MPS Limited

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CIN: L22122TN1970PLC005795

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017

(INR in lacs, except per equity share data)

Sl No	Particulars	Three months ended 31-Dec-2017 (Un-Audited)	Preceding three months ended 30-Sep-2017 (Un-Audited)	Corresponding three months ended in previous year 31-Dec-2016 (Un-Audited)	Year to date figures for nine months in current period ended 31-Dec-2017 (Un-Audited)	Year to date figures for nine months in previous period ended 31-Dec-2016 (Un-Audited)	Previous Year ended 31-Mar-2017 (Audited)
I	Revenue from operations (net)	5,304	5,879	5,866	16,617	16,650	22,356
II	Other income	731	489	250	2,012	1,404	1,806
III	**Total income (I+II)**	**6,035**	**6,368**	**6,116**	**18,629**	**18,054**	**24,162**
IV	**Expenses**						
	Employee benefit expense	2,209	2,251	2,432	6,872	7,111	9,436
	Finance cost	2	1	10	4	12	17
	Depreciation and amortization expense	177	201	119	583	330	460
	Other expenses	1,059	1,116	1,198	3,272	3,134	4,185
	Total expenses	**3,447**	**3,569**	**3,759**	**10,731**	**10,587**	**14,098**
V	**Profit before exceptional items (III-IV)**	2,588	2,799	2,357	7,898	7,467	10,064
VI	Exceptional items	-	-	-	-	-	-
VII	**Profit before tax (V-VI)**	**2,588**	**2,799**	**2,357**	**7,898**	**7,467**	**10,064**
VIII	**Tax Expense**						
	Current tax	669	921	805	2,261	2,363	3,152
	Reversal of excess provision for tax relating to earlier years	2	-	-	2	-	(133)
	Deferred tax charge	185	77	(27)	290	32	130
	Total tax expense	**856**	**998**	**778**	**2,553**	**2,395**	**3,149**
IX	**Profit for the period (VII-VIII)**	**1,732**	**1,801**	**1,579**	**5,345**	**5,072**	**6,915**
X	**Other comprehensive income**						
	Items that will not be reclassified to profit or loss						
	Remeasurement of the net defined benefit liability/asset	20	14	-	(73)	(60)	(59)
	Income tax relating to items that will not be reclassified to profit or loss	(7)	(5)	-	25	21	20
	Total other comprehensive income	**13**	**9**	**-**	**(48)**	**(39)**	**(39)**
XI	**Total comprehensive income for the period (IX+X)**	**1,745**	**1,810**	**1,579**	**5,297**	**5,033**	**6,876**
XII	Paid-up equity share capital (Face Value - Rs 10 per Equity Share)	1,862	1,862	1,862	1,862	1,862	1,862
XIII	**Earnings per equity share (nominal value of share Rs. 10) (previous year: Rs. 10)**						
	Basic and Diluted	9.30	9.67	8.48	28.71	27.24	37.14

NOTES:

1. The above results were reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meeting held on 22 January 2018. The Statutory auditors of the Company have carried out limited review of the financial results for the quarter ended and nine months ended 31 December 2017 and an unmodified report has been issued. The same has been filed with Stock Exchanges and is also available on the Company's website at www.adi-mps.com.
2. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016. Accordingly, the figures for the year ended 31 March 2017 have been presented after incorporating the applicable Ind AS adjustments in addition to the figures for the quarter and nine months ended 31 December 2016.
3. **Transition to Ind-AS:**
   The Company adopted Ind AS from 01 April 2017. The transition was carried out from Indian Accounting Principles generally accepted in india as prescribed under Sec 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) and Companies (Accounting Standards) Amendment Rules, 2016, which was the previous GAAP (referred to as 'Previous GAAP').
   Impact of transition has been provided in the Equity as at 01 April 2016 and results for the quarter and nine months ended 31 December 2016 and previous year ended 31 March 2017 have been restated to comply with Ind-AS to make them comparable.

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Reconciliations between financial results, as previously reported (as per 'Previous GAAP') and Ind AS for quarter/nine months/year presented are as under:

(INR in lacs)

Particulars	Corresponding three months ended in previous year 31-Dec-2016	Year to date figures for nine months in previous period ended 31-Dec-2016	Previous Year ended 31-Mar-2017
Net Profit under Previous GAAP	**1,539**	**5,064**	**6,950**
Impact of fair valuation of current investment	23	27	(7)
Impact of fair valuation of forward exchange contracts	1	(86)	(87)
Impact of expected credit loss	37	11	(18)
Others (refer note i below)	-	60	58
Consequential tax adjustments	(21)	(4)	19
Net Profit for the period under Ind AS	**1,579**	**5,072**	**6,915**
Other Comprehensive Income/(loss) (net of taxes)	-	(39)	(39)
Total Comprehensive Income under Ind AS	**1,579**	**5,033**	**6,876**
i) Others include adjustments resulting from classification of acturial gain/(loss) to OCI, etc.			

4 **Segment Reporting**

(a) Based on the "management approach" as defined in Ind AS108 Operating Segments, the Chief Operating Decision Maker ('CODM') evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along with these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

During the quarter ended December 2017, segment revenue and cost has been realigned as per the changes in the evaluation of performance by CODM. Accordingly figures for the previous quarters, previous periods and previous year has been realigned to confirm current period presentation.

(INR in lacs)

Sl No	Particulars	Three months ended 31-Dec-2017 (Un-Audited)	Preceding three months ended 30-Sep-2017 (Un-Audited)	Corresponding three months ended in previous year 31-Dec-2016 (Un-Audited)	Year to date figures for nine months in current period ended 31-Dec-2017 (Un-Audited)	Year to date figures for nine months in previous period ended 31-Dec-2016 (Un-Audited)	Previous Year ended 31-Mar-2017 (Audited)
I	**Segment revenue**						
	Content solutions	4,219	4,918	5,363	13,524	14,857	19,958
	Platform solutions	1,085	961	503	3,093	1,793	2,398
	Total revenue from operations	**5,304**	**5,879**	**5,866**	**16,617**	**16,650**	**22,356**
II	**Segment results (profit before tax, exceptional items and interest from each segment)**						
	Content solutions	1,685	2,159	2,312	5,706	6,291	8,621
	Platform solutions	645	472	228	1,528	1,040	1,351
	Total	**2,330**	**2,631**	**2,540**	**7,234**	**7,331**	**9,972**
	Less: Finance cost	2	1	10	4	12	17
	Less: Un-allocable expenditure (net of un-allocable income)	(260)	(169)	173	(668)	(148)	(109)
	Profit before tax	**2,588**	**2,799**	**2,357**	**7,898**	**7,467**	**10,064**

(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.

5 The Company acquired group of assets including application platform business from Digital River, Inc. a company based in USA vide asset purchase agreement dated 3 February 2017 for the consideration of Rs.428 Lacs which qualifies for business combination accounting. The customary conditions for consummation of the said acquisition have been complied with effect from 1 April 2017. As a result, the Company has recorded net assets amounting to Rs.378 lacs at fair value and the differential consideration is allocated to Goodwill amounting to Rs.50 Lacs.

6 The Company utilized a sum of Rs.2,756 Lacs, out of total proceeds of Rs.14,780 Lacs from Qualified Institutional Plan ('QIP') (net of issue expenses) raised during the financial year ended 31 March 2015. The balance proceeds of Rs.12,024 Lacs, pending utilization for the objects of QIP-growth opportunities such as acquisitions, strategic initiatives, general corporate purposes and any other purposes as may be permissible under applicable law, remain invested in interest/dividend bearing liquid instruments, including money market mutual funds.

7 During the quarter ended 31 December 2017, MAG+ AB a wholly owned subsidiary, at Sweden has been liquidated and ceased to be a subsidiary of the Company and other income includes Rs 221 Lacs towards gain on liquidation.

By Order of the Board of Directors

Rahul Arora

Chief Executive Officer and Whole Time Director

Place: Gurugram

Dated : 22 January 2018

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