

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF MPS LIMITED IN CONNECTION WITH THE BUYBACK OF EQUITY SHARES THROUGH THE TENDER OFFER UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES), REGULATIONS, 2018, AS AMENDED

This Public Announcement ("Public Announcement") is being made in relation to the Buyback (as defined hereinafter) of Equity Shares (as defined hereinafter) of MPS Limited through the tender offer process, pursuant to Regulation 7(i) and Schedule II along with other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, for the time being in force including any statutory modifications and amendments from time to time ("SEBI Buyback Regulations") and contains the disclosures as specified in Schedule II to the SEBI Buyback Regulations read with Schedule I of the SEBI Buyback Regulations.

OFFER FOR BUYBACK NOT EXCEEDING FIVE LAKH SIXTY SIX THOUSAND SIX HUNDRED AND SIXTY SIX (56,666) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF INR 10 EACH (INDIAN RUPEES TEN ONLY) ("EQUITY SHARES") AT A PRICE OF INR 600.00 (INDIAN RUPEES SIX HUNDRED ONLY) PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS

1. DETAILS OF THE BUYBACK OFFER AND BUYBACK PRICE

1.1. Pursuant to the resolution passed by the board of directors of MPS Limited (the "Company") (the board of directors of the Company are hereinafter referred to as the "Board" or the "Board of Directors") on August 11, 2020 ("Board Resolution"), the Company hereby announces the buyback of not exceeding 5,66,666 (Five Lakh Sixty Six Thousand Six Hundred and Sixty Six) Equity Shares from the equity shareholders/beneficial owners of Equity Shares as on August 24, 2020 (the "Record Date") (for further details in relation to the Record Date, refer to Paragraph 10 of this Public Announcement), on a proportionate basis, through the "tender offer" process, in accordance with Article 25 of the Articles of Association of the Company, Sections 68, 69 and 70, and other applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof (the "Companies Act") and applicable rules thereunder including the Companies (Share Capital and Debentures) Rules, 2014, as amended, the SEBI Buyback Regulations, and subject to approvals, permissions, sanctions as may be necessary and subject to any modifications and conditions, as may be prescribed by the Securities and Exchange Board ("SEBI"), Registrar of Companies, Chennai ("ROC") and/or other appropriate authorities, which may be agreed to by the Board and/or any committee thereof, at a price of INR 600.00 (Indian Rupees Six Hundred only) per Equity Share ("Buyback Offer Price"), payable in cash, for an aggregate maximum amount not exceeding INR 34,00,00,000 (Indian Rupees Thirty Four Crores only) (the "Buyback Offer Size") (the process being referred hereinafter as the "Buyback").

1.2. The Buyback Offer Size and the Buyback Offer Price do not include taxes payable under Income Tax Act, 1961 and any expenses incurred or to be incurred for the Buyback viz., brokerage, costs, fees, turnover charges, taxes such as securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses and charges ("Transaction Costs").

1.3. The Buyback Size is subject to receipt of approvals, permissions, exemptions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by statutory, regulatory or governmental authorities under applicable laws, including SEBI National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (BSE and NSE are hereinafter together referred to as, "Stock Exchanges") where the Equity Shares of the Company are listed and which may be agreed to by the Board and/or any committee thereof.

1.4. The Equity Shares are listed on the Stock Exchanges. The Buyback shall be undertaken on a proportionate basis from the equity shareholders of the Company as on the Record Date through the tender offer process prescribed under Regulation 4 (iv)(a) of the SEBI Buyback Regulations. The Buyback Offer Size represents 9.55% and 9.49% of the aggregate of the Company's paid-up capital and free reserves (including securities premium) as per the audited financial statements of the Company as on March 31, 2020 on a standalone and consolidated basis respectively.

1.5. The Buyback is in accordance with the provisions of the Companies Act, Article 25 of the Articles of Association of the Company and subject to the provisions of the SEBI Buyback Regulations, and such other approvals, permissions as may be required from time to time from the Stock Exchanges and/or from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. The Buyback would be undertaken in accordance with circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFDDCR2/CIR/P/2016/131 dated December 9, 2016, circular bearing number SEBI/HO/CFD/DLI1/CIR/P/2018/011 dated January 19, 2018, issued by SEBI which prescribes mechanism for acquisition of shares through stock exchange and in accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, the physical shareholders are allowed to tender their shares in the Buyback, as per the provisions of the SEBI Buyback Regulations (the "SEBI Circulars"). In this regard, the Company will request NSE to provide the acquisition window.

1.6. The Buyback will be met out of internal accruals, retained earnings, cash and bank balances and investments made by the Company. The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet.

1.7. The Company confirms that as required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback.

1.8. Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the promoter in the Company may change from its existing voting rights of 67.77% in the Company. The promoter of the Company is already in control over the Company and therefore such change in voting rights of the promoter pursuant to the Buyback will not result in any change in control over the Company.

1.9. A copy of this Public Announcement is available on the Company's website (www.mpslimited.com) and is expected to be available on the websites of SEBI (www.sebi.gov.in), NSE (www.nseindia.com) and BSE (www.bseindia.com) during the period of the Buyback.

- 2. NECESSITY FOR THE BUYBACK
2.1. The Buyback is being proposed by the Company to return surplus funds to the equity shareholder/beneficial owner of the Equity Shares ("Equity Shareholders"), which are over and above its ordinary capital requirements and in excess of any current investment plans, in an expedient, efficient and cost effective manner. Additionally, the Company's management strives to increase the Equity Shareholders' value and the Buyback would result in the following benefits, amongst other things:
- The Buyback is generally expected to improve financial ratios like earnings per share, return on capital employed, return on equity, calculated on the basis of financial statements, by reduction in the equity basis of the Company, thereby leading to long term increase in shareholders' value;
- The Buyback will help in achieving an optimal capital structure;
- The Buyback will help the Company to distribute surplus cash to the Equity Shareholders broadly in proportion to their shareholding, thereby, enhancing their overall return;
- The Buyback, which is being implemented through the tender offer route as prescribed under the SEBI Buyback Regulations, would involve allocation of number of shares as per the entitlement of the shareholders or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 2(i)(n) of the SEBI Buyback Regulations;
- The Buyback gives an option to the Equity Shareholders to either (i) choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or (ii) choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment.

2.2. After considering several factors and benefits to the shareholders holding Equity Shares of the Company, the Board decided to recommend Buyback not exceeding 5,66,666 (Five Lakh Sixty Six Thousand Six Hundred and Sixty Six) Equity Shares representing 3.04% of the total paid-up equity capital of the Company at price of INR 600.00 (Indian Rupees Six Hundred only) per Equity Share, payable in cash, for an aggregate maximum amount not exceeding INR 34,00,00,000 (Indian Rupees Thirty Four Crores only) excluding any taxes payable under Income Tax Act, 1961 and any expenses incurred or to be incurred for the Buyback, which represents 9.55% and 9.49% of the aggregate of the Company's paid-up capital and free reserves (including securities premium) as per the audited financials of the Company as on March 31, 2020 on a standalone and consolidated basis respectively.

2.3. The Buyback is not likely to cause any material impact on the profitability or earnings of the Company except a reduction in current investments.

2.4. The Buyback will not result in a change in control or otherwise affect the existing management structure of the Company.

2.5. The post Buyback debt-equity ratio of the Company will be less than 2:1, as prescribed by Section 68 of the Companies Act, assuming full acceptance by the Shareholders.

3. MAXIMUM AMOUNT REQUIRED UNDER THE BUYBACK

In accordance with the provisions of the Companies Act and the SEBI Buyback Regulations, the Buyback Size of INR 34,00,00,000 (Indian Rupees Thirty Four Crores only) excluding Transaction Costs, represents 9.55% and 9.49% of the aggregate of the Company's paid-up capital and free reserves as per the audited financial statements of the Company as on March 31, 2020 on a standalone and consolidated basis respectively, and it does not exceed 10% of the aggregate of the fully paid up share capital and free reserves of the Company as on March 31, 2020. Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity share capital of a company in that financial year. Since the Company proposes to Buyback not exceeding 5,66,666 (Five Lakh Sixty Six Thousand Six Hundred and Sixty Six) Equity Shares representing 3.04% of the total number of Equity Shares in the total paid up equity share capital of the Company as at March 31, 2020, the same is within the aforesaid 25% limit.

4. MAXIMUM PRICE FOR THE BUYBACK OF EQUITY SHARES

The Buyback Offer Price has been arrived at after considering various factors including, but not limited to trends in the volume weighted average prices of the Equity Shares on the Stock Exchanges, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of the Buyback on the earnings per Equity Share. The Buyback Offer Price represents premium of 121.45% and 120.64% over the volume weighted average market price of the Equity Shares on NSE and BSE, respectively, during the three months preceding July 29, 2020, being the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback and premium of 85.84% and 85.44% over the closing price of the Equity Shares on NSE and BSE, respectively, as on July 29, 2020, being the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback. The basic and diluted earnings per Equity Share of the Company pre-Buyback as on March 31, 2020, considering the number of Equity Shares outstanding as on March 31, 2020 is INR 28.34 and INR 32.15 on a standalone and consolidated basis respectively, which will increase to INR 29.23 and INR 33.16 on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback. The return on net worth of the Company pre-Buyback as on March 31, 2020 is 15.43% and 16.70% on a standalone and consolidated basis respectively, which will increase to 17.14% and 18.45% on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback.

5. DETAILS OF PROMOTER SHAREHOLDING AND OTHER DETAILS

5.1. The aggregate shareholding in our Company of the (i) promoter, and (ii) persons who are in control of the Company, as on the date of the Board Meeting i.e., August 11, 2020 and the date of this Public Announcement i.e., August 12, 2020 is as follows:

Table with 5 columns: Sr. No., Name of Promoter, Category, No. of Equity Shares, % of paid-up equity share capital. Row 1: ADI BPO Services Limited, Promoter, 1,26,16,996, 67.77%. Row 2: Total, 1,26,16,996, 67.77%.

5.2. None of the directors of ADI BPO Services Limited, hold any Equity Shares in the Company.

5.3. No Equity Shares or other specified securities in the Company were either purchased or sold (either through the Stock Exchanges or off market transactions) by any of the (i) promoter, (ii) directors of ADI BPO Services Limited and persons who are in control of the Company during a period of six months preceding the date of the Board Resolution, i.e. August 11, 2020, and from the date of the Board Resolution till the date of this Public Announcement.

5.4. Intention of the promoter to participate in the Buyback: In terms of the SEBI Buyback Regulations, the promoters and persons in control have the option to participate in the Buyback. The promoter of the Company, has expressed its intention to participate in the Buyback and it may tender up to a maximum number of Equity Shares as detailed below:

Table with 5 columns: Sr. No., Name of Shareholder, Category, Maximum No. of Equity Shares which may be tendered. Row 1: ADI BPO Services Limited, Promoter, Up to the entitlement.

The details of the date and price of acquisition of the Equity Shares that the promoter intends to tender in the Buyback are set forth below:

Table with 6 columns: Sr. No., Date of the transaction, No. of shares, Transaction value (INR), Nature of transaction, Nominal value (INR), Cumulative No. of shares. Rows include transactions on October 12, 2011 and January 6, 2012.

6. NO DEFAULTS

There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

7. CONFIRMATION BY THE BOARD OF DIRECTORS OF THE COMPANY

The Board has confirmed in the Board Meeting that they have made a full inquiry into the affairs and prospects of the Company and that they have formed the opinion:

- (i) that immediately following the date of the Board Meeting (i.e., August 11, 2020), there are no grounds on which the Company can be found unable to pay its debts;
(ii) that as regards the Company's prospects for the year immediately following the date of the Board Meeting, and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and the Company will not be rendered insolvent within a period of one year period from the date of the Board Meeting; and
(iii) in forming their opinion for the above purposes, the Board has taken into account the liabilities as if the company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016, each as amended (including prospective and contingent liabilities).

8. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated August 11, 2020 received from BSR & Co. LLP, Chartered Accountants (Firm's Registration No. 101248W/W-100022), the statutory auditor of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote: To, The Board of Directors MPS Limited RR Towers IV, Super A, 16/17, TV K Industrial Estate, Guindy, Chennai-600032. Dear Sirs,

Statutory Auditors' Report in respect of proposed buy back of equity shares by MPS Limited (the Company) in terms of clause (xi) of Schedule I to Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (the "SEBI Buyback Regulations")

- 1. This report is issued in accordance with the terms of our engagement letter dated 22 October 2019 and addendum dated 10 August 2020.
2. The Board of Directors of MPS Limited have approved a proposed buy-back of equity shares by the Company at its meeting held on 11 August 2020, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 (the Act) and the SEBI Buyback Regulations.
3. We have been requested by the Management of the Company to provide a report on the accompanying Statement of permissible capital payment (Annexure A) as at 31 March 2020 (hereinafter referred together as the "Statement"). This Statement has been prepared by the management.
4. The preparation of the Statement in accordance with Section 68 (2) of the Companies Act, 2013 and the compliance with the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buyback was approved by the Board of Directors of the Company and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code 2016. Further, a declaration is required to be signed by at least two directors of the Company in this respect in accordance with the requirements of the section 68 (6) of the Companies Act and the SEBI Buyback Regulations.

Management's Responsibility for the Statement

- 4. The preparation of the Statement in accordance with Section 68 (2) of the Companies Act, 2013 and the compliance with the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board meeting and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buyback was approved by the Board of Directors of the Company and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code 2016. Further, a declaration is required to be signed by at least two directors of the Company in this respect in accordance with the requirements of the section 68 (6) of the Companies Act and the SEBI Buyback Regulations.

Auditor's Responsibility

- 6. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance:
i. whether we have inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements for the year ended 31 March 2020;
ii. if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone and consolidated financial statements in accordance with Section 68(2) of the Act; and
iii. if the Board of Directors in their meeting dated 11 August 2020, have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
7. The standalone and consolidated financial statements of the Company for the year ended 31 March 2020 have been audited by us on which we issued an unmodified audit opinion vide our report dated 19 May 2020. Our audit of these standalone and consolidated financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone and consolidated financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
10. We have also obtained appropriate representations from the Company's management.

Opinion

11. Based on inquiries conducted and our examination as above, we report that:

- a) We have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements as at and for the year ended 31 March 2020;
b) The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares as computed in the Statement attached herewith is, in our view properly determined in accordance with Section 68 (2) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone and consolidated financial statements of the Company as at and for the year ended 31 March 2020; and
c) The Board of Directors of the Company, in their meeting held on 11 August 2020 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated 11 August 2020.

Restriction on Use

12. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buy back of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For B S R & Co. LLP Chartered Accountants ICAI Firm Registration No.: 101248W/W-100022 Shashank Agarwal Partner Membership No.: 095109 ICAI UDIN: 20095109AAAFFE5548

Annexure A Statement of permissible capital payment

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with the requirements of Section 68(2) of the Companies Act, 2013 and Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended ("SEBI Buyback Regulations"), based on audited standalone and consolidated financial statements as at March 31, 2020.

Table with 3 columns: Particulars, Amount extracted from the latest audited standalone financial statements as at March 31, 2020, Amount extracted from the latest audited consolidated financial statements as at March 31, 2020. Rows include Paid-up Equity Share Capital, Free Reserves, General Reserve, Securities premium, Retained earnings, Total Free Reserves (Y), Total of Paid up Equity Share Capital and Free Reserves (X+Y), Permissible capital payment towards buy back of equity shares, Amount approved by Board at its meeting held on August 11, 2020.

*Free reserves as defined in Section 2(43) of the Act read along with Explanation II provided in Section 68 of the Act. For MPS Limited Sd/- Sunit Malhotra CFO & Company Secretary Date: August 11, 2020

9. PROCESS AND METHODOLOGY TO BE ADOPTED FOR BUYBACK

9.1. The Buyback is open to all eligible shareholders, i.e., the shareholders who on the Record Date were holding Equity Shares either in physical form ("Physical Shares") and the beneficial owners who on the Record Date were holding Equity Shares in the dematerialized form ("Demat Shares") (Such shareholders are referred to as the "Eligible Shareholders"). Additionally, the Buyback shall, subject to applicable laws, to be facilitated by tendering of Equity Shares by the shareholders and settlement of the same, through the stock exchange mechanism as specified in the SEBI Circulars.

9.2. The Buyback will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and circular bearing number SEBI/HO/CFD/DLI1/CIR/P/2018/011 dated January 19, 2018 and in accordance with the procedure prescribed in the Companies Act and the SEBI Buyback Regulations, and as may be determined by the Board of Directors, or the Buyback Committee (a committee authorised by the Board to exercise its powers in relation to the Buyback, the "Buyback Committee"), on such terms and conditions as may be permitted by law from time to time.

9.3. For the implementation of the Buyback, the Company has appointed SMC Global Securities Limited as the registered broker ("Company's Broker") through whom the purchases and settlements on account of the Buyback would be made by the Company.

The contact details of the Company's Broker are as follows:

smc Name: SMC Global Securities Limited CIN: L17499DL1994PLC063609 Address: 11/6B, Shanti Chamber, Pusa Road, New Delhi-110005 Contact Person: Mr. Devendra Mani Dwivedi Telephone Number: +91-11-3011 1000/4075 3333, Fax Number: +91-11-2575 4365 E-mail Id: smc@smcindiaonline.com / dman@smcindiaonline.com Investor Grievance Email: igc@smcindiaonline.com, Website: www.smcindiaonline.com SEBI Registration Number: INZ000199438

9.4. The Company shall request NSE to provide a separate window (the "Acquisition Window") to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buyback. For the purpose of this Buyback, NSE would be the designated stock exchange ("Designated Stock Exchange"). The details of the Acquisition Window will be as specified by NSE from time to time. In the event Shareholder (Broker(s) of Eligible Shareholder is not registered with NSE, then the Eligible Shareholders can approach any NSE registered stock broker and can register themselves by using quick unique client code ("UCC") facility through the NSE registered stock broker (after submitting all details as may be required by such NSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other NSE registered broker, Eligible Shareholders may approach Company's Broker i.e., SMC Global Securities Limited to place their bids.

9.5. At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through Company's Broker.

9.6. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.

9.7. The reporting requirements for Non-Resident Shareholders under the Foreign Exchange Management Act, 1999 and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Shareholder Broker through which the Eligible Shareholder places the bid.

9.8. Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the tendering period of the Buyback. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as "one bid" for the purposes of acceptance.

9.9. The cumulative quantity tendered shall be made available on the website of NSE (www.nseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.

9.10. Procedure to be followed by shareholders holding Demat Shares:

- (a) Eligible shareholders holding Demat Shares who desire to tender their Demat Shares under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback.
(b) The Shareholder Broker would be required to place an order/bid on behalf of the Eligible Shareholder who wish to tender Demat Shares in the Buyback using the Acquisition Window of the NSE. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Demat Shares to the NSE Clearing Limited ("NSE Clearing"), by using the early pay in mechanism prior to placing the bid by the Shareholder Broker. The details of the special account shall be informed in the issue opening circular that will be issued by the NSE or the NSE Clearing.
(c) Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order/bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.
(d) In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the NSE Clearing and a valid bid in the exchange bidding system, the bid by such Equity Shareholder shall be deemed to have been accepted.

9.11. Procedure to be followed by the shareholders holding Physical Shares

- (a) In accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, the physical shareholders are allowed to tender their shares in the Buyback. However, such tendering shall be as per the provisions of the SEBI Buyback Regulations.
(b) Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (i) Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (ii) original share certificate(s), (iii) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferees (if any), by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of PAN Card(s) of all Eligible Shareholders, (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar card, voter identity card or passport.
(c) Based on these documents, the concerned Shareholder Broker shall place an order/ bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback, using the Acquisition Window of NSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
(d) Any Shareholder Broker/Eligible Shareholder who places a bid for physical Equity Shares, is required to deliver the original share certificate(s) & documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback i.e. Cameo Corporate Services Limited (at the address mentioned at paragraph 10 below) not later than 2 (two) days from the offer closing date. The envelope should be super scribed as "MPS Limited Buyback 2020". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Shareholder Broker in case of hand delivery.
(e) The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the SEBI Buyback Regulations and any further directions issued in this regard. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such verification, NSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buyback confirms the bids, they will be treated as 'confirmed bids'.
(f) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback before the closure of the tendering period of the Buyback.

9.12. METHOD OF SETTLEMENT

Upon finalization of the basis of acceptance as per SEBI Buyback Regulations:

- (a) The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the NSE Clearing's bank account as per the prescribed schedule. The settlements of fund obligation for Demat and Physical Shares shall be affected as per the SEBI circulars and as prescribed by NSE and NSE Clearing from time to time. For Demat Shares accepted under the Buyback, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the NSE Clearing and in case of Physical Shares, the NSE Clearing will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such Shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI") bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.
(b) The Demat Shares bought back would be transferred directly to the demat account of the Company opened for the Buyback (the "Company Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of NSE.
(c) The Eligible Shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Demat Shares, due to rejection or due to non-acceptance in the Buyback.
(d) Excess Equity Shares held in dematerialized form or unaccepted Demat Shares, if any, tendered by the Eligible Shareholder would be returned to them by the NSE Clearing. Any excess Physical Shares pursuant to proportionate acceptance/rejection will be returned back to the concerned Eligible Shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Company are less than the Physical Shares tendered by the shareholder in the Buyback.
(e) In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.
(f) The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
(g) Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholders.
(h) The Equity Shares bought will be extinguished in the manner and following the procedure prescribed in the SEBI Buyback Regulations.

10. RECORD DATE AND SHAREHOLDER ENTITLEMENT

10.1. As required under the SEBI Buyback Regulations, the Company has fixed August 24, 2020, as the Record Date for the purpose of determining the entitlement and the names of the Eligible Shareholders.

10.2. The Equity Shares to be bought back, as part of the Buyback is divided in to two categories:

- (a) reserved category for Small Shareholders (defined under Regulation 2(i)(n) of the SEBI Buyback Regulations as a shareholder, who holds shares or other specified securities whose market value, on the basis of closing price on the recognized stock exchange in which the highest trading volume, as on record date, is not more than INR 2,00,000 (Indian Rupees Two Lakhs only); and
(b) the general category for all other shareholders.

10.3. The reserved category for Small Shareholders shall be 15% of the number of Equity Shares which the Company proposes to Buyback, or number of Equity Shares entitled as per shareholding of Small Shareholders, whichever is higher, and the same shall be

MPS

Registered Office: RR Towers IV, Super A, 16/17, Thiru Vi Ka Industrial Estate, Guindy, Chennai-600 032, Tamil Nadu, India | **Tel. No.:** +91-44 -49162222 | **Fax No.:** +91-44-49162225 | **CIN:** L22111TN1970PLC005795
Corporate Office: C-35, Sector-62, Noida – 201307, Uttar Pradesh, India | **E-mail:** investors@mpslimited.com | **Website:** www.mpslimited.com
Company Secretary: Mr. Sunit Malhotra, Chief Financial Officer | **Compliance Officer:** Ms. Shiwani Dayal

MPS LIMITED

**PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF
MPS LIMITED IN CONNECTION WITH THE BUYBACK OF EQUITY SHARES THROUGH THE TENDER OFFER UNDER THE
SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES), REGULATIONS, 2018, AS AMENDED**

10.5. In order to ensure that the same Eligible Shareholder with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and the Buyback Entitlement. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buyback will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar to the Buyback as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body - broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

10.6. The Eligible Shareholders participation in the Buyback will be voluntary. The Eligible Shareholders can choose to participate, in full or in part, and get cash in lieu of Equity Shares to be accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. The Eligible Shareholders may also tender a part of their entitlement. The Eligible Shareholders also have the option of tendering additional Equity Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

10.7. The maximum tender under the Buyback by any shareholder cannot exceed the number of Equity Shares held by the shareholders as on the Record Date.

10.8. The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buyback Regulations.

10.9. Detailed instructions for participation in the Buyback (tendering of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Eligible shareholders as on the Record Date and the Company shall comply with the SEBI circular No. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 on "Relaxations relating to procedural matters - Takeovers and Buy-back" dated May 14, 2020, read with SEBI circular No. SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated July 27, 2020, as applicable.

11. COMPLIANCE OFFICER

Ms. Shiwani Dayal
Compliance Officer
MPS Limited
C-35, Sector-62, Noida – 201307, Uttar Pradesh, India
Tel No.: +91- 120-459 9754, Fax No.: +91- 120-402 1280, Email: investors@mpslimited.com

12. INVESTOR SERVICE CENTRE AND REGISTRAR TO BUYBACK

In case of any query, the shareholders may contact to Cameo Corporate Services Limited, the Registrar and Share Transfer Agent of the Company, appointed as the Investor Service Centre for the purposes of the Buyback, on any day except Saturday and Sunday and public holiday between 9.30 a.m. and 5.30 p.m. at the following address:



Cameo Corporate Services Limited
Subramanian Building, 1 Club House Road, Chennai - 600 002,
Tamil Nadu, India
Tel No.: +91 44 4002 0700 / 0710 / 2846 0390; Fax No.: +91 44 2846 0129
Contact Person: Ms.Sreepriya K, Email: priya@cameoindia.com
Website: www.cameoindia.com
SEBI Registration No.: INR000003753, Validity Period: Permanent
CIN: U67120TN1998PLC041613

13. MANAGER TO THE BUYBACK

The Company has appointed the following as Manager to the Buyback:



Ernst & Young Merchant Banking Services LLP
The Ruby, 14th Floor, 29 Senapati Bapat Marg,
Dadar West, Mumbai - 400 028, India
Tel No.: +91-22-6192 0000, Fax No.: +91-22-6192 1000
Email: mps.buyback2020@in.ey.com; Website: www.ey.com/india
Investor grievance e-mail: investorgrievances@in.ey.com
SEBI Registration No.: INM000010700
Validity Period: Permanent (unless suspended or cancelled by SEBI)
Contact person : Chintan Hefa
LLP Identity No: AAO-2287

14. DIRECTORS' RESPONSIBILITY

As per Regulation 24(i)(a) of the Buyback Regulations, the Board accepts responsibility for the information contained in this Public Announcement and for the information contained in all other advertisements, circulars, brochures, publicity materials etc., which may be issued in relation to the Buyback and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

For and on behalf of the Board of Directors of

MPS Limited

Sd/- Rahul Arora Managing Director DIN: 05353333	Sd/- Ajay Mankotia Independent Director DIN: 03123827	Sd/- Sunit Malhotra Chief Financial Officer and Company Secretary DIN: 00248939
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Date: August 12, 2020
Place: Gurgaon