

Walker Chandio & Co LLP

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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of MPS Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of MPS Limited ('the Company') for the quarter ended 30 September 2022 and the year to date results for the period 01 April 2022 to 30 September 2022 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandio & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013



Rohit Arora
Partner
Membership No. 504774
UDIN: 22504774BBXOMJ8575



Place: New Delhi
Date: 03 November 2022

Chartered Accountants

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2022

(INR in lacs, except per equity share data)

S.No.	Particulars	Three months ended 30-Sep-2022 (Un-Audited)	Preceding three months ended 30-Jun-2022 (Un-Audited)	Corresponding three months ended in previous year 30-Sep-2021 (Un-Audited)	Year to date figures for six months in current period ended 30-Sep-2022 (Un-Audited)	Year to date figures for six month in previous period ended 30-Sep-2021 (Un-Audited)	Previous year ended 31-Mar-2022 (Audited)
I	Revenue from operations	7,665	6,891	7,278	14,556	14,688	28,402
II	Other income	126	241	335	367	597	1,119
III	Total income (I+II)	7,791	7,132	7,613	14,923	15,285	29,521
IV	Expenses						
	Employee benefits expense	3,045	3,050	3,128	6,095	6,220	11,974
	Finance costs	24	25	23	49	51	117
	Depreciation and amortization expense	295	292	329	587	677	1,336
	Other expenses	1,407	1,585	1,679	2,992	3,456	6,255
	Total expenses	4,771	4,952	5,159	9,723	10,404	19,682
V	Profit before tax (III-IV)	3,020	2,180	2,454	5,200	4,881	9,839
VI	Tax expense						
	Current tax	775	631	623	1,406	1,291	2,686
	Adjustment of tax relating to earlier years	-	-	-	-	-	68
	Deferred tax	21	(46)	13	(25)	13	(61)
	Total tax expense	796	585	636	1,381	1,304	2,693
VII	Profit for the period (VI-VI)	2,224	1,595	1,818	3,819	3,577	7,146
VIII	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	Remeasurement of the net defined benefit liability/asset	(18)	(42)	19	(60)	(25)	1
	Income tax relating to items that will not be reclassified to profit or loss	5	11	(5)	16	6	(1)
	Items that will be reclassified subsequently to profit or loss						
	Exchange differences on translation of foreign operations	125	169	(69)	294	(24)	140
	Total other comprehensive income for the period/year	112	138	(55)	250	(43)	140
IX	Total comprehensive income for the period/year (VII+VIII)	2,336	1,733	1,763	4,069	3,534	7,286
X	Paid-up equity share capital (Face value - INR 10 per equity share)	1,711	1,711	1,805	1,711	1,805	1,711
XI	Other equity						30,889
XII	Earnings per equity share (not annualised for quarters and period) (nominal value of share INR 10)						
	Basic and diluted	13.00	9.32	10.07	22.32	19.82	39.87



STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES

(INR in lacs)

S.No.	Particulars	As at 30-Sep-2022 (Un-Audited)	As at 31-Mar-2022 (Audited)
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	1,702	1,781
	Investment property	100	101
	Right-of-use assets	737	901
	Goodwill	3,732	3,481
	Other intangible assets	1,536	1,688
	Financial assets		
	Investments	11,762	11,762
	Loans	1,221	-
	Other financial assets	3,146	4,637
	Income tax assets (net)	416	492
	Other non-current assets	165	182
	Total non-current assets	24,517	25,025
2	Current assets		
	Financial assets		
	Investments	519	424
	Trade receivables	3,914	4,871
	Cash and cash equivalents	1,080	1,516
	Other bank balances	1,632	3,011
	Loans	284	-
	Other financial assets	465	602
	Other current assets	4,364	4,515
	Total current assets	12,258	14,939
	TOTAL ASSETS	36,775	39,964
B	EQUITY AND LIABILITIES		
	Equity		
	Equity share capital	1,711	1,711
	Other equity	29,824	30,889
	Total equity	31,535	32,600
	Liabilities		
1	Non-current liabilities		
	Financial liabilities		
	Lease liabilities	368	704
	Deferred tax liabilities (net)	8	29
	Total non-current liabilities	376	733
2	Current liabilities		
	Financial liabilities		
	Lease liabilities	515	358
	Trade payables		
	Due to Micro and Small enterprises	9	16
	Due to Others	1,850	2,431
	Other financial liabilities	673	434
	Other current liabilities	1,461	3,156
	Provisions	88	93
	Income tax liabilities (net)	268	143
	Total current liabilities	4,864	6,631
	TOTAL EQUITY AND LIABILITIES	36,775	39,964



STATEMENT OF UNAUDITED STANDALONE CASH FLOWS

(INR in lacs)

S.No.	Particulars	Year to date figures for six months	Year to date figures for six months
		in current period ended	in previous period ended
		30-Sep-2022 (Un-Audited)	30-Sep-2021 (Un-Audited)
A	Cash flows from operating activities		
	Net profit before tax	5,200	4,881
	Adjustments:		
	Depreciation and amortisation expense	587	677
	Prepayment Expenses on discounting of Security Deposit on Lease	7	6
	Interest income	(123)	(271)
	Net gain on sale of current Investment	(4)	(3)
	Finance costs paid	49	51
	Gain on sale of property, plant and equipment (net)	-	(4)
	Gain on Investment carried at fair value through profit or loss (net)	(6)	(7)
	Liabilities/provisions no longer required written back	(192)	(2)
	Allowances for expected credit loss	(17)	(87)
	Bad debts written off (net)	(19)	4
	Allowances for doubtful advances	2	(1)
	Allowances for contract assets	-	10
	Income from government grants	(41)	-
	Advances written off (net)	28	60
	Unrealised foreign exchange (gain) (net)	(34)	(4)
	Unrealised foreign exchange loss on mark-to-market on forward contracts	333	3
	Operating cash flows before working capital changes	5,770	5,313
	Decrease in trade receivables	976	1,068
	(Increase) in loans	(7)	-
	(Increase) in other financial assets	(310)	(75)
	Decrease/(increase) in other current assets	164	(569)
	Decrease in other non-current assets	17	132
	(Decrease) in trade payables	(588)	(93)
	Increase/(decrease) in other financial liabilities	431	(192)
	(Decrease)/increase in other liabilities	(1,694)	220
	(Decrease) in provisions	(66)	(126)
	Cash generated from operations	4,693	5,678
	Income tax paid (net of refunds)	(1,204)	(1,660)
	Net cash generated from operating activities (A)	3,489	4,018
B	Cash flows from investing activities		
	Purchase of property, plant and equipment (including capital work-in-proress)	(108)	(257)
	Purchase of other intangible assets	-	(15)
	Sale of property, plant and equipment	-	4
	Loan given to subsidiary	(1,500)	-
	Purchase of current investments	(2,689)	(1,801)
	Sale of current investments	2,604	2,141
	Purchase of term deposits	(1,472)	(3,233)
	Redemption of term deposits	4,346	740
	Rent received	-	299
	Interest received	231	30
	Net cash generated from/(used in) investing activities (B)	1,412	(2,092)
C	Cash flows from financing activities		
	Repayment of lease liabilities including interest expenses	(228)	(394)
	Finance costs paid	-	(4)
	Dividend paid	(5,132)	-
	Net cash used in financing activities (C)	(5,360)	(398)
	Net (decrease)/increase in cash and cash equivalents (A+B+C)	(459)	1,528
	Impact on cash flows on account of foreign currency translation reserve	(28)	(81)
	Effects of exchange differences on cash and cash equivalents held in foreign currency	51	10
	Cash and cash equivalents at the beginning of the year	1,516	2,118
	Cash and cash equivalents at the end of the period	1,080	3,575



NOTES:

- 1 These results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') notified under section 133 of Companies Act, 2013. These results have been reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meeting held on 03 November 2022. The Statutory auditors of the Company have carried out limited review of the financial results for the quarter and half year ended 30 September 2022 and an unmodified review report has been issued. The same are available with Stock Exchanges and 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. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

(INR in lacs)

S.No.	Particulars	Three months ended 30-Sep-2022 (Un-Audited)	Preceding three months ended 30-Jun-2022 (Un-Audited)	Corresponding three months ended in previous year 30-Sep-2021 (Un-Audited)	Year to date figures for six months in current period ended 30-Sep-2022 (Un-Audited)	Year to date figures for six months in previous period ended 30-Sep-2021 (Un-Audited)	Previous year ended 31-Mar-2022 (Audited)
I	Segment revenue						
	Content solutions	5,205	4,502	4,475	9,707	8,828	17,575
	Platform solutions	2,460	2,389	2,803	4,849	5,860	10,827
	Total revenue from operations	7,665	6,891	7,278	14,556	14,688	28,402
II	Segment results (profit before tax and interest from each segment)						
	Content solutions	2,658	1,920	1,920	4,578	3,694	7,103
	Platform solutions	1,124	952	779	2,076	1,814	4,086
	Total	3,782	2,872	2,699	6,654	5,508	11,189
	Less: Finance cost	24	25	23	49	51	117
	Less: Un-allocable expenditure (net of un-allocable income)	738	667	222	1,405	576	1,233
	Profit before tax	3,020	2,180	2,454	5,200	4,881	9,839


- (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 The Code on Social Security, 2020 (the Code) relating to employee benefits during employment and post-employment benefits has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and rules are yet to be framed. The Company will assess the impact and will give appropriated impact in its financial results in the period in which, the Code becomes effective and the related rules are published.
- 4 The figures for the corresponding previous quarter/period/year have been regrouped/reclassified, wherever necessary to make them comparable.

Place: Noida

Date: 03 November 2022

By Order of the Board of Directors

Rahul Arora



Chairman and Managing Director

