

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2021
(INR in lacs, except per equity share data)

S.No.	Particulars	Three months ended 30-Jun-2021 (Un-Audited)	Preceding three months ended 31-Mar-2021 (Audited) (refer note-2)	Corresponding three months ended in previous year 30-Jun-2020 (Un-Audited)	Previous year ended 31-Mar-2021 (Audited)
I	Revenue from operations	11,715	11,425	8,177	42,255
II	Other income	325	212	249	987
III	Total income (I+II)	12,040	11,637	8,426	43,242
IV	Expenses				
	Employee benefits expense	5,287	5,321	3,956	20,254
	Finance costs	41	63	42	204
	Depreciation and amortization expense	546	558	387	2,122
	Other expenses	3,284	3,247	2,150	11,323
	Total expenses	9,158	9,189	6,535	33,903
V	Profit before tax (III-IV)	2,882	2,448	1,891	9,339
VI	Tax expense				
	Current tax	723	798	474	2,372
	Adjustment of tax relating to earlier years	-	-	-	498
	Deferred tax charge	18	361	31	613
	Total tax expense	741	1,159	505	3,483
VII	Profit for the period (V-VI)	2,141	1,289	1,386	5,856
VIII	Other comprehensive income				
	Items that will not be reclassified to profit or loss				
	Remeasurement of the net defined benefit liability/asset	(36)	140	(75)	69
	Income tax relating to items that will not be reclassified to profit or loss	9	(35)	19	(17)
	Items that will be reclassified subsequently to profit or loss				
	Exchange differences on translation of foreign operations	228	(182)	-	(273)
	Total other comprehensive income for the period	201	(77)	(56)	(221)
IX	Total comprehensive income for the period (VII+VIII)	2,342	1,212	1,330	5,635
X	Paid-up equity share capital (Face value - INR 10 per equity share)	1,805	1,805	1,862	1,805
XI	Earnings per equity share (nominal value of share INR 10)				
	Basic and diluted	11.86	7.14	7.44	31.92

NOTES:

- 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 28 July 2021. The Statutory auditors of the Company have carried out limited review of the financial results for the quarter ended 30 June 2021 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.
- The figures for the three months ended 31 March 2021 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to preceding quarter of the relevant financial year.

3 Segment Reporting

- (a) Based on the “management approach” as defined in Ind AS 108 Operating Segments, the Chief Operating Decision Maker (‘CODM’) evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators by business segments. During the quarter ended 30 June 2021, the CODM has evaluated and realigned the composition of the business segments to reflect the changes in the internal organisation structure and accordingly the segment revenue and results have been reclassified for all the reported periods. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

(INR in lacs)

S.No.	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in previous year	Previous year ended
		30-Jun-2021	31-Mar-2021	30-Jun-2020	31-Mar-2021
		(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
I	Segment revenue				
	Content solutions	6,137	6,054	5,385	22,394
	eLearning solutions	2,213	1,753	1,763	7,283
	Platform solutions	3,365	3,618	1,029	12,578
	Total revenue from operations	11,715	11,425	8,177	42,255
II	Segment results (profit before tax, exceptional items and interest from each segment)				
	Content solutions	1,845	1,843	1,849	7,229
	eLearning solutions	215	(104)	(92)	(458)
	Platform solutions	1,168	1,029	598	3,956
	Total	3,228	2,768	2,355	10,727
	Less: Finance costs	41	63	42	204
	Less: Un-allocable expenditure (net of un-allocable income)	305	257	422	1,184
	Profit before tax	2,882	2,448	1,891	9,339

- (b) Assets and liabilities used in the Group’s business are not identified to any of the reportable segments, as these are used interchangeably between segments and the management believes that it is not practicable to provide segment disclosures relating to total assets and liabilities.

- 4 On 1 July 2020, the Company has completed the acquisition of the HighWire Press US Business at a purchase consideration of INR 5,181 Lacs through its US branch and the newly incorporated wholly owned subsidiary, HighWire North America LLC. MPS North America LLC, an existing US based wholly owned subsidiary of the Company has also acquired, through Stock Purchase Agreement, 100% shares of HighWire Press Limited, based at Northern Ireland along with its wholly owned subsidiary, Semantico Limited, based at United Kingdom at a purchase consideration of INR 770 Lacs. This being a Business Combination thus based on the purchase price allocation to the various identifiable acquired assets and assumed liabilities, goodwill of INR 2,522 Lacs has been recognised. The measurement period of goodwill has been closed on 30 June 2021 as per applicable accounting standards.
- 5 The amendment in the Income Tax Act through the Finance Bill enacted in March 2021 has taken out goodwill from the purview of tax depreciation with effect from 1 April 2020. Consequent to the enactment and as per the requirements of Ind AS 12, the Group has recognised a deferred tax expense of INR 561 Lacs for the year ended 31 March 2021 being the deferred tax liability on difference between book base and tax base of goodwill for MPS Interactive Systems Limited in respect of business acquired from Tata Interactive Systems in financial year 2018-19.
- 6 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 and its Indian subsidiary 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.
- 7 In assessing the recoverability of receivables including unbilled receivables, contract assets, goodwill, intangible assets and investments, the Group has considered internal and external information up to the date of approval of these financial results including economic forecasts considering emerging situations due to COVID-19. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties in future periods.
- 8 The standalone results of the Company are also available on the Company’s website www.mpslimited.com. The key standalone financial information of the Company is given below:

(INR in lacs)

Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in previous year	Previous year ended
	30-Jun-2021	31-Mar-2021	30-Jun-2020	31-Mar-2021
	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
Revenue from operations	7,410	8,104	4,925	27,902
Profit before tax	2,427	2,349	1,835	8,790
Tax expense	668	572	471	2,737
Profit for the period	1,759	1,777	1,364	6,053
Other comprehensive income, net of income tax	12	(136)	(48)	(155)
Total comprehensive income for the period	1,771	1,641	1,316	5,898

By Order of the Board of Directors

Rahul Arora

Place: Gurugram

Date: 28 July 2021

Chairman and Managing Director