahul Arora

Chief Executive Officer and Whole Time Director



Place: Gurugram

Dated : 23 October 2017