

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2020
(INR in lacs, except per equity share data)

S.No.	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in previous year	Year to date figures for six months in current period ended	Year to date figures for six months in previous period ended	Previous year ended
		30-Sep-2020 (Un-Audited)	30-Jun-2020 (Un-Audited)	30-Sep-2019 (Un-Audited)	30-Sep-2020 (Un-Audited)	30-Sep-2019 (Un-Audited)	31-Mar-2020 (Audited)
I	Revenue from operations (net)	7,290	4,925	5,102	12,215	9,780	18,765
II	Other income	153	228	660	381	1,123	1,842
III	Total income (I+II)	7,443	5,153	5,762	12,596	10,903	20,607
IV	Expenses						
	Employee benefits expense	3,116	2,177	2,193	5,293	4,434	8,855
	Finance costs	32	26	33	58	67	138
	Depreciation and amortization expense	366	191	188	557	379	745
	Other expenses	2,030	924	987	2,954	1,910	3,900
	Total expenses	5,544	3,318	3,401	8,862	6,790	13,638
V	Profit before exceptional items (III-IV)	1,899	1,835	2,361	3,734	4,113	6,969
VI	Exceptional items	-	-	-	-	-	-
VII	Profit before tax (V-VI)	1,899	1,835	2,361	3,734	4,113	6,969
VIII	Tax expenses						
	Current tax	332	440	483	772	1,059	2,197
	Adjustment of tax relating to earlier years	-	-	21	-	21	23
	Deferred tax charge	178	31	(7)	209	(68)	(528)
	Total tax expense	510	471	497	981	1,012	1,692
IX	Profit for the period (VII-VIII)	1,389	1,364	1,864	2,753	3,101	5,277
X	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Remeasurement of the net defined benefit liability/asset	22	(64)	(3)	(42)	(17)	(21)
	Income tax relating to items that will not be reclassified to profit or loss	(5)	16	-	11	4	5
	Items that will be reclassified subsequently to profit or loss						
	Exchange differences on translation of foreign operations	27	-	-	27	-	-
	Total other comprehensive income	44	(48)	(3)	(4)	(13)	(16)
XI	Total comprehensive income for the period (IX+X)	1,433	1,316	1,861	2,749	3,088	5,261
XII	Paid-up equity share capital (Face value - INR 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 INR 10)						
	Basic and diluted	7.46	7.32	10.01	14.78	16.65	28.34

STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES

(INR in lacs)

S.No.	Particulars	As at 30-Sep-2020 (Un-Audited)	As at 31-Mar-2020 (Audited)
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	1,983	1,626
	Investment property	106	108
	Right-of-use assets	906	841
	Goodwill	3,523	50
	Other intangible assets	2,560	417
	Financial assets		
	Investments	12,641	13,958
	Loans	223	1,620
	Other financial assets	27	27
	Income tax assets (net)	534	523
	Other non-current assets	204	165
	Total non-current assets	22,707	19,335
2	Current assets		
	Financial assets		
	Investments	4,089	5,574
	Trade receivables	4,306	3,239
	Cash and cash equivalents	2,730	2,995
	Other bank balances	5,150	865
	Loans	84	609
	Other financial assets	227	168
	Other current assets	4,715	4,233
	Total current assets	21,301	17,683
	TOTAL ASSETS	44,008	37,018
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	1,862	1,862
	Other equity	35,089	32,326
	Total equity	36,951	34,188
2	Liabilities		
	Non-current liabilities		
	Financial liabilities		
	Lease liabilities	881	898
	Other financial liabilities	47	-
	Deferred tax liabilities (net)	218	20
	Total non-current liabilities	1,146	918
3	Current liabilities		
	Financial liabilities		
	Lease liabilities	695	222
	Trade payables		
	Due to Micro and Small enterprises	9	10
	Due to Others	2,835	361
	Other financial liabilities	433	353
	Other current liabilities	1,414	620
	Provisions	364	138
	Income tax liabilities (net)	161	208
	Total current liabilities	5,911	1,912
	TOTAL EQUITY AND LIABILITIES	44,008	37,018

STATEMENT OF UNAUDITED STANDALONE CASH FLOWS

(INR in lacs)

S.No.	Particulars	Year to date figures for six months in current period ended	Year to date figures for six months in previous period ended	Previous year ended
		30-Sep-2020	30-Sep-2019	31-Mar-2020
		(Un-Audited)	(Un-Audited)	(Audited)
A	Cash flow from operating activities			
	Net profit before tax	3,734	4,113	6,969
	Adjustments:			
	Depreciation and amortisation expense	557	379	745
	Interest income	(150)	(381)	(679)
	Dividend income	-	(3)	(3)
	Net (gain)/loss on sale of current investment	(31)	(22)	23
	Finance costs	58	67	138
	Rent concession as a variable lease payment	(35)	-	-
	Gain on investment carried at fair value through profit or loss (net)	(66)	(586)	(776)
	Liabilities/provisions no longer required written back	(5)	(19)	(164)
	Allowances for expected credit loss	49	7	36
	Bad debts written off	11	-	-
	Allowances for doubtful advances	-	2	3
	Advances written off	-	1	3
	Unrealised foreign exchange loss (net)	134	71	86
	Unrealised foreign exchange (gain)/loss on mark-to-market on forward contracts	(122)	123	177
	Operating cash flows before working capital changes	4,134	3,752	6,558
	Decrease in trade receivables	321	703	396
	(Increase) in loans	(3)	(9)	(14)
	Decrease/(increase) in other financial assets	36	(192)	(29)
	(Increase) in other current assets	(26)	(216)	(153)
	(Increase)/decrease in other non current assets	(38)	(13)	111
	Increase/(decrease) in trade payables	455	18	(126)
	(Decrease)/increase in other financial liabilities	(193)	72	51
	(Decrease)/increase in other liabilities	(134)	(216)	2
	(Decrease) in provisions	(140)	(51)	(14)
	Cash generated from operations	4,412	3,848	6,782
	Income tax paid (net of refund)	(830)	(1,106)	(1,898)
	Net cash generated from operating activities (A)	3,582	2,742	4,884
B	Cash flows from investing activities			
	Purchase of property, plant and equipment	(493)	(33)	(141)
	Purchase of other intangible assets	(28)	-	-
	Sale of property, plant and equipment	2	-	-
	Acquisition of business (net of cash and cash equivalents acquired)	(4,498)	-	-
	Investment in subsidiaries	(189)	-	-
	Loan repaid by subsidiary	2,053	-	247
	Purchase of current investments	(16,089)	(10,715)	(20,916)
	Sale of current investments	17,670	15,111	32,856
	Purchase of term deposits	(1,514)	-	(865)
	Redemption of term deposits	760	-	2,780
	Redemption of investment in preference share	2,196	-	-
	Rent received	125	-	-
	Dividends received	-	3	3
	Interest received	168	235	742
	Net cash generated from investing activities (B)	163	4,601	14,706

C	Cash flows from financing activities			
	Repayment of lease liabilities including interest expenses	(285)	(187)	(374)
	Deposits placed/earmarked for buyback of equity shares	(3,490)	-	-
	Transaction costs related to buy back of shares	(27)	-	-
	Finance costs	-	-	(1)
	Dividend paid	-	(4,654)	(13,963)
	Tax on dividend	-	(957)	(2,870)
	Net cash used in financing activities (C)	(3,802)	(5,798)	(17,208)
	Net (decrease)/increase in cash and cash equivalents (A+B+C)	(57)	1,545	2,382
	Impact on cash flows on account of foreign currency translation reserve	7	-	-
	Effects of exchange differences on cash and cash equivalents held in foreign currency	(215)	(16)	42
	Cash and cash equivalents at the beginning of the period	2,995	571	571
	Cash and cash equivalents at the end of the period	2,730	2,100	2,995

Notes:

1 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 10 November 2020. The Statutory auditors of the Company have carried out limited review of the financial results for the quarter and half year ended 30 September 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.

2 Segment Reporting

(a) Based on the "management approach" as defined in Ind AS 108 Operating Segments, the Chief Operating Decision Maker ('CODM') evaluates the Company'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. The CODM has evaluated the segment wise allocation for the US business of the new acquisition of HighWire into existing segment of Platform solutions.

(INR in lacs)

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		30-Sep-2020	30-Jun-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019	31-Mar-2020
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
I	Segment revenue						
	Content solutions	3,940	4,032	4,220	7,972	8,046	15,444
	Platform solutions	3,350	893	882	4,243	1,734	3,321
	Total revenue from operations	7,290	4,925	5,102	12,215	9,780	18,765
II	Segment results (profit before tax, exceptional items and interest from each segment)						
	Content solutions	1,577	1,813	1,825	3,390	3,192	5,810
	Platform solutions	702	458	507	1,160	973	1,747
	Total	2,279	2,271	2,332	4,550	4,165	7,557
	Less: Finance costs	32	26	33	58	67	138
	Less: Un-allocable expenditure (net of un-allocable income)	348	410	(62)	758	(15)	450
	Profit before tax	1,899	1,835	2,361	3,734	4,113	6,969

(b) Assets and liabilities used in the Company'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.

3 On 1 July 2020, the Company has completed the acquisition of the HighWire Press US Business at a purchase consideration of INR 5,446 Lacs through its US branch and the newly incorporated wholly owned subsidiary, HighWire North America LLC. This being a Business Combination thus based on the preliminary purchase price allocation to the various identifiable acquired assets and assumed liabilities, provisional goodwill of INR 3,473 Lacs has been recognized subject to working capital and tax adjustments. MPS North America LLC, an existing US based wholly owned subsidiary of the Company has also acquired, through Stock Purchase Agreement, 100% shares of HighWire Press Limited, based at Northern Ireland along with its wholly owned subsidiary, Semantico Limited, based at the United Kingdom at a purchase consideration of INR 770 Lacs.

4 The Board of Directors, at its meeting held on 11 August 2020, approved Buyback of fully paid-up equity shares of face value of INR 10 each from the eligible equity shareholders through the tender offer process, at a price not exceeding INR 600 per equity share, for an aggregate amount not exceeding INR 3,400 Lacs, payable in cash. The Company has bought back 5,66,666 fully paid up equity shares on 7 October 2020 under the Buyback offer by utilising INR 4,214 Lacs including brokerage, transactions costs and applicable taxes. All the shares bought back have been extinguished on 12 October 2020 as per the records of the depositories.

5 The Code on Social Security, 2020 relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

6 In assessing the recoverability of receivables including unbilled receivables, contract assets, goodwill, intangible assets and investments, the Company has considered internal and external information up to the date of approval of these financial results including economic forecasts considering emerging situations due to COVID-19. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods.

By Order of the Board of Directors

Rahul Arora

Place: Gurugram

Dated: 10 November 2020

Managing Director