



MPS Limited

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 CIN: L22122TN1970PLC005795

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

(INR in lacs, except per equity share data)

S. No.	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in	Current year ended	Previous year ended
		31-Mar-2020 (Audited) (refer note-2)	31-Dec-2019 (Un-Audited)	31-Mar-2019 (Audited) (refer note-2)	31-Mar-2020 (Audited)	31-Mar-2019 (Audited)
I	Revenue from operations (net)	7,616	8,366	9,029	33,165	36,254
II	Other income	443	343	1,215	1,998	2,526
III	Total income (I+II)	8,059	8,709	10,244	35,163	38,780
IV	Expenses					
	Employee benefit expense	4,152	4,055	4,106	16,562	16,446
	Finance costs	57	52	14	215	19
	Depreciation and amortization expense	375	392	271	1,537	1,107
	Other expenses	2,118	2,450	2,646	8,707	10,473
	Total expenses	6,702	6,949	7,037	27,021	28,045
V	Profit before exceptional items (III-IV)	1,357	1,760	3,207	8,142	10,735
VI	Exceptional items	-	-	-	-	-
VII	Profit before tax (V-VI)	1,357	1,760	3,207	8,142	10,735
VIII	Tax expenses					
	Current tax	596	633	969	2,379	3,052
	Adjustment of tax relating to earlier years	-	15	5	36	36
	Deferred tax charge	(182)	(183)	(27)	(259)	44
	Total tax expenses	414	465	947	2,156	3,132
IX	Profit for the period (VII-VIII)	943	1,295	2,260	5,986	7,603
X	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	Remeasurement of the net defined benefit liability/asset	(21)	19	6	(53)	89
	Income tax relating to items that will not be reclassified to profit or loss	5	(5)	-	13	(28)
	Items that will be reclassified subsequently to profit or loss					
	Exchange differences on translation of foreign operations	446	84	(83)	687	277
	Total other comprehensive income	430	98	(77)	647	338
XI	Total comprehensive income for the period (IX+X)	1,373	1,393	2,183	6,633	7,941
XII	Paid-up equity share capital (Face Value - INR 10 per Equity Share)	1,862	1,862	1,862	1,862	1,862
XIII	Earnings per equity share (nominal value of share INR 10)					
	Basic and Diluted	5.07	6.95	12.14	32.15	40.83

STATEMENT OF AUDITED CONSOLIDATED ASSETS AND LIABILITIES

(INR in lacs)

S. No.	Particulars	As at 31-Mar-2020 (Audited)	As at 31-Mar-2019 (Audited)
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	1,998	2,137
	Capital work in progress	3	18
	Investment property	108	111
	Right-of-use assets	1,543	-
	Goodwill	6,177	6,007
	Other Intangible assets	1,673	2,032
	Financial assets		
	Loans	182	244
	Other financial assets	52	27
	Income tax assets (net)	973	970
	Deferred tax assets (net)	40	86
	Other non-current assets	286	462
	Total non-current assets	13,035	12,094
2	Current assets		
	Financial assets		
	Investments	8,572	21,205
	Trade receivables	6,228	6,871
	Cash and cash equivalents	8,170	4,752
	Other bank balances	1,276	2,916
	Loans	113	30
	Other financial assets	189	441
	Income tax assets (net)	-	42
	Other current assets	6,776	5,390
	Total current assets	31,324	41,647
	TOTAL ASSETS	44,359	53,741
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	1,862	1,862
	Other equity	34,829	45,254
	Total equity	36,691	47,116
2	Liabilities		
	Non-current liabilities		
	Financial liabilities		
	Lease liabilities	1,279	-
	Provisions	57	47
	Deferred tax liabilities (net)	392	668
	Total non-current liabilities	1,728	715
3	Current liabilities		
	Financial liabilities		
	Lease liabilities	605	-
	Trade payables		
	Due to Micro and Small enterprises	10	26
	Due to Others	1,210	1,305
	Other financial liabilities	753	708
	Other current liabilities	2,933	3,467
	Provisions	166	268
	Income tax liabilities (net)	263	136
	Total current liabilities	5,940	5,910
	TOTAL EQUITY AND LIABILITIES	44,359	53,741

STATEMENT OF AUDITED CONSOLIDATED CASH FLOWS

(INR in lacs)

S. No.	Particulars	Current year ended	Previous year ended
		31-Mar-2020 (Audited)	31-Mar-2019 (Audited)
A	Cash flows from operating activities		
	Net profit before tax	8,142	10,735
	Adjustments:		
	Depreciation and amortisation expense	1,537	1,107
	Interest income	(362)	(87)
	Dividend income	(3)	(13)
	Net loss/(gain) on sale of current investment	13	(159)
	Finance costs	215	19
	(Gain)/loss on sale/disposal/discard of property, plant and equipment (net)	(5)	17
	Gain on investment carried at fair value through profit or loss (net)	(1,006)	(1,442)
	Liabilities/provisions no longer required written back	(254)	(199)
	Allowances/(reversal) for expected credit loss	120	(16)
	Bad debts written off	4	74
	Allowances for doubtful advances	3	-
	Income from government grants	-	(567)
	Advances written off	3	-
	Unrealised foreign exchange loss/(gain) (net)	105	(8)
	Unrealised foreign exchange loss/(gain) on mark-to-market on forward contracts	177	(137)
	Operating cash flows before working capital changes	8,689	9,324
	Decrease/(increase) in trade receivables	390	(1,128)
	(Increase)/decrease in loans	(24)	232
	Decrease in other financial assets	29	2,271
	(Increase) in other current assets	(1,389)	(2,799)
	Decrease in other non-current assets	176	132
	(Decrease) in trade payables	(102)	(52)
	Increase/(decrease) in other financial liabilities	82	(103)
	(Decrease)/increase in other current liabilities	(452)	1,135
	(Decrease) in provisions	(25)	(122)
	Cash generated from operations	7,374	8,890
	Income tax paid (net of refund)	(2,100)	(3,527)
	Net cash generated from operating activities (A)	5,274	5,363
B	Cash flows from investing activities		
	Purchase of property, plant and equipment (including capital work-in-progress)	(256)	(281)
	Purchase of other intangible assets	(220)	(37)
	Sale of property, plant and equipment	15	63
	Acquisition of business	-	(6,450)
	Purchase of current investments	(23,330)	(22,838)
	Sale of current investments	36,955	32,034
	Purchase of term deposits	(1,307)	(2,915)
	Redemption of term deposits	2,922	-
	Dividends received	3	13
	Interest received	382	25
	Net cash generated from/(used in) investing activities (B)	15,164	(386)
C	Cash flows from financing activities		
	Repayment of lease liabilities including interest expenses	(697)	-
	Finance costs	(1)	(9)
	Dividend paid	(13,963)	(2,234)
	Tax on dividend	(2,870)	(459)
	Net cash used in financing activities (C)	(17,531)	(2,702)
	Net increase in cash and cash equivalents (A+B+C)	2,907	2,275
	Impact on cash flows on account of foreign currency translation reserve	470	180
	Effects of exchange differences on cash and cash equivalents held in foreign currency	41	(2)
	Cash and cash equivalents at the beginning of the year	4,752	2,299
	Cash and cash equivalents at the end of the year	8,170	4,752

NOTES:

- These results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules 2015. These results have been reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meeting held on 19 May 2020. The Statutory auditors of the Company have carried out audit of the financial results for the quarter and year ended 31 March 2020 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.mpslimited.com.
- The figures for the three months ended 31 March 2020 and 31 March 2019 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to preceding quarter of the relevant financial year.
- Segment Reporting**
 - Based on the "management approach" as defined in Ind AS108 Operating Segments, the Chief Operating Decision Maker ("CODM") 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 segments.

(INR in lacs)

S. No.	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in previous year	Current year ended	Previous year ended
		31-Mar-2020	31-Dec-2019	31-Mar-2019	31-Mar-2020	31-Mar-2019
		(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
I	Segment revenue					
	Content solutions	4,865	5,033	5,920	20,347	23,283
	eLearning solutions	1,651	2,037	1,879	7,501	6,996
	Platform solutions	1,100	1,296	1,230	5,317	5,975
	Total revenue from operations	7,616	8,366	9,029	33,165	36,254
II	Segment results (profit before tax, exceptional items and interest from each segment)					
	Content solutions	1,641	1,336	2,129	6,457	8,626
	eLearning solutions	(83)	288	73	650	(276)
	Platform solutions	89	388	214	1,599	2,260
	Total	1,647	2,012	2,416	8,706	10,610
	Less: Finance costs	57	52	14	215	19
	Less: Un-allocable expenditure (net of un-allocable income)	233	200	(805)	349	(144)
	Profit before tax	1,357	1,760	3,207	8,142	10,735

- 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.
- Effective 1 April 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of INR 2,002 Lacs and a lease liability of INR 2,319 Lacs. The cumulative effect of applying the standard resulted in INR 225 Lacs being debited to retained earnings, net of taxes. The effect of this adoption is not material on the profit for the period and year to date and earnings per share.
- In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Group has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts considering emerging situations due to COVID-19. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties in future periods.
- The Standalone results of the Company are available on the Company's website www.mpslimited.com. The key standalone financial information of the Company is given below:

(INR in lacs)

Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in previous year	Current year ended	Previous year ended
	31-Mar-2020	31-Dec-2019	31-Mar-2019	31-Mar-2020	31-Mar-2019
	(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
Revenue from operations	4,518	4,467	5,158	18,765	22,396
Profit before tax	1,563	1,293	2,797	6,969	10,586
Tax expenses	344	336	830	1,692	3,112
Profit for the period	1,219	957	1,967	5,277	7,474
Other comprehensive income, net of income tax	(9)	6	(1)	(16)	(10)
Total comprehensive income for the period	1,210	963	1,966	5,261	7,464

By Order of the Board of Directors
Rahul Arora

Place: Gurugram

Dated: 19 May 2020

Managing Director