

Deloitte Haskins & Sells

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INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF MPS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements (Fit for Consolidation (FFC) Accounts) of MPS North America LLC ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the FFC Accounts

The Company's Board of Directors is responsible for the preparation of these FFC Accounts that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles of MPS Limited. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation and presentation of the FFC Accounts that give a true and fair view and are free from material misstatements, whether due to fraud or error.

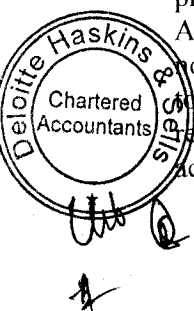
Auditors' Responsibility

Our responsibility is to express an opinion on these FFC Accounts based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the FFC Accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the FFC Accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the FFC Accounts that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the FFC Accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

These FFC accounts have been prepared solely to enable MPS Limited, the holding company to prepare its Consolidated Financial Statements as per the requirements of Section 129(3) of Companies Act, 2013 and in accordance with Accounting Standard 21, 'Consolidated Financial Statements' and not to report on the Company as a separate entity. Accordingly, these FFC Accounts are not intended to present a true and fair view of the balance sheet of the Company as at 31st March, 2016 and of the result of operations and cash flows for the year then ended in accordance with generally accepted accounting principles in India.



Deloitte Haskins & Sells

Opinion

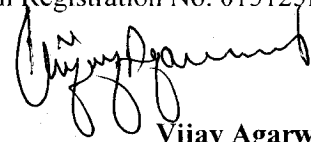
In our opinion and to the best of our information and according to the explanations given to us, these aforesaid FFC Accounts give a true and fair view in conformity with the accounting principles of MPS Limited and are suitable for inclusion in the Consolidated Financial Statements of MPS Limited as per the requirements of Section 129(3) of Companies Act, 2013 and in accordance with Accounting Standard 21, 'Consolidated Financial Statements'.

This report is intended solely for the use of Deloitte Haskins & Sells in connection with the audit of the Consolidated Financial Statements of MPS Limited and should not be used for any other purpose.

For DELOITTE HASKINS & SELLS

Chartered Accountants

(Firm Registration No. 015125N)



Vijay Agarwal

Partner

(Membership No. 094468)



Place Gurgaon
Date May 17, 2016.





MPS North America LLC
5750 Major Blvd, Suite 100, Orlando, FL 32819, USA.

Balance Sheet as at 31 March, 2016

Particulars		Note No.	As at 31 March, 2016	As at 31 March, 2015
			INR in Lacs	INR in Lacs
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	2,423.96	1,784.76
	(b) Reserves and surplus	4	456.65	246.87
			2,880.61	2,031.63
2	Non-current liabilities			
	(a) Deferred tax liabilities (net)	24	48.91	18.34
			48.91	18.34
3	Current liabilities			
	(a) Trade payables	5		
	(i) Outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Outstanding dues of creditors other than micro enterprises and small enterprises		265.07	284.69
	(b) Other current liabilities	6	22.62	0.11
	(c) Short-term provisions	7	4.81	43.85
			292.50	328.65
	TOTAL		3,222.02	2,378.62
II	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	8.A	27.23	48.43
	(ii) Intangible assets	8.B	1,123.84	1,062.19
			1,151.07	1,110.62
	(b) Long-term loans and advances	9	20.71	7.21
			1,171.78	1,117.83
2	Current assets			
	(a) Trade receivables	10	982.88	830.02
	(b) Cash and cash equivalents	11	1,005.56	367.61
	(c) Short-term loans and advances	12	10.43	8.43
	(d) Other current assets	13	51.37	54.73
			2,050.24	1,260.79
	TOTAL		3,222.02	2,378.62
See accompanying notes forming part of the financial statements		1-27		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner
Membership Number : 094468

Place : Gurgaon
Date : 17th May 2016

For and on behalf of MPS North America LLC

Rahul Arora
Manager

Place : Gurgaon
Date : 17th May 2016

Statement of Profit and Loss for the year ended 31 March, 2016


Particulars		Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
			INR in Lacs	INR in Lacs
I	Revenue from operations	14	3,740.81	2,564.32
II	Other income	15	3.67	12.85
III	Total revenue		3,744.48	2,577.17
IV	Expenses			
	(a) Employee benefits expense	16	1,873.69	949.82
	(b) Depreciation and amortisation expense	8	26.53	28.14
	(c) Other expenses	17	1,717.34	1,164.57
	Total expenses		3,617.56	2,142.53
V	Profit before tax (III-IV)		126.92	434.64
VI	Tax expense/(benefit):			
	(a) Current tax		25.20	72.16
	(b) Deferred tax	24	30.58	88.77
	Total tax expense		55.78	160.93
VII	Profit for the year (V-VI)		71.14	273.71
VIII	Earnings per share (USD 100 each) Basic and Diluted	23	186.11	1,209.18
	See accompanying notes forming part of the financial statements	1-27		

In terms of our report attached
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Rahul Arora
Manager

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MPS North America LLC
5750 Major Blvd, Suite 100, Orlando, FL 32819, USA.

Cash Flow Statement for the year ended 31 March,2016

in Rupees lacs

Description	For the year ended 31 March,2016	For the year ended 31 March,2015
A. Cash flow from operating activities		
Net Profit before tax	126.92	434.64
Adjustments :		
Depreciation and amortisation expense	26.53	28.14
Loss/(profit) on Sale/disposal / write-off of fixed assets (net)	0.26	-
Liabilities & Provisions no longer required written back	(3.36)	(10.13)
Provision for doubtful trade receivables, loans and advances	1.57	(36.84)
Bad debts written off	-	50.96
Other non-cash adjustments		(1.24)
Operating cash flows before working capital changes	151.92	465.53
Increase in trade receivables	(151.29)	(482.19)
Increase in short-term loans and advances	(2.00)	(5.04)
Decrease in other current assets	3.35	(54.73)
Increase in long-term loans and advances	(21.39)	(4.01)
Decrease/Increase in trade payables	(19.61)	155.03
Decrease in short-term provisions	(39.04)	(2.04)
Decrease in other current liabilities	15.75	0.11
Cash generated from operations	(62.31)	72.66
Net income tax paid	(78.92)	(28.50)
Net cash(used in)/flow from operating activities (A)	(141.23)	44.16
B. Cash flows from investing activities		
Purchase of fixed assets	1.34	(4.44)
Acquisition of assets	-	(665.62)
Net cash flow/(used in) by investing activities (B)	1.34	(670.06)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	639.20	737.52
Net cash provided by financing activities (C)	639.20	737.52
Net increase in Cash and cash equivalents (A+B+C)	499.31	111.62
Impact on Cash Flow on account of foreign currency translation	138.64	69.08
NET CHANGES FROM ALL ACTIVITIES	637.95	180.70
Cash and cash equivalents at the beginning of the year	367.61	186.91
Cash and cash equivalents at the end of the year	1,005.56	367.61
*Comprises:		
In current accounts	1,005.56	367.61
See accompanying notes forming part of the financial statements	1-27	

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner
Membership Number : 094468

Place : Gurgaon
Date : 17th May 2016

For and on behalf of MPS North America LLC

Rahul Arora
Manager

Place : Gurgaon
Date : 17th May 2016

MPS NORTH AMERICA LLC

Notes forming part of the financial statements

1 Corporate Information

Background

MPS North America LLC ('MPS NA LLC'/'Company') registered as a Limited Liability Company under the laws of the State of Florida in the United States of America and provides full service editorial, design and production services to the educational publishing market with expertise in developing turnkey solutions for print and online products. MPS NA LLC is addressing K 12 and Higher Education publishing market.

2 Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the MPS NA LLC (the Company) have been prepared for the purpose of consolidation with MPS Ltd., the Holding Company. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The financial statements have been prepared under the accrual basis of accounting, using the historical cost convention. The Company is a wholly owned subsidiary of MPS Limited and has been treated as a non-integral foreign operation.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2.3 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises balances in current accounts with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Fixed assets costing Rs. 5,000 or less are fully depreciated in the year of capitalization.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act 2013.

Intangible assets (Computer Software) are amortized between 2 to 5 years based on the economic benefits that are expected to accrue to the Company over such period.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

Goodwill arising from acquisition of business is not amortized, but evaluated at year end for impairment, if any.

2.6 Revenue recognition

Revenues is recognized when services are rendered and where no significant uncertainty exists regarding the collection of amount of consideration.

Costs and earnings in excess of billings are classified as unbilled revenue which is certain for realization while billings in excess of costs and earnings are classified as deferred revenue.

2.7 Fixed Assets (Tangible / Intangible)

Fixed assets are carried at cost less accumulated depreciation / amortization and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible assets that are acquired by the company are measured initially at cost. After initial recognition, an Intangible asset is carried at its costs less any accumulated amortization and any accumulated impairment loss. Intangible assets comprise of software where it is expected to obtain future enduring economic benefits. Capitalization costs include license fees and costs of implementation/system integration services. The Costs are capitalized in the year in which the relevant software is implemented for use.

Goodwill comprises the excess of purchase consideration over the fair value of the net assets acquired classified as an asset on the balance sheet

2.8 Foreign Exchange Transactions

- (a) Initial Recognition — The Company is domiciled in Florida and its functional currency is USD
- (b) Translation/Conversion - All transactions recorded in US Dollars are translated to Indian Rupees (Reporting currency) using monthly average rate for income and expenses and closing rate for balance sheet items.

All resulting exchange difference arising out of year -end conversion has been recognized in the Foreign Currency Translation Reserve.

2.9 Employee benefits

The amount of employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include CPTO (Compensatory Paid Time Off), which are expected to occur after the end of the period in which the employee renders the related service. The cost of such compensated absences is recognized when employee render the services that increase their entitlement of future compensated absences.

2.10 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis.

2.11 Earnings per unit

Basic earnings per unit is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of units outstanding during the year.

2.12 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of applicable foreign tax laws.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.13 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the Statement of Profit and Loss.

2.14 Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.15 Operating Cycle

Based on the nature of services / activities the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

MPS North America LLC
Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of units	Amount in INR Lacs	Number of units	Amount in INR Lacs
(A) Issued, Subscribed and fully paid up share capital Units of USD 100 each with voting rights (refer note (i) to (iv) below) The Company's share are denominated in units, the share capital in US Dollar is translated into Indian Rupees.	40,000	2,423.96	30,000	1,784.76
Total		2,423.96		1,784.76

Notes:

(i) Reconciliation of the number of units and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of units	Amount in INR Lacs	Number of units	Amount in INR Lacs
No. of Units				
At the beginning of the year	30,000	1,784.76	18,000	1,047.24
Add: Issue of units during the year	10,000	639.20	12,000	737.52
At the end of the year	40,000	2,423.96	30,000	1,784.76

* Note: On 5th June 2015, the Company has allotted 10,000 units of the face value of USD 100 each to MPS Limited.

(ii) Terms/rights attached to Units

The Company has only one class of units having a par value of USD 100 / per unit. Each unit holder is entitled to one vote per unit. In the event of liquidation of the Company, the unit holders will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to number of units held by the unit holders.

(iii) Details of Units held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31 March, 2016 Number of Units	As at 31 March, 2015 Number of Units
MPS Limited, the holding company	40,000	30,000

(iv) Details of Units held by each unitholder holding more than 5% units:

Class of Units / Name of unit holder	As at 31 March, 2016		As at 31 March, 2015	
	Number of Units held	% holding in that class of Units	Number of Units held	% holding in that class of Units
Units MPS Limited	40,000	100.00%	30,000	100.00%

MPS North America LLC
Notes forming part of the financial statements

Note 4 Reserves and surplus

Particulars	As at 31 March, 2016	As at 31 March, 2015
	INR in Lacs	INR in Lacs
(a) Foreign currency translation reserve		
Opening balance	108.85	39.77
Add: Effect of foreign exchange rate variations during the year	138.64	69.08
Closing balance	247.49	108.85
(b) Surplus /(Deficit) in Statement of Profit and Loss		
Opening balance	138.02	(130.04)
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life	-	5.65
Add: Profit for the year	71.14	273.71
Closing balance	209.16	138.02
Total	456.65	246.87

Note 5 Trade payables

Particulars	As at 31 March, 2016	As at 31 March, 2015
	INR in Lacs	INR in Lacs
Trade payables -other than acceptances		
(i) Outstanding dues of micro enterprises and small enterprises	-	-
(ii) Outstanding dues of creditors other than micro enterprises and small enterprises	265.07	284.69
	265.07	284.69

Note 6 Other current liabilities

Particulars	As at 31 March, 2016	As at 31 March, 2015
	INR in Lacs	INR in Lacs
(a) Advances from customers	-	0.11
(b) Other payables:		
(i) Statutory remittances	22.62	
	22.62	0.11

Note 7 Short-term provisions

Particulars	As at 31 March, 2016	As at 31 March, 2015
	INR in Lacs	INR in Lacs
(a) Provision for taxation (net of advance tax)	-	43.85
(b) Compensated absences (Refer note 21)	4.81	-
	4.81	43.85

MPS North America LLC
Notes forming part of the financial statements

Note 8 Fixed assets

A. Tangible assets (Owned)	Gross block				Accumulated Depreciation				Net Block			
	As at 01-April- 2015	Additions	Disposals	Effect of foreign exchange differences	As at 31-March-2016	As at 01-April- 2015	Depreciation expense for the year	Disposals	Effect of foreign exchange	Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	As at 31-March-2016	As at 31-Mar-2015
(a) Plant and equipment	83.16 (27.34)	1.23 (46.52)	-	4.97 (9.30)	89.36 (83.16)	37.64 (10.41)	24.08 (13.45)	-	1.70 (8.13)	-	63.42 (37.64)	25.94 (45.52)
(b) Furniture and fixtures	4.86 (3.32)	- (1.36)	-	(0.04) (0.18)	4.82 (4.86)	1.95 (0.89)	0.95 (0.77)	-	0.63 (0.29)	-	3.53 (1.95)	1.29 (2.91)
Total (A)	88.02 (30.66)	1.23 (47.88)	-	4.93 (9.48)	94.18 (88.02)	39.59 (11.30)	25.03 (14.22)	-	2.33 (8.42)	-	66.95 (39.59)	27.23 (48.43)
Previous year												48.43 (19.36)

B. Intangible assets (Owned)	Gross block			Accumulated Depreciation				Net Block				
	As at 01-April- 2015	Additions	Disposals	Effect of foreign exchange differences	As at 31-March-2016	As at 01-April- 2015	Depreciation expense for the year	Disposals	Effect of foreign exchange	Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	As at 31-March-2016	As at 31-Mar-2015
(a) Goodwill on acquisition	1,060.33 (467.26)	- (567.32)	-	63.31 (25.75)	1,123.64 (1,060.33)	- (-)	- (-)	-	-	-	1,123.64 (1,060.33)	1,060.33 (467.26)
(b) Computers and software	27.52 (25.96)	0.11 (0.13)	-	1.63 (1.43)	29.26 (27.52)	25.66 (11.74)	1.50 (13.92)	0.20 (-)	1.90 (-)	29.06 (25.66)	29.06 (1.86)	1.86 (14.22)
Total (B)	1,087.85	0.11	-	64.94	1,152.90	25.66	1.50	-	1.90	-	1,123.84	1,062.19
Previous year	(493.22)	(567.45)	(-)	(27.18)	(1,087.85)	(11.74)	(13.92)	(-)	(-)	(-)	(1,062.19)	(481.48)
Grand Total (A + B)	1,175.87	1.34	-	69.87	1,247.08	65.25	26.53	-	4.23	-	96.01	1,110.62
Previous year	(523.88)	(615.33)	-	(36.66)	(1,175.87)	(23.04)	(28.14)	-	(8.42)	(5.65)	(65.25)	(500.84)

Note: Figures in brackets relate to the previous year figures.

Note 9 Long-term loans and advances

Particulars	As at 31 March, 2016	As at 31 March, 2015
	INR in Lacs	INR in Lacs
(a) Security deposits		
Unsecured, considered good	12.81	7.21
	12.81	7.21
(b) Advance income tax (net of provisions)	7.90	-
	20.71	7.21

Note 10 Trade receivables (Unsecured)

Particulars	As at 31 March, 2016	As at 31 March, 2015
	INR in Lacs	INR in Lacs
Outstanding for a period exceeding six months		
Considered good	1.57	-
Doubtful	1.57	-
	3.14	-
Less: Provision for doubtful trade receivables	1.57	-
	1.57	-
Other trade receivables		
Considered good	981.31	830.02
	981.31	830.02
	982.88	830.02

Note 11 Cash and cash equivalents

Particulars	As at 31 March, 2016	As at 31 March, 2015
	INR in Lacs	INR in Lacs
Balances with banks		
In current accounts	1,005.56	367.61
	1,005.56	367.61
Out of the above the balances that meet the definition of Cash and Cash equivalents as per AS 3 Cash Flow Statement is :	1,005.56	367.61

Note 12 Short-term loans and advances

Particulars	As at 31 March, 2016	As at 31 March, 2015
	INR in Lacs	INR in Lacs
(a) Prepaid expenses - Unsecured considered good	7.47	8.43
(b) Others	2.96	-
	10.43	8.43

MPS North America LLC
Notes forming part of the financial statements

Note 13 Other current assets

Particulars	As at 31 March, 2016	As at 31 March, 2015
	INR in Lacs	INR in Lacs
Unbilled Revenue	51.37	54.73
	51.37	54.73

Note 14 Revenue from operations

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	INR in Lacs	INR in Lacs
Sale of services		
Income from e-publishing services	3,740.81	2,564.32
	3,740.81	2,564.32

Note 15 Other Income

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	INR in Lacs	INR in Lacs
(a) Other non-operating income (Refer note (i) below)	3.67	12.85
	3.67	12.85

Note (i) Other non-operating income comprises:

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	INR in Lacs	INR in Lacs
Liabilities and provisions no longer required written back	3.36	10.13
Miscellaneous income	0.31	2.72
Total -Other non-operating income	3.67	12.85

Note 16 Employee benefits expense

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	INR in Lacs	INR in Lacs
Date : 17th May 2016	1,872.26	948.65
Staff welfare expenses	1.43	1.17
	1,873.69	949.82

MPS North America LLC
Notes forming part of the financial statements

Note 17 Other expenses

Particulars	For the year ended 31 March,2016		For the year ended 31 March,2015
	INR in Lacs		INR in Lacs
Consumables	-		0.01
Outsourcing cost	1,373.59		965.21
Power and fuel	2.41		0.80
Rent including lease rentals (Refer note 22)	109.59		62.81
Hire charges	0.27		0.96
Repairs and maintenance - Others	2.76		3.14
Repairs and maintenance - Plant and machinery	6.86		0.49
Insurance	9.00		4.90
Rates and taxes	0.47		0.49
Communication	62.95		26.72
Travelling and conveyance	93.45		50.57
Legal and professional	26.79		25.87
Bad trade receivables written off	-	50.93	
Less: Provision utilised for the above	-	36.84	14.09
Provision for doubtful trade and other receivables	1.57		-
Miscellaneous expenses	27.63		8.51
	1,717.34		1,164.57

MPS North America LLC
Notes forming part of the financial statements

Disclosures under Accounting Standards

Disclosures under Accounting Standards

Note	Particulars		
18	Acquisition of assets During the previous year 2014-15 ,the Company had acquired the following assets from Electronic Publishing Services Inc and TSI Evolve, Inc. vide Agreement effective October 1, 2014 and March 29, 2015 respectively.The amount paid by the Company in excess of the net assets acquired is recognised as goodwill on acquisition ,as detailed below:		
19	Contingent liabilities and commitments There are no contingent liabilities and commitments as on the date of the balance sheet.		
20	Derivative Instruments The Company has not entered into any foreign currency contracts during the year and hence there are no outstanding forward exchange contracts as on the date of the balance sheet. There are no unhedged foreign currency exposures as on the date of the balance sheet.		
21	Employee benefit plans Employee benefits includes short-term compensated absences(CPTO) of Rs. 4.82 lacs for the year ended March 31, 2016 (Previous Year Rs. Nil).		


MPS North America LLC
Notes forming part of the financial statements

Note	Particulars	For the year ended 31 March,2016	For the year ended 31 March,2015
		INR in lacs	INR in lacs
22	Details of leasing arrangements		
	<u>As Lessee</u>		
	The Company has entered into cancellable and non-cancellable operating leases for office premises. Lease rentals recognised in respect of such operating leases in the Statement of Profit and Loss is:	109.59	62.81
	The total of future minimum lease payments in respect of premises taken on lease under non-cancellable operating leases are as follows:		
	Future minimum lease payments		
	not later than one year	-	-
	later than one year and not later than five years	-	-

Note	Particulars	Date : 17th May 2016	For the year ended 31 March,2015
		INR in lacs	INR in Lacs
23	Earnings per unit		
	<u>Basic and Diluted</u>		
	Net profit for the year to the unit holders	71.14	273.71
	Total number of units outstanding at the end of the year	40,000	30,000
	Weighted average number of units	38,224	22,636
	Par value per unit	USD 100	USD 100
	Earnings per unit - Basic and Diluted	186.11	1,209.18

Note	Particulars	As at 31 March, 2016	As at 31 March, 2015
		INR in lacs	INR in Lacs
24	Deferred tax (liabilities) / assets		
	Provision for doubtful trade receivables	0.59	-
	On difference between book balance and tax balance of fixed assets	(48.50)	(15.17)
	Others	(1.00)	(3.17)
	Deferred tax liabilities (net)	(48.91)	(18.34)

MPS North America LLC
Notes forming part of the financial statements

Note	Particulars			
25	Related party transactions In the normal course of business ,the Company enters into transactions at arm's length with affiliated companies,its ultimate holding company,holding company and key management personnel.The names of the related parties of the company ,as required to be disclosed is as follows:			
25.a	Details of related parties:			
	Description of relationship	Names of related parties		
	(i) Ultimate Holding Company	ADI BPO Services Limited		
	(ii) Holding Company	MPS Limited		
	(iii) Key Managerial Personnel (KMP)	Mr. Rahul Arora, Manager		
25.b	Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016:			
	Particulars	Holding Company	KMP	INR in Lacs Total
	Equity Contribution	639.20 (737.52)	- (-)	639.20 (737.52)
	Receiving of Services	423.69 (494.53)	- (-)	423.69 (494.53)
	Balance Outstanding at the end of the year			
	Trade payables	120.30 (164.44)	- (-)	120.30 (164.44)
	Trade Receivables	- (2.74)	- (-)	- (2.74)
	Note: 1. No amount has been written off / written back during the year in respect of dues from / to related parties. 2. Figures in brackets relate to the previous year figures.			
26	Segment information The Company operates in one business segment of providing editorial, design and production services to the educational publishing market and is considered to constitute a single segment in the context of segment reporting as prescribed by Accounting Standard 17 - "Segment Reporting".			
27	Previous Year's figures Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.			
	For and on behalf of MPS North America LLC  Place: Gurgaon Date : 17th May 2016 Rahul Arora Manager			