



MPS Limited

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July 24, 2019

**Listing Department
National Stock Exchange of India
Limited**
Exchange Plaza, Plot no. C/1,
G Block, Bandra-Kurla Complex
Bandra (E),
Mumbai - 400 051

**Department of Corporate Services -Listin
BSE Limited**
Phiroze JeeJeebhoy Towers,
Dalal Street,
Fort,
Mumbai - 400 001

Trading Symbol: MPLTLD

Scrip Code: 532440

Sub.: Outcome of the Board Meeting held today i.e. Wednesday, July 24, 2019

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we hereby wish to inform you that the Board of Directors of the Company, at their meeting held on July 24, 2019, has *inter-alia*, approved the Un-Audited Financial Results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2019. The said Financial Results alongwith Limited Review Reports of the Statutory Auditors thereon and Investors' release on these Financials are enclosed herewith.

Please take the above information on record.

Thanking you,

Yours Faithfully,
For **MPS Limited**

Sunit Malhotra
CFO & Company Secretary

www.mpslimited.com

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

To

Board of Directors of MPS Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of MPS Limited ("the Company") for the quarter ended 30 June 2019 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by the 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, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

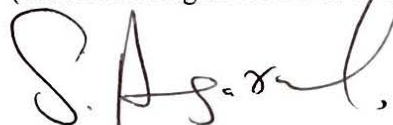
4. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2019 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

5. 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 applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

(ICAI Firm Registration No. 101248W/W-100022)



Shashank Agarwal

Partner

Membership No. 095109

UDIN 19095109AAAACW1345

Place: Chennai
Date: 24 July 2019

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019

(INR in lacs, except per equity share data)

Sl No	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in previous year	Previous year ended
		30-Jun-2019 (Un-Audited)	31-Mar-2019 (Audited) (refer note-2)	30-Jun-2018 (Un-Audited)	31-Mar-2019 (Audited)
I	Revenue from operations (net)	4,678	5,158	5,660	22,396
II	Other income	463	1,195	418	2,602
III	Total income (I+II)	5,141	6,353	6,078	24,998
IV	Expenses				
	Employee benefit expense	2,241	2,152	2,171	8,620
	Finance cost	34	14	2	19
	Depreciation and amortization expense	191	132	170	646
	Other expenses	923	1,258	1,304	5,127
	Total expenses	3,389	3,556	3,647	14,412
V	Profit before exceptional items (III-IV)	1,752	2,797	2,431	10,586
VI	Exceptional items	-	-	-	-
VII	Profit before tax (V-VI)	1,752	2,797	2,431	10,586
VIII	Tax expense				
	Current tax	576	919	769	2,971
	Adjustment of tax relating to earlier years	-	(25)	-	6
	Deferred tax charge	(61)	(64)	(83)	135
	Total tax expense	515	830	686	3,112
IX	Profit for the period (VII-VIII)	1,237	1,967	1,745	7,474
X	Other comprehensive income				
	Items that will not be reclassified to profit or loss				
	Remeasurement of the net defined benefit liability/asset	(14)	(2)	9	(14)
	Income tax relating to items that will not be reclassified to profit or loss	4	1	(3)	4
	Total other comprehensive income	(10)	(1)	6	(10)
XI	Total comprehensive income for the period (IX+X)	1,227	1,966	1,751	7,464
XII	Paid-up equity share capital (Face Value - INR 10 per Equity Share)	1,862	1,862	1,862	1,862
XIII	Earnings per equity share (nominal value of share INR 10)				
	Basic and Diluted	6.64	10.56	9.37	40.14

NOTES:

- These results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules 2015. These results have been reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meeting held on 24 July 2019. The Statutory auditors of the Company have carried out limited review of the financial results for the quarter ended 30 June 2019 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.mpslimited.com.
- The figures for the three months ended 31 March 2019 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 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.

(INR in lacs)

Sl No	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in previous year	Previous year ended
		30-Jun-2019	31-Mar-2019	30-Jun-2018	31-Mar-2019
		(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
I	Segment revenue				
	Content solutions	3,826	4,388	4,633	18,439
	Platform solutions	852	770	1,027	3,957
	Total revenue from operations	4,678	5,158	5,660	22,396
II	Segment results (profit before tax, exceptional items and interest from each segment)				
	Content solutions	1,367	1,749	2,146	8,119
	Platform solutions	466	412	599	2,406
	Total	1,833	2,161	2,745	10,525
	Less: Finance cost	34	14	2	19
	Less: Un-allocable expenditure (net of un-allocable income)	47	(650)	312	(80)
	Profit before tax	1,752	2,797	2,431	10,586

- (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.
- 4 Effective 1 April 2019, the Company adopted Ind AS 116 “Leases”, applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of INR 1,077 Lacs and a lease liability of INR 1,365 Lacs. The cumulative effect of applying the standard resulted in INR 205 Lacs being debited to retained earnings, net of taxes. The effect of this adoption is not material on the profit for the period and earnings per share.

By Order of the Board of Directors

Rahul Arora

Place: Chennai

Dated: 24 July 2019

Managing Director

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

To

Board of Directors of MPS Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of MPS Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended 30 June 2019 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

2. This Statement, which is the responsibility of the Parent's management and approved by the Parent'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, and other accounting principles generally accepted in India and in compliance with 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 Standards on Auditing 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the financial information of the following entities:

- MPS Limited
- MPS Interactive Systems Limited
- MPS NA LLC
- TOPSIM GmbH
- MPS Europa AG

5. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2019 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that

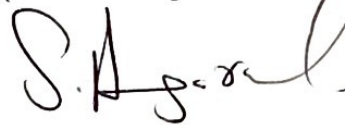


the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. We did not review the financial information of 2 subsidiaries included in the Statement, whose financial information reflect total revenue of Rs. 824.88 lacs, total net profit after tax of Rs. 30.84 lacs and total comprehensive income of Rs. 49.24 lacs for the quarter ended 30 June 2019, as considered in the unaudited consolidated financial information. These financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

For B S R & Co. LLP
Chartered Accountants
(ICAI Firm Registration No. 101248W/W-100022)



Shashank Agarwal

Partner
Membership No. 095109
UDIN 19095109AAAACX9421

Place: *Chennai*
Date: 24 July 2019

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2019
(INR in lacs, except per equity share data)

SI No	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended	Previous year ended
		30-Jun-2019 (Un-Audited)	31-Mar-2019 (Audited) (refer note-2)	30-Jun-2018 (Un-Audited)	31-Mar-2019 (Audited)
I	Revenue from operations (net)	8,363	9,029	7,213	36,254
II	Other income	568	1,215	412	2,526
III	Total income (I+II)	8,931	10,244	7,625	38,780
IV	Expenses				
	Employee benefit expense	4,277	4,106	3,248	16,446
	Finance cost	53	14	2	19
	Depreciation and amortization expense	385	271	208	1,107
	Other expenses	2,049	2,646	2,037	10,473
	Total expenses	6,764	7,037	5,495	28,045
V	Profit before exceptional items (III-IV)	2,167	3,207	2,130	10,735
VI	Exceptional items	-	-	-	-
VII	Profit before tax (V-VI)	2,167	3,207	2,130	10,735
VIII	Tax expense				
	Current tax	600	969	781	3,052
	Adjustment of tax relating to earlier years	-	5	-	36
	Deferred tax charge	29	(27)	(179)	44
	Total tax expense	629	947	602	3,132
IX	Profit for the period (VII-VIII)	1,538	2,260	1,528	7,603
X	Other comprehensive income				
	Items that will not be reclassified to profit or loss				
	Remeasurement of the net defined benefit liability/asset	(8)	6	9	89
	Income tax relating to items that will not be reclassified to profit or loss	2	-	(3)	(28)
	Items that will be reclassified subsequently to profit or loss				
	Exchange differences on translation of foreign operations	5	(83)	246	277
	Total other comprehensive income	(1)	(77)	252	338
XI	Total comprehensive income for the period (IX+X)	1,537	2,183	1,780	7,941
XII	Paid-up equity share capital (Face Value - INR 10 per Equity Share)	1,862	1,862	1,862	1,862
XIII	Earnings per equity share (nominal value of share INR 10)				
	Basic and Diluted	8.26	12.14	8.21	40.83

NOTES:

- 1 These results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules 2015. These results have been reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meeting held on 24 July 2019. The Statutory auditors of the Company have carried out limited review of the financial results for the quarter ended 30 June 2019 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.mpslimited.com.
- 2 The figures for the three months ended 31 March 2019 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 AS108 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. 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.

(INR in lacs)

SI No	Particulars	Three months ended	Preceding three months ended	Corresponding three months ended in previous year	Previous year ended
		30-Jun-2019 (Un-Audited)	31-Mar-2019 (Audited)	30-Jun-2018 (Un-Audited)	31-Mar-2019 (Audited)
I	Segment revenue				
	Content solutions	5,000	5,920	5,349	23,283
	eLearning solutions	1,896	1,879	726	6,996
	Platform solutions	1,467	1,230	1,138	5,975
	Total revenue from operations	8,363	9,029	7,213	36,254
II	Segment results (profit before tax, exceptional items and interest from each segment)				
	Content solutions	1,454	2,129	2,007	8,626
	eLearning solutions	198	73	(116)	(276)
	Platform solutions	513	214	559	2,260
	Total	2,165	2,416	2,450	10,610
	Less: Finance cost	53	14	2	19
	Less: Un-allocable expenditure (net of un-allocable income)	(55)	(805)	318	(144)
	Profit before tax	2,167	3,207	2,130	10,735

- (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 Effective 1 April 2019, the Group adopted Ind AS 116 “Leases”, applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of INR 2,002 Lacs and a lease liability of INR 2,319 Lacs. The cumulative effect of applying the standard resulted in INR 225 Lacs being debited to retained earnings, net of taxes. The effect of this adoption is not material on the profit for the period and earnings per share.
- 5 The Standalone results of the Company are 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-2019 (Un-Audited)	31-Mar-2019 (Audited)	30-Jun-2018 (Un-Audited)	31-Mar-2019 (Audited)
Revenue from operations	4,678	5,158	5,660	22,396
Profit before tax	1,752	2,797	2,431	10,586
Tax expense	515	830	686	3,112
Profit for the period	1,237	1,967	1,745	7,474
Other comprehensive income, net of income tax	(10)	(1)	6	(10)
Total comprehensive income for the period	1,227	1,966	1,751	7,464

By Order of the Board of Directors
Rahul Arora

Place: Chennai

Dated : 24 July 2019

Managing Director



MPS

Financial Performance
Q1 FY20

Financial Summary

Metrics		FY20 Q1	FY19 Q1	Y-o-Y
Revenue	FX Gain/Loss adjusted revenue (INR Lacs)	8,463	7,110	19.0%
	Reported Revenue (INR Lacs)	8,363	7,213	16.0%
Profit	EBITDA on Fx adjusted revenue (INR Lacs)	2,127	1,936	9.9%
	PBT (INR Lacs)	2,167	2,130	1.7%
	PAT (INR Lacs)	1,538	1,528	0.7%
Margin	EBITDA (%)	25.1%	27.2%	
	PBT (%)	25.6%	30.0%	
	PAT (%)	18.2%	21.5%	
Headcount	At the end of each reporting period in Nos.	2,444	2,710	
EPS	Basic and Diluted EPS (INR)	8.26	8.21	

Analysis (FX Gain/Loss Adjusted Revenue)

- Effective Tax Rate is 29.03% compared to 28.26% in the same quarter FY19.
- Profit and Margins are on FX Gain/Loss adjusted revenue.

Financial Summary – Business Segments

Metrics		FY20 Q1			FY19 Q1		
		Content Solutions	Platform Solutions	eLearning	Content Solutions	Platform Solutions	eLearning
Revenue	FX Gain/Loss adjusted revenue (INR Lacs)	5,082	1,482	1,899	5,261	1,119	729
	Reported Revenue (INR Lacs)	5,000	1,467	1,896	5,349	1,138	726
Margin	EBITDA (%)	27.4%	26.1%	18.4%	31.3%	32.4%	-10.1%
	PBT (%)	29.6%	26.5%	14.1%	34.9%	36.1%	-15.2%
	PAT (%)	21.0%	18.8%	10.0%	25.0%	25.9%	-10.9%
Headcount	At the end of each reporting period in Nos.	2,029	157	259	2,225	180	305

Analysis (FX Gain/Loss Adjusted Revenue)

- Platform Solutions includes TOPSIM GmbH
- eLearning includes MPS Interactive Systems and MPS EUROPA
- Profit and Margins are on FX Gain/Loss adjusted revenue

Other Updates

Cash and Cash equivalents

- Total Cash and Cash equivalents (including investment in Mutual funds) as on 30-Jun-2019 is INR 313 Crores and INR 289 Crores as on 31-Mar-19; Zero debt

CSR Update

- Total Spending for Q1 FY 20 is INR 46.5 Lacs.

IIMPACT

- Area Covered: Girls Education
- Project Name: MPS Limited Girls Education Project
- Total Learning Centres being Supported: 100

Vedanta Cultural Foundation

- Area Covered: Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly and the differently abled and livelihood enhancement projects.

Computer Education

- Imparting free computer education to under privileged students.

SAMBANDH

- Area Covered: MENTAL HEALTH
- Pilot Project at Gurgaon

Key Business Metrics

Core Business (does not include MPS Interactive, MPS EUROPA and TOPSIM)

Metrics		FY20 Q1	FY19 Q1
Currency Contribution (%)	USD	82%	80%
	GBP	15%	17%
	EURO	2%	2%
	CHF	0%	0%
	AED	0%	0%
	INR	0%	0%
	Others	2%	1%
Geographic Concentration	North America	51%	49%
	UK/Europe	46%	48%
	Rest of the World	3%	3%
Debtors	DSO	63	58
Client Concentration	Client Billed	295	318
	Top 5 contribution	53%	57%
	Top 10 contribution	73%	74%
	Top 15 contribution	81%	81%

Key Business Metrics

Consolidated

Metrics		FY20 Q1	FY19 Q1
Currency Contribution (%)	USD	71%	78%
	GBP	10%	13%
	EURO	8%	2%
	CHF	3%	0%
	AED	0%	0%
	INR	5%	5%
	Others	2%	2%
Geographic Concentration	North America	49%	48%
	UK/Europe	43%	44%
	Rest of the World	8%	8%
Debtors	DSO	56	58
Client Concentration	Client Billed	514	423
	Top 5 contribution	38%	64%
	Top 10 contribution	53%	78%
	Top 15 contribution	64%	85%

Disclaimer

This presentation contains forward-looking statements, inter-alia, to enable investors to comprehend Company's prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is, inter-alia, subject to assumptions, risks, uncertainties, including but not limited to our ability to successfully conclude and integrate (potential) acquisition(s) and general regulatory and economic conditions affecting the industry. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, expected or projected. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Further this presentation may also contain references to findings of various reports available in public domain. We make no representations as to their accuracy or that we necessarily subscribe to those findings. Figures for previous periods / year have been regrouped, wherever necessary.



MPS

Thank You