51st

Annual Report

2020-21

T.I.M.E. to THRIVE

MPS Limited

CONTENTS

KEY INFORMATION

Chairman & Non-Executive Officer
Mr. Nishith Arora

CEO & Managing Director
Mr. Rahul Arora

Independent Director
Mr. Ajay Mankotia

Independent Director
Ms. Jayantika Dave

Independent Director
Ms. Achal Khanna

Independent Director
Dr. Piyush Kumar Rastogi

Non-Executive Director
Ms. Yamini Tandon

Chief Financial Officer & Company Secretary
Mr. Sunit Malhotra

Compliance Officer
Mr. Utkarsh Gupta

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Guindy, Chennai – 600 032

Other Offices

- HMG Ambassador, 137 Residency Road, Bengaluru – 560025, Karnataka
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Subsidiaries

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T.I.M.E. to THRIVE

A new era of platform-led organic growth.

We now enter a Thrive phase powered by a growth strategy called T.I.M.E.

We have witnessed substantial progress over the past five years, powered by our relentless efforts to diversify our business. Our steps toward diversification have brought us new revenue streams, expanded our customer base, and broadened our enterprise to enable a strong geographic foothold for a more stable business, capable of standing tall even through turbulent times such as the COVID-19 Pandemic.

Now, MPS finds itself at an inflection point, poised to usher in a new era of organic growth. This growth will be fueled by our core strategy to **Transform, Innovate, Maximize, and Elevate.**

To THRIVE in the new phase of MPS' expansion, we will **Transform** ourselves into a platform-led business. This shift is sure to beneficially impact all aspects of our business, including people culture, process excellence, and technology investments, and will flow across all business interests. The alignment of this strategy with customer needs and the enviable starting point of our comprehensive platform ecosystem enable this strategy. Our platform-led approach will help us **Innovate** new operating models for our customers in meaningful ways. The series of innovations we aim to introduce will help our customers navigate through rapidly evolving market. Our ability to connect the dots for our customers will help us finally **Maximize** our scale to its full potential across all our markets. Ultimately, our compelling value proposition grounded in demonstrated and tangible business outcomes will **Elevate** our positioning in the marketplace.

Transform to THRIVE

We will soon transition all aspects of the organization to a platform-led approach to power the growth of our business in sync with our Triple E values—Excellence, Empathy, and Efficiency. We expect our platforms to drive speed and boost our efficiency in the Content Solutions business to enhance the scale of our collaboration with customers. The open and modular architecture of our comprehensive platform ecosystem will ensure that we can scale and future-proof our platform business. Moreover, our platform approach in the eLearning business will help customize the learning journey and experience in newer ways for our customers, which will bring about a disruptive change in the marketplace.

Enablers of Strategy

Comprehensive Platform Ecosystem and Alignment with Customer Needs.

Innovate to THRIVE

We will combine this market-leading IP with our 50-years of domain expertise to help our customers differentiate themselves in the marketplace, and navigate their rapidly changing markets. MPS has the most comprehensive and deepest Platform solutions in the marketplace. The established ecosystem is a combination of the capabilities from the Macmillan ownership and the following acquisitions including Magplus, THINK, Tata Interactive, and HighWire Press. Further investments in each of these lines powered by an Open and Modular Architecture have resulted in us possessing the richest IP related to digital publishing.

Enablers of Strategy

50 plus years of domain expertise and Market-Leading IP.

Maximize to THRIVE

We will connect the dots for our customers across MPS to drive more comprehensive and strategic engagements. The enhancement of business segments and broadened geographic footprint will combine to serve an expanded customer base. This approach will ensure that we address our expansion phase in the most efficient way possible. Our ultimate goal will be unlock the complete potential of MPS in each of its customer markets – publishing, educational institutions, and corporates.

Enablers of Strategy

Diversified Business Mix and Unprecedented Customer Base.

Elevate to THRIVE

We will position ourselves as a Platforms and Technology Solutions business and propel ourselves from the fundamentals of wage arbitrage to value creation. The unprecedented combination of domain expertise and technology prowess will offer value that will capture the attention of the most senior stakeholders in our customer organizations. Demonstrated success in helping customers achieve serious business outcomes will earn us the love, respect, and admiration of the marketplace.

Enablers of Strategy

Compelling Value Proposition and Real Business Outcomes

VISION 2023

Business Transformation through Smarter Research and Learning

MPS' objective is to power the differentiation and competitiveness of our customers by enabling smarter research and learning. We will transform research and learning by making it transparent, real-time, and always focused on the outcomes. Through the successful execution of this approach, we will grow to be the undisputed market leader by 2023, loved and admired by all our stakeholders.

OUR TRIPLE E VALUES

Excellence
Empathy
Efficiency

Our ambitions will be powered by these core values, which we call the Triple E. Triple E values define who we are today and will shape our future. They are principles that we will not compromise on but are tools upon which we depend.

Excellence is our way of life. Excellence means respecting our colleagues, owning our responsibilities, and committing our best to our customers. Excellence is not necessarily perfection, but rather a commitment of our best in every interaction, deliverable, and decision.

Empathy is caring. Empathy means understanding things deeply, absorbing the unwritten, and going the extra mile for people who depend on us. Although Empathy is intuitive, we believe it can be developed intellectually through impactful learning programs.

Efficiency defines who we are. Efficiency means driving automation, more intelligent workflows, innovative operating models, and not allowing any job to "grunt work" at MPS.

ABOUT MPS LIMITED

An overview of MPS' competitive edge in providing leading content, eLearning and platform solutions.

RICH LEGACY

Our story started in 1970 when we were a publishing services provider in India established as an Indian subsidiary of Macmillan Publishers. The long service history as a captive business allowed MPS to build unique capabilities and talents through strategic partner programs. Our mission to help make learning smarter accelerated in 2012 after a change in majority ownership from Macmillan to ADI BPO Services. The new leadership team launched MPS into an era of rapid growth and organizational transformation by instilling an entrepreneurial mindset, emphasizing the importance of the customer and a culture of continuous improvement that maximizes efficiency. Through a series of innovative evolutions and continued commitment to transforming the way the world learns. MPS became a leading global partner to leading publishers, enterprises, learning companies, educational institutions, and content aggregators.

AUTHENTIC LEADERSHIP

MPS is led by a diverse team of talented and experienced managers who are members of the Senior Management Team. Branded as MPS One, this team developed the mission to help Make Learning Smarter, powered by the Triple E values of Excellence, Efficiency, and Empathy. MPS One is tasked with unlocking the potential of MPS and leveraging synergies across solutions that MPS offers. The leadership structure has allowed MPS to be customer-focused, operationally efficient, and ahead of the marketplace. MPS One led the charge in adapting to the COVID-19 Pandemic and overseeing a transformation for the new normal. Their active involvement was critical in ensuring minimal disruption to MPS amidst an unprecedented macroenvironment.

FINANCIAL STABILITY

MPS has worked diligently over the years to achieve healthy finances and the strongest balance sheet in its market. Our shares are listed on BSE and NSE, and as of March 31, 2021, our market cap stood at INR 842 crores. With our expansion of the Platform business through the acquisition of HighWire Press, we have successfully diversified our revenue streams, with 54 percent of our revenues coming from Content Solutions, 33 percent from Platforms Solutions, and 13 percent from eLearning solutions. In FY21, we generated operating cash flows of INR 99 crores, and we continue to remain debt-free. Being debt-free also ensured that our leverage-related financial ratios (Debt/Equity Ratio, Debt/Capital ratio, and Debt/Assets ratio) are zero, unprecedented in our industry. Low leverage and adequate cash in the balance sheet also help us maintain a current ratio of 3 and a cash ratio of 1.09, higher than any peer in the industry. We have a Cash turnover ratio (CTR) of 5.70 that helps us meet our current liabilities entirely through internal accruals and maintain high cash reserves.

ACQUISITION-LED COMPETITIVE ADVANTAGE

MPS has a successful track record of acquiring complementary and market adjacent businesses and initiating growth with a strong focus on the business's core values and principles. Our acquisition-led strategy has been instrumental in allowing MPS to reach its current level of success. We have made seven acquisitions in seven years. These acquisitions brought synergies in business operations and solutions development, capabilities to amplify our skillset, and expanded our customer base and revenue streams to diversify and strengthen our business as a whole.

2020: The most recent instance is the acquisition of HighWire Press for new and meaningful capabilities, enhanced presence in the Academic and STM publishing market, and to advance our goal to help Make Learning Smarter. Together, the combined knowledge and abilities of MPS and HighWire make it a formidable presence in the Scholarly Publishing Space. MPS and HighWire are the first publishing outsourcing and independent platform companies, respectively, in the world. We plan to lean on our 75 years of combined experience in scholarly publishing to bring a new level of sophistication in platforms to the marketplace. Incidentally, platforms are now a significant proportion of our overall revenue due to this acquisition, which has been a long-term strategic objective to improve the quality of our business and enhance our competitive advantage.

2018: The acquisition of Tata Interactive Systems Group was our definitive expansion into the Corporate Learning market. The group pioneered innovations in the eLearning space through high-end custom eLearning delivery, including web-based learning, simulations, serious games, custom apps, and microlearning. The acquisition gave us access to relationships with more than 70 Fortune 500 companies - partnerships that have resulted in more than 200 prestigious global awards. Additionally, the acquisition has given us reliable operations in Europe and access to customers in new geographies such as India, Middle East, and Africa among expansion in existing geographies.

2016-17: The Company acquired Mag+, a leading mobile platform company for creating and distributing content apps, and THINK Subscription, leading order management, and customer service platform company focused on the Academic and STM Publishing market. These acquisitions jump-started our platforms business segment that is nearly 33 percent of our business today. The acquisition of Mag+ allowed us to be a trusted mobile strategy advisor to our customers and expanded our reach into newer publishing markets, including enterprises and magazine publishers. The acquisition of THINK led to the development of a comprehensive platform suite called

THINK360 for content hosting, distribution, and fulfillment services.

2013-15: In 2013, we established a wholly-owned subsidiary in Florida called MPS North America LLC (MPSNA). MPSNA then acquired three Content Development and Design houses (Element, EPS, and TSI Evolve) in quick succession. These acquisitions allowed us to expand the scope of our offerings to include end-to-end publishing solutions, from content authoring to delivery; all provided on a global scale. And most importantly, this allowed the expansion of our business with marquis Educational Publishers. Publishers that were looking to consolidate their vendor partner pool with select players such as MPS with global and comprehensive capabilities.

GLOBAL PRESENCE

Over 2,500 professionals power MPS across seven delivery centers in India, three subsidiaries in Europe, and five client offices in North America. These experts serve the world's leading publishers, corporates, learning companies, and educational institutions to help Make Learning Smarter. That our solutions are admired globally is reflected in the fact that we are generating more than 90% of our revenue from North America and Europe. Global presence also requires us to work with world-class talent, and we do so by utilizing freelancers and independent contractors on a case-by-case basis. We integrate them with our teams using intelligent workflows and our market-leading platforms. We have an experienced team of in-house project managers who work with these experts delivering quality learning solutions. A diversified operating model that leverages both in-house talent and contractors makes us more productive and resilient.

CONTINUOUS PROCESS IMPROVEMENT

Our delivery teams support our customers worldwide through an efficient operating model powered by market-leading technology. MPS has a dedicated and independent Center for Operational Excellence to optimize operations and keep us responsive, agile, and future-proof. The Center for Operational Excellence makes recommendations to improve processes, and our audit framework checks the implementation and compliance of these planned changes. We have integrated real-time analytics into our workflows, enabling us to measure and optimize our processes in real-time. MPS uses Machine Learning and Natural Language Processing in specific implementations, including Content Profiling, Automated Content Production, and Cognitive Quality Control to further enhance Operational Excellence.

CERTIFICATIONS

By maintaining the highest standards of quality and persistent innovation in technology, we are able to provide you with the best solutions for your content, eLearning, and platform solutions. MPS is certified for the following certifications:

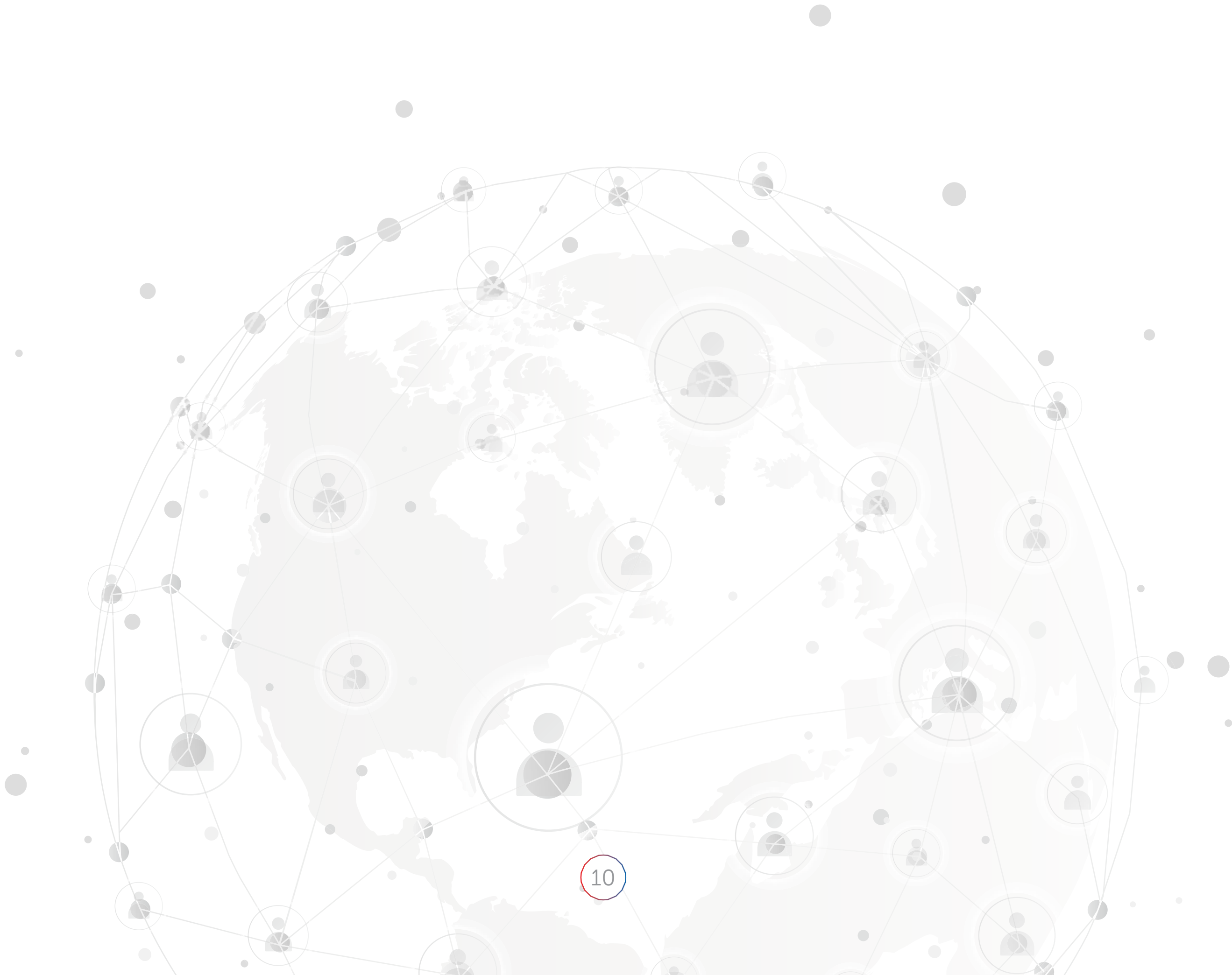
- ISO 9001:2008 (Quality Management System)
- ISO/IEC 27001:2013 (Information Security Management System)
- PCI-DSS (Secure Credit Card Processing Environment)
- COUNTER 5 Compliant

COMPREHENSIVE CAPABILITIES

Being a captive to erstwhile Macmillan gave MPS a head start in being a complete partner to our customers. From there, we have further invested in ensuring that our capabilities are comprehensive, relevant, and ahead of the market. Where we have been able to build these organically, we have done so through consistent investments (workflow, process, and technology); and where it was more efficient to complete them inorganically, we have done so through acquisitions. Today, we are possibly a complete vendor partner from content creation to delivery in the publishing value chain. The world's leading publishers, corporates, educational institutions, and learning companies trust us with their content needs, ranging from content authoring to production to delivery to fulfillment to usage intelligence and increasingly for various products, with project management being the fulcrum of our engagements.

KNOWLEDGE CAPITAL

MPS has accumulated substantial capabilities and competences over the 50 plus years of our presence. We have a multigenerational workforce with a track record for excellence in research and learning. Our workflows and operating procedures have been optimized to remove grunt work. Consequently, our teams stay focused on producing knowledge-driven outcomes. We ensure that this organizational expertise is preserved and improved upon year after year through rigorous training and evaluation. MPS is now a platform-led company, and our most significant assets are the people contributing to our success every day. Our workforce is a healthy combination of experience, talent, and drive. Our knowledge management processes are tailored toward leveraging everyone's strengths, ensuring that the intellectual capital is preserved. We promote active knowledge management by facilitating learning and collaboration across our multiple centers. With this practice, we have created extended teams for all our projects and competencies, which can be deployed in case of a business continuity event. We are powered by over 2,500 professionals who are passionate to help Make Learning Smarter. We support them with an environment of constant learning and self-improvement. Our employees have recognized this opportunity for growth, and we have improved our attrition rates over the years.



BUSINESS OVERVIEW

	Content Solutions	Platform Solutions	eLearning Solutions
About the Business	MPS powers the content solutions needs of leading educational, professional, scholarly, and trade publishers. Our global delivery model ensures the highest levels of quality standards and allows our teams to work as an extension of our client teams.	Our platforms combine domain expertise, cutting edge engineering, and best practices in user experience to solve mission critical priorities for our customers. Our platforms are built with a modular approach to allow for customization based on needs.	MPS Interactive is driven by a passion to change the way the corporate world learns. MPSi is synonymous with custom solutions focused on learning outcomes and enabled by efficient and immersive learning pathways.
Products and Services	• Content Authoring and Development • Editorial Services • Project Management • Rights and Permissions • Accessibility Solutions • Creative Studio • Content Production • Digital Transformation • New Media Solutions	• DigiCore • Mag+ • Ampere • DigiEdit • THINK • Scolaris • JCore • Vizor • Sigma • BenchPress • Insights • TOPSIM	• Web-based Training • Simulations • Serious Games • Augmented, Virtual, and Extended Reality • Learning Platforms • Content Transformation • Digital Production • Experience Centers
TIME to Thrive Strategy	• **Transform** to provide technology-enabled content solutions that drive speed, excellence, and efficiency. • **Innovate** to identify new areas of outsourcing and develop automation to drive more savings for customers in mature areas. • **Maximize** opportunities available via global delivery model. • **Elevate** from cost arbitrage to value creation.	• **Transform** under the HighWire umbrella brand and lead the marketplace on the founding principles of Innovation, Service, and Community. • **Innovate** to deliver new applications of existing IP and platforms. • **Maximize** synergies across platforms and other parts of the business. • **Elevate** to be a comprehensive partner from a technology provider.	• **Transform** to a Creative Learning Agency that powers High-Value and High-Impact Projects. • **Innovate** to deliver the next generation of award-winning learning experiences and ecosystems. • **Maximize** market share in North America and Europe that have more opportunities available for desired business. • **Elevate** from *vendorship* to *partnership*.

The CEO's REVIEW

Rahul Arora

CEO and Managing Director,
evaluates the company's FY21 performance and lays out the strategy going forward.

Were you pleased with the performance of the company during the year under review?

Yes, I am pleased that MPS achieved a new scale in FY21. I am even more pleased with the diversity in the business. The achievement of this unprecedented scale and diversity came through in a year in which the COVID-19 Pandemic has posed severe humanitarian challenges for the world and significantly impacted the short- and long-term economics of several industries. This tremendous feat is the combined effort of the 2,500+ employees who live and breathe MPS.

What were the financial highlights of this performance?

The new scale of the business was reflected in the consolidated, forex-gain-adjusted revenues of **INR 424.22** crores in FY21. Revenue growth of 26.89 percent and that too in the year of a pandemic has been a tremendous feat indeed. In addition to the acquisition of HighWire, the Content Solutions business grew by 11.6 percent. And while our EBITDA margins improved slightly, much work is still to be done to drive better profitability. EPS was suppressed by as much as INR 6.5 due to the one-time tax events in Q3 and Q4. The former was related to a long-overdue matter from the Macmillan days, which was settled via the *Vivad se Vishwas* Scheme to avoid protracted litigation and the attendant uncertainty on the issues covered in those years. The latter relates to the impact of the Finance Act, 2021, which does not allow deduction of depreciation while computing taxable business profits, and affects past transactions.

Did the financials shed any light on how the business is now more diverse?

Absolutely! In terms of business segments, Content Solutions, Platforms, and eLearning contributed 54 percent, 33 percent, and 13 percent of the revenue, respectively, which was an unprecedented spread. Also, while North America continues to be our largest market, our customer concentration continues to improve, with the top 5, top 10, and top 15 segments accounting for 38 percent, 50 percent, and 59 percent of the revenue, respectively. This trend of progress can drive more stability toward the longer-term growth aspirations of the business.

How did MPS adapt to the continuing COVID-19 pandemic?

During the early days of the pandemic, the leadership team worked round the clock to put into action our Business Continuity Plan to minimize the impact of the crisis on our commitment to our customers while still instating the necessary health and safety protocols and organizing remote work for the majority of our workforce. MPS introduced 'Mission 2020' to guide the organization and its people through difficult times. The business continuity plan included migration of equipment for remote work, scaling up work-from-home security solutions, facilitating the teams' in setting up of remote work practices, and organizing daily business continuity calls with representation from business unit heads across geographies. It was a daunting task, but we managed brilliantly, with minimal hiccups in migration or performance.

> **"I commend every member of the MPS family for stepping up to the challenge, managing the complexities during the transition, and displaying commendable resilience through these difficult times."**

I commend every member of the MPS family for stepping up to the challenge, managing the complexities during the transition, and displaying commendable resilience through these difficult times. While the pandemic is still not behind us, our learnings from this crisis have made us better equipped to deal with uncertainty. I am confident that the principles gained during the year will take us a long way.

As the world went through and continues to do so in several regions and economic and humanitarian crises, all of us at MPS wish for everyone's health and well-being. The safety and health of our employees remain a top priority during our daily operations, and almost the entire MPS team continues to work remotely as of this time.

What is so special about growth in the Content Solutions business segment, and what were the main drivers?

> **"Sustainable growth in the Content Solutions business is a great sign of the core strengthening ahead of Vision 2023."**

The primary driver of the growth in the Content Solutions business is the expansion of our Educational Publishing Practice, which includes MPS North America and the associated Content Production and Digital businesses driven from Indian operations. In the past year, we have seen much more educational products being developed and that too from a broad set of customers. Additionally, we saw certain key accounts in our Journals Content Management grow organically, resulting from exceptional delivery and quality even during the pandemic.

Ultimately, Content Solutions is the highest-margin business for us and continues to be the largest. Any positive movement in this business segment does proportionally impact the consolidated business. Sustainable growth in the Content Solutions business is a great sign of the core strengthening ahead of Vision 2023.

Can you provide an update on the progress of the HighWire acquisition? Are you satisfied?

We are delighted with the progress of the HighWire Press acquisition. The HighWire acquisition is possibly our strongest start to post-acquisition integration amongst the

> **Our strategic intent is to use the HighWire brand to grow our entire platform business in a meaningful way. Now that we have a critical mass in the platform business, we believe scaling from here should be more straightforward than before.**

last seven acquisitions. In terms of financials, we have generated a PBT of INR 18 crores in the first nine months. We must put into context that the original purchase price for this business was INR 53 crores net of the working capital adjustments.

And yes, there have also been challenges. We now recognize that the business we have acquired is more like a USD 12-13 Million business. The HighWire business did lose some direction in the past two to three years and had, as a result, lost many customers as well. Our contribution then is to help HighWire find its true north. We have a complete understanding that HighWire was founded on Innovation, Service, and Community principles. Our plan then is to invest to ensure that our product technology attracts customers, our exceptional customer service retains customers, and our role as a thought leader and organizer of the scholarly community earns us the respect and admiration of the marketplace.

Our strategic intent is to use the HighWire brand to grow our entire platform business in a meaningful way. Now that we have a critical mass in the platform business, we believe scaling from here should be more straightforward than before. And interestingly, there have also been indirect positive consequences on the Content Solutions business from HighWire customers, who have been engaged in working with vendor partners end-to-end as much as possible.

What is the big goal for the company? Could you walk us through the overarching business strategy for the road ahead?

I have always believed in the business philosophy of *Grow or Perish*. In a competitive environment like the one we operate in, it is crucial to maintain steady growth and a competitive edge, to remain relevant. Over the past five years, we have grown through an active acquisition strategy, enabling us to expand the scope of our business offerings. The success of this strategy has been instrumental in the business's stability and our position as the market leader for content, learning, and platform solutions.

I oversaw the strategy of diversification to cement stability and growth for the business. This five-year BUILD phase now needs to actively transition into a platform-led THRIVE phase, introducing a new era of organic growth for the business.

As we bring in the new era of our growth, my mission for FY22 is to lead the organic growth of MPS. This expansion in scale will bring us closer to our Vision for 2023, and take us much closer to being the undisputed market leader, loved and admired by all our stakeholders.

> **As we bring in the new era of our growth, my mission for FY22 is to lead the organic growth of MPS.**

To **THRIVE** to our potential, we will **Transform** ourselves into a platform-led business. This shift will affect all aspects of our business, including people culture, process excellence, and technology investments. And this will flow across all business interests. The alignment of this strategy with customer needs and the enviable starting point of our comprehensive platform ecosystem enables this strategy. Our platform-led approach will help us **Innovate** the operating models of our customers in meaningful ways. The series of innovations we will introduce will help our customers navigate their rapidly changing markets. Our ability to connect the dots for our customers will help us finally **Maximize** our scale to its full potential across all our markets. Ultimately, our compelling value proposition grounded in demonstrated and tangible business outcomes will **Elevate** our positioning in the marketplace.

Would acquisitions have any role to play in the business strategy in the future, given the shift in focus towards organic growth?

Acquisitions are not a special event at MPS. It's just something that we do! From our perspective, we have certain factors that we examine. We want to ensure that the business that we are acquiring has had some premier status at some point in the journey, so number one, number two at some point. Second, the business should add meaningful capabilities to MPS, so it's not just more of the same. And thirdly, there's a motivated seller, and you might have seen our track record. We are pretty competitive in the way we allocate our capital. The acquisition has to check all the boxes, and only once the target matches those boxes do we proceed. We have always been opportunistic. We never panic. We never rush. And when the opportunity presents itself, we convert it very quickly. Typically, we close an acquisition in three to four months. That's how quick we go. And it's usually the seller setting the pace, not us. As and when opportunities present themselves, we engage, and as we speak, we are engaging with many parties, and if it plays out, it plays out.

> **"Acquisitions are not a special event at MPS. It's just something that we do! … We have always been opportunistic. We never panic. We never rush. And when the opportunity presents itself, we convert it very quickly."**

Are you still on track for Vision 2023?

Yes, definitely. Vision 2023, for us, is really about getting to a specific scale and type of business. I know we have not shared what that scale is in public. Seeing how FY21 has played out, we are thrilled to report that we are on track. The acquisition of HighWire in the past year and the revival of the Content Solutions business give us the confidence that we are on the right track.

MANAGEMENT DISCUSSION AND ANALYSIS FINANCIAL YEAR 2021

Overview

Over the past 50 years, MPS has been transforming the way the world learns. This mission was further accelerated in 2012 after a change in majority ownership from Macmillan to ADI in 2011-12. The new leadership team launched MPS into an era of rapid growth through a transformation of organizational culture by instilling an entrepreneurial mindset, reiterating the importance of customer focus, and driving forward a continuous improvement of efficiency. Our acquisitions during the years 2013-2015 of US-based Content Development and Design houses allowed us to expand the scope of our services, which now include end-to-end publishing solutions, from content production to delivery, all delivered on a global scale.

From 2015 to 2020 we diversified our business to target new customers, enter adjacent markets, and develop additional business streams. The first step in the diversification was the establishment of a platform business, which was initially fueled by investments to drive the organic growth of DigiCore, and was then further scaled via the acquisitions of Magplus and THINK. In 2018, the acquisition of Tata Interactive Systems India, AG, and GmBH marked our definitive entry into the Corporate Learning and Development market. Platforms and eLearning solutions now constitute a considerable proportion of MPS' business.

Post this diversification phase, MPS is now geared up for significant expansion. Our growth strategy includes ramping up our business offerings to optimize the market fit and achieve better synergies within segments, driving a platform-led approach in all aspects of business, maximizing the market share in high-performing areas, and elevating our standing in the marketplace as a platform company that ensures value creation. The **Transform, Innovate, Maximize,** and **Elevate** direction will allow MPS to Thrive in this next phase of expansion.

MPS is listed on the major Indian stock exchanges and is powered by 2,500+ associates across seven development centers in India, four subsidiaries in Europe, and five client offices in the US.

BUSINESS SEGMENTS

MPS Limited is a leading global provider of Content, Platforms, and eLearning solutions. Our goal to help "Make Learning Smarter" unifies our diverse talent pool of over 2,500 professionals spread across seven countries. MPS' business segments have seen significant upgrades during the past financial year, ranging from deeper digital integration into workflows and offerings to remote working setups, which were part of the Business Continuity Plan. The latter led to a seamless shift to the work-from-home model during the COVID-19 pandemic-induced lockdown, while ensuring no losses in productivity. The acquisition of HighWire Press, completed on July 1, 2020, further advanced our commitment to the publishing community and our overarching agenda to grow the platform business into our core offering ultimately. A summary of MPS' business segments, including Overview, Proportion of Total Revenue, Target Market, Key Acquisitions, Business Strategy, and Value Proposition, is provided below:

Content Solutions

Journals content management is the largest business unit in the content solutions segment. The business has gone through a series of evolutions since Macmillan established it in 1970 as the first outsourcing business in publishing. From the transition of editorial services to project management during the 1990s to the adoption of a platform-based approach in the 2000s, MPS has always been at the forefront of innovating and driving change in journals content management. We have more than four decades of experience in journal content management, powered

	Content Solutions	Platform Solutions	eLearning Solutions
Overview	Scope related to developing products for publishers, including Content Authoring, Development, Production, Editorial, Design, Creative, Rights and Permissions, Accessibility, Transformation, and Digital Enhancement.	PaaS includes DigiCore, BenchPress, Vizor, Ampere, Sigma, Scolaris, JCORE, THINK, Magplus, TOPSIM, Insights; Custom Development; Testing; and Integration Services.	Custom Development, Web-Based Training, Online Education; Managed Learning Services, Simulations, Serious Games, Mobile Learning, Micro-Learning, and AR/VR/Mixed Reality.
Proportion of Total Revenue	54	33	13
Target Market	Educational Publishers, Academic/STM Publishers, Trade Publishers, Databases and Directories, Learning Companies, and Continuing Education Institutions.	Publishers, Societies, University Presses, Associations, Higher and Continuing Education Institutions.	Large Corporates, Higher and Continuing Education Institutions, Government Institutions, and International Institutions.
Key Acquisitions	Element LLC (2013); EPS (2014); and TSI Evolve (2015)	Magplus (2016); THINK (2017); and HighWire Press (2020)	Tata Interactive Systems India, AG, and GmBH (2018)
Competitive Strategy	Operational Excellence	Product Leadership	Product Leadership
Value Proposition	Speed and Competitiveness.	Competitiveness and Differentiation.	Differentiation and Scalability.

today by more than 1,000 employees in India. Our branch in Bengaluru is now a technology center that powers the journal production operations in Chennai and Dehradun. MPS has led the transition from a technology-supported to technology-led journal production with strict digital-first workflows and standardization across products. Drastic reductions in turnaround times, vertically aligned services, and lower cost structures that keep pace with the changes in the industry have made MPS tremendously successful with regard to our clients' proclivity for consolidating vendors. We have enabled the application of machine learning and advanced analytics in journal production, setting the foundation for our next growth phase. Moreover, 2020 witnessed a substantial increase in the volume of research being published, which positively impacted our Journal business. Industry experts expect this increase in the volume of research to grow steadily on par with 2020 levels over the next few years, which is a positive sign for our Journals business.

While journals have given us a boost in the academic and STM publishing markets in the content solutions segment, MPS North America LLC, established in 2013, has strengthened our position in the educational publishing market. The addition of US-based services, including content authoring and development, rights and permissions, and higher-end creative services, has enabled us to achieve large-scale and competency benchmarks. These services were essential to attract educational publishers as they are interested in global and comprehensive vendor partners who could help achieve their goals of faster and richer product development at competitive prices. To scale efficiently and in synchrony with the needs of this upcoming market, MPS completed three US-based acquisitions in quick succession:

1. The 2013 acquisition of Element LLC (Orlando, FL) allowed MPS to enter the K–12 market. We gained significant capabilities in content development and design across the STEM (science, technology, engineering, and mathematics) verticals.
2. The 2014 acquisition of Electronic Publishing Services (Durham, NC) empowered us to expand our presence in the higher-Education and academic publishing segments. We gained new capabilities in rights and permissions, content authoring, and development for the higher-education market and high-end media asset development opportunities for STM (Scientific, Technical, and Medical) customers.
3. The 2015 acquisition of TSI Evolve (Orlando, FL, and Effingham, IL) expanded our capabilities in reading, language arts, world languages, translations, and design/media for the K-12 market.

These acquisitions have positioned us on the positive side of all significant vendor consolidations in the educational publishing market since 2013. We now have a thriving educational practice that has surpassed the peak revenue of the combined entities that we acquired. We have consolidated operations for these acquired assets with our India-based facilities and strengthened our project management to provide more effective client engagement. In 2020, our Educational Publishing practice scaled new heights by capturing a significant share of the growing market due to our unrivaled drive toward the development of digital learning products, increased investments in product development from two large Educational Publishers, and the emergence of fast-growing learning companies looking to outsource product development.

Platforms

MPS' comprehensive capabilities in content solutions have allowed us to develop strong client partnerships and grow in a highly competitive and fragmented publishing outsourcing market. Much of this success, particularly with journal customers, has resulted from the automation and efficiency delivered through a system-based approach. Based on this approach, MPS developed the DigiCore platform to generate recurring revenue, resulting in more strategic relationships with its customers. Having gained momentum in this business area, MPS further fortified this approach by adding a business segment called Platform Solutions in 2015. Further widening of our business capabilities was achieved with the following acquisitions:

1. The 2016 acquisition of Mag+ (US and Sweden) from Bonnier Corporation augmented our platform capabilities and helped develop our mobile content strategy for our customers. Following this acquisition, we migrated the technical operations and support functions from Stockholm (Sweden) to Noida (India) and integrated Magplus' business development and marketing functions within MPS North America and Noida, India. Since then, we have been strengthening Magplus' value propositions by offering creative services to provide operational support to our customers for complex and time-sensitive projects.
2. The 2017 acquisition of THINK Subscription (Provo, UT) from Digital River enhanced our content delivery platform framework with order management and customer service capabilities, allowing us to plug into the customer ecosystem for publishers and making us a more strategic vendor partner. We have since completely integrated THINK with two leading MPS platforms—ScholarStor and MPS Insight—and hosted it as a platform suite called THINK360. The suite architecture is modular and allows customers to choose the functions appropriate for their current systems and plans.
3. The July 2018 acquisition of Tata Interactive Systems GmBH, now known as TOPSIM GmBH, allowed us to enter the emerging eLearning solutions market. TOPSIM is one of the leading companies worldwide in the field of management simulations. Since 1982, this Germany subsidiary has developed business simulations and conducted more than 2,000 seminars worldwide. Since this acquisition, we have expanded TOPSIM's capabilities beyond Europe to reach all major markets.
4. The acquisition of HighWire Press (USA and UK) in July 2020, allowed us to exponentially expand our Platforms roster and cement our position in the academic and STM publishing industry. Founded in 1995 by Stanford University, HighWire's mission is Innovation in the Service of the Scholarly community. From its beginning, HighWire has served as a leader in the industry. The product technology, which remains at the forefront of digital knowledge management, provides market-leading capabilities. Supporting publishers and researchers via millions of articles, issues, and publications since its founding, HighWire has thrived largely as a result of its highly proven, modular, and scalable technology, coupled with strong relationships with industry partners.

Owing to its legacy in the publishing industry and rich product roster, HighWire now functions as the umbrella brand for the platform solutions business segment that caters to the academic and STM publishing markets. To accommodate this function, changes to HighWire's messaging and product packaging structure are underway. HighWire is currently undergoing a shift in its brand architecture, from being a branded house to a house of brands, which allows for distinct packaging for individual products. This new marketing approach is ideal for offering more flexibility in terms of product messaging and promotion.

eLearning Solutions

1. In June 2018, we acquired Tata Interactive Systems, the eLearning segment of Tata Industries Limited, through our wholly owned subsidiary, MPS Interactive Systems Limited. MPS Interactive enables its clients to address their learning and development needs through technology-enabled, futuristic, and highly scalable eLearning solutions. The services include gamifications, simulations, custom eLearning solutions, augmented and virtual realities, animations, videos, and micro-learning options. This acquisition has allowed us to make a definitive entry into the significant and growing eLearning market. The integration process is well underway, and the business has already started yielding profits and is moving into a growth phase.
2. The July 2018 acquisition of Tata Interactive Systems AG, now known as MPS Europa, completed our purchase of the Tata Interactive Systems Group. Our newly established presence in Switzerland allows us to serve parts of continental Europe that require local connections and has also provided us with significant new capabilities in emerging technologies, including augmented, virtual, and mixed realities. Since the acquisition, we

have made the business profitable through enhancements to products, marketing, and efficiencies in its delivery model.

VISION 2023

MPS' vision is to power the differentiation and competitiveness of our customers through smarter content solutions, richer platforms, and immersive eLearning solutions. We will transform learning by making learning transparent, real time, and always focused on the outcome. Through the successful execution of this vision, we will become the undisputed market leader by 2023, admired by all our stakeholders.

VALUES

Our ambitions will be powered by our values, which define who we are today and will shape our future. These are not principles that we will compromise but tools upon which we will depend.

Excellence is a way of life for us. It involves respecting our colleagues, owning our responsibilities, and committing our best efforts to our customers. Excellence is not necessarily perfection but, in simple words, giving our best effort to every interaction, deliverable, and decision.

Empathy is caring. It involves caring to understand things deeply, comprehending even the unwritten, and going the extra mile for people who depend on us. Although empathy is usually intuitive, we believe that it can be developed intellectually through impactful programs.

Efficiency defines who we are. It involves driving automation, smarter workflows, and innovative operating models and not allowing any job to be considered grunt work. We will be doing things very differently by 2023 and will be innovating to make publishing and learning smarter along every step of the journey.

CERTIFICATIONS

Our commitment and success have been acknowledged by the following certifications:

ISO 9001:2015: This is an international quality management rating awarded to the company's journal production business.

ISO/IEC 27001:2013: This is a benchmark regarding the information security management system and was conferred on MPS' Indian production units.

PCI-DSS: This global information security standard is awarded by the Payment Card Industry Security Standards Council. This certification (PCI-DSS version 1.2) was extended across MPS' fulfillment service units.

COUNTER 5 Compliant: This international barometer serves to assess the services provided by librarians, publishers, and intermediaries. Achieving this standard implies the consistent and credible recording and reporting of online usage statistics.

FINANCIAL PERFORMANCE VIS-A-VISWITH RESPECT TO OPERATIONAL PERFORMANCE

MPS achieved a new scale in FY21. On a consolidated basis, FX-adjusted revenues for FY21 were recorded at INR 424.22 crores, which is equivalent to a growth of 26.9 percent against FY20. EBITDA significantly improved from INR 82.80 crores in FY20 to INR 109.56 crores in FY21, growth of 32.31 percent. On average, FY21 was minimally impacted by COVID-19, though we witnessed some impact on our eLearning business that typically involves a shorter duration and fast-moving projects. MPS continued to remain debt-free through the year, with surplus funds of INR 180 crores on its balance sheet at the close of the year under review.

Segment-Wise Performance

Our agenda to grow the Platforms business segment in proportion to the consolidated business significantly advanced in FY21. From 16 percent in FY20, the platform business accounted for 33 percent of the revenue in FY21. The acquisition of HighWire Press on July 1, 2020, was the predominant driver of this initiative, while the organic growth in PaaS offerings such as THINK further solidified our growth strategy.

Overall, for FY20-21, content solutions accounted for 54 percent of MPS' revenues, platform solutions accounted for 33 percent, and eLearning accounted for 13 percent.

Interestingly, Content solutions reported revenues (FX-adjusted) of INR 229.22 crores compared to INR 205.29 Crores (FX-adjusted) in the previous year, a growth of 11.6 percent. This upsurge in the yield of Content Solutions is an excellent sign of the core business strengthening ahead of Vision 2023. The positive change can be attributed to the successful implementation of a robust Business Continuity Program, stabilization of customers' businesses after the initial setbacks of the lockdown, step-up in the volume of work from several of our core customers, and onboarding of new customers.

Platforms reported revenues (FX-adjusted) of INR 138.04 crores in FY21 compared to INR 53.50 crores (FX-adjusted) in the previous year, an exponential increase. This expansion can largely be attributed to the acquisition of HighWire Press. A combination of scale, long-term commitments, acquisitions, and competitiveness make this segment a star performer for the company in the medium term. Customers for this business are growing, and our plans to increase the revenue per customer and number of customers are underway.

Our eLearning solutions segment reported (FX-adjusted) a decline of 24.5% percent in revenue from INR 75.52 crores in the previous year to INR 56.96 crores (FX-adjusted) in FY21. eLearning Solutions was our sole business segment that was economically impacted by the COVID-19 pandemic. The year started with turbulent headwinds owing to the slowdown in the Order Book with customers. As the Order Book picked up during the financial year, the execution of projects still went slow. We are gradually building momentum as the Order Book has now reached previous levels, and the rate of execution is now also nearing normalcy as customers are opening up. Our strategic direction, step-up in activities to revamp operations, and the market sentiment help us maintain a positive outlook toward this segment.

MARKET DEVELOPMENTS

Educational Publishing: School, Higher Education, and Continuing Education

The future of Educational Publishing has been dictated by digital mediums of production, distribution, and consumption. This digital imperative was further emphasized over the past year due to several lockdowns imposed worldwide, which led to remote learning becoming a necessity and disrupted the traditional supply chains, leading to bottlenecks in print media distribution. While the shift to digital mode is inevitable, digital media becoming the primary source of information dissemination has now become a reality.

The market is witnessing a rising demand for educational content. The past five years have seen a significant increase in internet penetration, especially in remote areas and economically struggling regions. There have been considerable developments in remote learning platforms over the past two years. These factors, coupled with the limited availability of physical content, have led to a spike in demand.

On the supply end, the benefits of digital production are expansive and increasing over time. Publishers have recognized this, with a large percentage of publishers adopting digital content authoring and management tools. While print media still makes for a sizable portion of the revenue for many publishers today, most are shifting their business to a digital-first/print-second model. This shift is beneficial to the industry across the board, making production and distribution more efficient while increasing accessibility and reducing the price for end consumers.

Beyond production, publishers also recognize digital workflow management to be a viable way to increase revenue.

Digital distribution has been traditionally consolidated, with a select few large organizations forming most of the marketplace. This consolidation is set to change in the future, with more and more publishers opting for a direct-to-consumer (DTC) approach. Such democratization can enable the publishers to retain higher margins, a benefit that can translate into even lower prices for the end consumer. While popular amongst Scholarly Publishing, subscription-based models have only recently started gaining popularity in the Educational Publishing space. DTC and Subscription-based models have been made possible due to the development of customer, order, and access management platforms.

Witnessing these trends, MPS has been investing considerably in adopting a platform-based approach to better address the digital-first needs of educational publishers while spearheading solutions across the publishing lifecycle, customer management, and analytics.

Academic and STM Publishing[1]

The academic and STM publishing industry witnessed a marked rise in activity and significant developments over the years. The period 2020-2021 witnessed a sharp increase in article submissions to scientific journals. Compared to the historical average increase of 2-4%, many journals saw a rise in the magnitude of 50-60% for article submissions. The impact was even higher for health and medicine titles, a rise of above 90%.

Research around the coronavirus pandemic contributed significantly to the sharp rise of article submission, with around 4% of the world's research being devoted to the virus in 2020. The Dimensions Database puts the count of COVID-related publications at over 400,000. Initial research was centered on coronavirus transmission, outcomes, diagnostics, and testing. This gradually diverged to associated topics around physical and mental health.

The pandemic also fueled a sharp rise in preprints, with more than half the preprints appearing on one of three sites: medRxiv, SSRN, and Research Square. Industry experts claim this to be a pivotal year for preprints, boosted not only by the rise in coronavirus research, but also by an expansion in the scope to include subjects beyond the conventional STM definition, including economics, law, business, social science, and humanities. Experts also note that this year may accelerate the introduction of new ways in which to conduct peer reviews after the results have been disseminated as preprints.

Other factors that shaped the industry this year are the rising importance of Open Access publishing, expansion of mobile content for professional use, and rise in digital delivery, compared to declining print sales.

A continued rise in journal pricing has led to conversations around Open Access Publishing becoming more compelling, with most researchers agreeing on removing access restrictions to research data. Open Access articles continue to rise rapidly, with a CAGR of over 30%, although they still form a very small percentage of the total book revenue, at below 1%.

In the coming years, the market for mobile professional content is projected to rise alongside the growth of smartphones and data traffic, as well as the pending rollout of 5G networks, which will dramatically increase the speed at which data is transferred across networks.

eLearning[2]

Globally, organizations in the space recognize that the need to shift to digital learning must be a mid-to-long-term strategic goal for their businesses, as trends in 2021 indicate that the consequences of the pandemic will loom long into the decade. Yet, social and technological developments continue in the eLearning industry as the workforce becomes even more diverse, each with its own learning needs, and the requirement for remote accessibility, quality, and diversity of learning technology increases.

eLearning organizations generate opportunities to transform their businesses as they seek to usher in and introduce their customers to the new era of work and learning. There is an emphasis on eLearning solutions as they are more learner-centric, tech-enabled, and focused on skills required for the future. Further developments in content creation or curation, delivery mechanisms, and consultancy also

[1]Sources - Simba Information: 5 Key Trends to Watch in STM Publishing, Overview of STM Publishing, Nature Magazine: How a torrent of Covid science changed research publishing.

[2]Sources: Nelson Hall: Learning Services: The rapid shift to digital learning. Brandon Hall: Going beyond onboarding with gamification.

factor into the evolution of learning and the eLearning industry.

Content production has been placing increased focus on experiential learning through diversified content types and gamification. Rich media is projected to become even more expansive, with dynamic content such as videos and immersive mediums with mixed reality. The adoption of immersive content, though low, is rising steeply. This adoption has sparked a race across platform providers to develop Mixed Reality tools as organizations recognize the benefits of immersive content across segments. MPS Interactive has been an instrumental thought leader in the immersive content space with experience centers providing immersive, memorable experiences to showcase learning concepts, innovations, and brand heritage/stories.

The delivery will be primarily digital, with few instances of in-person learning for demonstrable skills. Mobile learning will have a strong influence on the industry, especially amongst younger learners. This combination is centered on content adaptability as a critical factor during content production.

The pandemic has accelerated the push for learning administration to be mostly automated and digital. The role of technology in learning extends beyond learning deployment to integration, personalization, tracking, and security.

With a push for increased business outsourcing, consulting will expand to encompass all learning areas and be more strategic in focus. This push is likely to result in more market segmentation, as eLearning organizations choose to specialize in the strength areas of learning as the demand for niche subject matter increases.

STRENGTHS

We are a customer-focused organization and have over the years built capabilities to help our customers achieve their business outcomes. The strengths that allow us to retain our market and product leadership include the following:

Unparalelled Platform-Based Approach

MPS platforms have gained significant momentum in the past five years, and the value proposition of this business is product leadership. Smart and reliable engineering, dedicated customer support, and innovative marketing power our platforms. With the recent acquisition of HighWire, we have further strengthened our platform suite. We are relentlessly focused on leveraging our combined knowledge to enhance our products. For example, we recently added chat-bots, a virtual assistant capability developed by MPS Interactive, to DigiCore to strengthen its value proposition for our customers.

Content Focus

MPS is focused on content services, with a strong emphasis on learning outcomes enabled by efficient yet immersive learning paths. We provide services across the entire author-to-reader value chain, ranging from content authoring and development to distribution and delivery. In the educational publishing segment, these services include content assembly, media asset development, project management, rights and permissions, design, rich media, and digital learning objects. On the enterprise side, the services include content consultation, content authoring and curation, content organization, content delivery, and content upgrade.

Focus on Innovation

MPS has a strong focus on developing and implementing highly automated, efficient, scalable, and technologically superior workflows across all stages of content creation. These workflows bring together an optimum combination of input file structuring and validation, XML transformation, pagination, and quality assurance (QA) processes. We are also leveraging our strong technological capabilities to significantly reduce the production time for eLearning solutions. We have empowered employees at all levels in the organization to propose and deliver felicitous changes in the way we produce content.

Financial Stability and Transparency

MPS is listed on the Indian stock exchanges and had a market capitalization of around INR 842 crores as of March 31, 2021. Our revenues have grown at a CAGR of approximately 13 percent since 2011-12. We have an active acquisition strategy that is focused on purchasing assets that will enable us to be a more meaningful partner to our customers. Our financial stability enables us to reinvest in our platform technology, production processes, and infrastructure (IT and facilities). This reinvestment further allows us to ramp up production quickly, manage operational risk, and attract the best talent to serve our customers in the best possible manner.

Employer Brand

MPS has a legacy of over 50 years, with roots in Macmillan Holdings, Tata Group, and now Stanford University. With a diverse clientele and long history of excellence, the goodwill accumulated by the brand is hard to be replicated by newer and smaller companies. Attrition rates dropped to an unprecedented low in FY21, which points to the high-esteemed employer brand that MPS carries.

Demonstrated Success in Change Program Implementation

MPS has successfully implemented change programs and analytics-led innovation over its 50-year legacy in publishing outsourcing, 30-year leadership status in eLearning, and 25-year innovation status in platforms. As a result, we have a unique vantage point: we have learned from the past, have enabled the present, and are now well positioned to define the future.

OPPORTUNITIES

Vendor Consolidation

Publishers and other customers have a preference to reduce the total number of vendors for ease of management and cost advantages. This tilts the balance in favor of larger providers such as MPS that have been regularly augmenting their services through organic and inorganic strategies. Another round of vendor consolidation has emerged as a consequence of the COVID-19 pandemic as stronger vendor partners such as MPS have been able to create harder lines of differentiation, while smaller companies have been unable to adapt to the new operating model.

Innovation in Publishing

The publishing industry is presently seeking new ways to reach out to its customers and expand their market network. We are utilizing cutting-edge technologies and machine learning to build smarter platforms and delivery processes. As an extension to our business, MPS has been helping customers to make publishing smarter.

Higher Demand for Remote Learning

The eLearning industry is growing at more than 10 percent per annum and presents growth opportunities. Educational institutions are expanding their digital presence and corporates are increasingly enhancing their ratio of virtual training to total learning and development. MPS Interactive is well positioned to capitalize on these forces.

Rapid Digitization

The pandemic has confined everyone to their homes. Due to the constraints on movement, audiences are consuming more content online and on mobile devices, leading to a surge in traffic for platforms. Businesses are looking for eLearning solutions that will help them adapt to the new normal and regain their level of productivity. In the long run, this represents a positive development as companies emerge from the crisis with an increased acceptance of digital learning methods. In the medium term, we will balance the impact of our clients' economic pressures and delayed expenditures with our ability to focus on healthy sectors, mission-critical expenditures, price-competitive solutions, and an altered (increasingly digital) business development model. We will leverage our comprehensive suite of learning services and platforms to help our customers navigate the new normal.

THREATS

A possible threat to the business model could be from publishers trying to own their offshore operations as they look for positive EBITDA in an overall business model that is not growing. Nevertheless, this does not appear to be a probable scenario as most captive units owned by publishers for BPO services have either been closed or sold to third parties.

RISKS AND CONCERNS

Industry Risk

We are in the digital age, and technological advances are happening at a rapid pace in the publishing and eLearning segments. Hence, to remain up to date, we have a Central Technology team that stays abreast of innovations in the industry and their applicability to our businesses.

Currency Risk

Currency fluctuations can have an effect on our revenues, given the volatility of the Indian rupee. Hence, we take adequate foreign exchange forward covers to ensure that all operations are completed at conservative levels and that we can withstand any unforeseen developments.

Customer Concentration Risk

We are dependent on a limited number of customers for the majority of our revenue. We have been widening our revenue base by increasing the number of customers and the corresponding wallet share.

Advancement of Countries with Lower Costs

Certain countries in the Asia Pacific and Latin America have been offering lower prices for the same sets of services, as they enjoy lower labor rates. We have therefore introduced more automation into our processes to streamline them and to reduce manual intervention to bid with such countries on prices while offering better products.

Long-Term Economic Impact of the COVID-19 Pandemic

While the outbreak of the pandemic is projected to decline over the year, the prolonged economic effects of the pandemic and associated lockdowns are still majorly speculative. Demand may be adversely affected if the health of the customers' business is negatively impacted.

MATERIAL DEVELOPMENTS IN HR/INDUSTRIAL RELATIONS

MPS employs over 2,571 people across 15 centers in seven countries. We have a significant presence in the USA, Europe, and India. Content Solutions is our largest segment by strength, with a total headcount of 1970. Dehradun is our largest center in India, employing over 1,000 associates. A significant section of our employees had to work remotely once the governments began to impose a lockdown in their area since early March 2020 due to the COVID-19 outbreak.

CAUTIONARY STATEMENT

Certain statements in the Annual Report, including this analysis concerning the company's objectives, expectations, estimates, projections, and future growth prospects, may be regarded as forward-looking statements, which involve some risks and uncertainties that could cause actual results to differ materially. The risks and uncertainties relating to these statements include, but are not limited to, fluctuations in earnings, intense competition in publishing and eLearning services business including those factors which may affect our cost advantage, wage increase in India, reduced demand for services in our key focus areas, and general economic conditions affecting our businesses over which the company does not have any control.

STATUTORY SECTION

DIRECTORS' REPORT

To the Members,

On behalf of the Board of Directors ('the Board') of the Company, it gives me immense pleasure to present the 51st Directors' Report, along with Balance Sheet, Profit and Loss Account and Cash Flow Statements, for the financial year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

Key highlights of the financial performance of your Company for the financial year 2020-21 is summarized below:

(INR in lakhs)

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2021	For the year ended 31.03.2020	For the year ended 31.03.2021	For the year ended 31.03.2020
Gross Income	28,791.24	20,606.61	43,242.01	35,163.10
Profit Before Interest, Depreciation and Tax (Excluding Exceptional Income)	10,172.20	7,851.40	11,664.75	9,893.39
Finance Charges	136.05	138.01	203.77	214.87
Provision for Depreciation	1,245.99	744.72	2,121.58	1,536.66
Profit Before Tax (Excluding Exceptional Item)	8,790.16	6,968.67	9,339.39	8,141.86
Exceptional Cost	-	-	-	-
Provision for Tax	2,736.79	1,691.80	3,483.43	2,156.02
Net Profit After Tax	6,053.37	5,276.87	5,855.96	5,985.84
Other Comprehensive Income	(155.46)	(15.67)	(220.59)	646.66
Total comprehensive income for the year, net of tax	5,897.91	5,261.20	5,635.37	6,632.50
Retained Earnings brought forward from previous year	14,876.42	26,652.53	16,526.88	27,638.06
Transition impact of Ind AS 116 in Retained Earnings	-	(204.55)	-	(224.56)
Retained Earnings available for appropriation	20,931.75	31,709.18	22,434.79	33,359.64
Surplus Carried to Balance Sheet	20,931.75	14,876.42	22,434.79	16,526.88

OPERATIONAL HIGHLIGHTS

Standalone

Revenue from operations for the year ended March 31, 2021 stood at INR 279.02 crores as against INR 187.65 crores for the previous year. Profit after tax and before other comprehensive income for the year ended March 31, 2021 was INR 60.53 crores and EPS INR 33.00 per share as against INR 52.77 crores and INR 28.34 per share respectively for the previous year.

Standalone Ind AS Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian accounting standard) rules as amended from time to time and other relevant provisions of the Act.

Consolidated

Revenue from operations for the year ended March 31, 2021 stood at INR 422.55 crores as against INR 331.65 crores for the previous year. Profit after tax and before other comprehensive income for the year ended March 31, 2021 was INR 58.56 crores and EPS INR 31.92 per share as against INR 59.86 crores and INR 32.15 per share respectively for the previous year.

Consolidated Ind AS Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian accounting standard) rules as amended from time to time and all other relevant provisions of the Act are separately disclosed in the Annual Report.

As per the requirements of Section 129 of the Act read with Rule 5 of the Companies (Account) Rules, 2014, a statement containing salient features of the financial statements of subsidiaries in Form AOC - 1, is attached to the Consolidated Financial Statement.

DIVIDEND

The Board of Directors has not recommended any dividend on the equity shares for the FY 2020-21.

SHARE CAPITAL AND BUY BACK

During the financial year 2020-21, your Company has bought back 5,66,666 (Five Lakhs Sixty Six Thousand Six Hundred and Sixty Six) fully paid equity shares of face value of INR 10 each at a price of INR 600 (Rupees Six Hundred only) for an amount not exceeding INR 34,00,00,000 (Rupees Thirty Four Crores only) under tender offer route, representing 3.04% of the paid up share capital of the Company.

The Buyback was completed on 7th October, 2020. Pursuant to the completion of buyback, paid up share capital of the company stands reduced from INR 18.62 crores to INR 18.05 crores.

ACQUISITION & NEW SUBSIDIARY

During the financial year ended 31st March, 2021, your Company acquired the business of HighWire.

The acquisition of US Business of HighWire was carried out through the Company's US branch and newly incorporated wholly owned subsidiary namely HighWire North America LLC, Delaware USA, by way of forward merger at a purchase price consideration of USD 6,100,000 (US Dollars six million and one hundred thousand only).

The HighWire business at Northern Ireland and United Kingdom was carried out by way of purchase of 100% shares of HighWire Press Limited based at Northern Ireland ("NI Entity") through its wholly owned subsidiary company MPS North America LLC, USA ("MPS NA LLC"), at a purchase consideration of USD 1,000,000 (US Dollars One Million only). NI Entity owns 100% shareholding of Semantico Limited ("UK Entity"). Pursuant to this acquisition, NI Entity has become subsidiary of MPS NA LLC and UK Entity has become the step down subsidiary of MPS NA LLC.

STATUTORY AUDITORS AND AUDIT REPORT

At the 46th Annual General Meeting ("**AGM**"), M/s. BSR & Co. LLP, Chartered Accountants, (firm registration no. 101248W/W-100022) had been appointed as the Statutory Auditors of the Company for a term of 5 years to hold office till the conclusion of the 51st AGM of the Company to be held in the calendar year 2021.

The Audit Report on the Financial Statements of the Company for the financial year ended March 31, 2021 read with relevant Notes thereon is self-explanatory and does not call for any further explanations. The Auditor's Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Statutory Auditors have not reported any matter under Section 143(12) of the Act, and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

SUBSIDIARIES

MPS North America, LLC (MPS North America), wholly owned subsidiary of the Company, is focused on content creation and development, project management, and media asset development for K12, Higher Education, Academic and STM publishers.

The revenue of MPS North America LLC for the year ended March 31, 2021 was INR 84.16 crores compared to INR 65.70 crores during the previous year. The Profit before tax for the year was INR 7.25 crores and Profit after tax and before other comprehensive income was INR 5.35 crores as compared to the previous year's Profit before tax of INR 7.88 crores and Profit after tax and before other comprehensive income of INR 5.85 crores respectively.

MPS Interactive Systems Limited, wholly owned subsidiary of your Company is focused on high end custom digital learning delivery including web-based learning, simulations, serious games, custom apps, and micro learning.

The revenue of MPS Interactive Systems Limited for the year ended March 31, 2021 was INR 47.38 crores compared to INR 64.32 crores during the previous year. The loss before tax for the year was INR 0.79 crores and loss after tax and before other comprehensive income was INR 6.54 crores as compared to the previous year's profit before tax of INR 4.86 crores and profit after tax and before other comprehensive income of INR 3.06 crores respectively.

TOPSIM GmbH: The Company is focused on multiplayer workshop-based simulations platform for management education.

The revenue of TOPSIM GmbH for the financial year ended March 31, 2021 was INR 15.59 crores compared to INR 17.32 crores during the previous year. The profit for the financial year ended 31st March, 2021 was INR 0.62 crores as compared to the loss for the period ended 31st March, 2020 of INR 3.14 crores.

MPS Europa AG: The Company is focused on Assessment Engine, Learning Management Platform for management education.

The revenue of MPS Europa AG for the year ended March 31, 2021 was INR 11.07 crores compared to INR 12.09 crores during the previous year. The loss before tax for the year was INR 3.17 crores and loss after tax and before other comprehensive income was INR 3.03 crores as compared to the previous year's Profit before tax of INR 0.71 crores and Profit after tax and before other comprehensive income of INR 0.72 crores respectively.

Highwire North America LLC: This wholly owned subsidiary Company was incorporated for acquisition of HighWire US Business as detailed above.

The Company also has two downstream subsidiaries named as Highwire Press Limited and Semantico Limited. Highwire Press Limited is a wholly owned subsidiary of MPS North America LLC. Semantico Limited is a wholly owned subsidiary of Highwire Press Limited.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents, and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

BOARD MEETINGS

The Board met Five (5) times during the financial year 2020-21, to transact the business of the Company. Details of the Board Meetings, including the attendance of Directors at these meetings are covered in the Corporate Governance Report forming part of the Annual Report. The maximum interval between any two consecutive Board meetings did not exceed 120 days.

AUDIT COMMITTEE

Audit Committee of your Company is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Composition, role, terms of reference, and details of meetings of the Audit Committee are provided in the Corporate Governance Report forming part of the Annual Report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The Performance of the Individual Directors was reviewed based on inputs from the Board Members, covering the inputs on the contribution of the individual Director to the Board and Committee meetings.

The performance of the Committees was evaluated based on inputs from the Committee Members, covering the inputs on the composition of Committees, effectiveness of Committee meetings, degree of fulfillment of key responsibilities, Committee dynamics, quality of relationship of the Committee with the Board and the management.

The performance of the Board was evaluated based on inputs from the Board Members, on composition of the Board, effectiveness of Board processes, information and functioning, areas and quality of review, establishment and delineation of responsibilities to Committees.

The performance of the Chairman was evaluated based on inputs from the Board Members, on his leadership, stakeholder management, vision and strategy.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board in its meeting reviewed the performance of the Independent Directors and the performance of the Committees.

DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Director Retiring by Rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Nishith Arora, retires by rotation at the ensuing AGM. Accordingly, a resolution is included in the Notice of the forthcoming 51st Annual General Meeting of the Company.

Changes in the Board

The Board of Directors in its Meeting held on November 10, 2020, re-appointed Dr. Piyush Kumar Rastogi (DIN: 02407908) as an Independent Director of the Company, not liable to retire by rotation for a term of three (3) years with effect from January 29, 2021 to January 28, 2024.

Board opinion in regard to integrity, expertise and experience of Dr. Piyush Kumar Rastogi, Independent Director who was appointed during the year 2020-21

The Board of Directors is of the opinion that, with the expertise & experience of Dr. Piyush Kumar Rastogi in accounting, taxation, legal and financial management, the Company would continue to get his advice in growth of the Company, best accounting practices and regulatory compliances.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees.

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company.

A resolution seeking shareholders' approval for the above appointment forms a part of the Notice. The brief details of expertise and other Directorship/Committee memberships held by the above Director form part of the Notice convening the 51st Annual General Meeting of the Company.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2021 are: Mr. Rahul Arora, CEO & Managing Director and Mr. Sunit Malhotra, Chief Financial Officer and Company Secretary.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s R Sridharan and Associates, Practicing Company Secretaries, carried out the Secretarial Audit of the Company for the financial year 2020-21.

Pursuant to the provisions of Regulation 24A of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, the Secretarial audit report of material unlisted subsidiary is also to be annexed with the Annual Report of the Company.

The Secretarial Audit Report of the Company and its material unlisted subsidiary, MPS Interactive Systems Limited for the financial year 2020-21 is annexed to this Report as **Annexure A.**

The Secretarial Auditors have not expressed any qualification or reservation in their report and their report is self-explanatory.

Secretarial Auditors have not reported any matter under Section 143 (12) of the Act, and therefore no details are required to be disclosed under Section 134 (3)(ca) of the Act.

DEPOSITS

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

Details of Loans, Guarantees, advances, Securities and Investments covered under the provisions of Section 186 of the Act are given in the Notes to the Standalone Financial Statements. All the investments made by the Company were in accordance with the provisions of Section 186 of the Act and the rules made thereunder.

NOMINATION AND REMUNERATION POLICY

To comply with the provisions of Section 178 of the Act and Rules made thereunder and Regulation 19 of SEBI (LODR) Regulations, the Company's updated Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel is available on website of the Company at www.mpslimited.com. The Policy includes, inter alia, the criteria for appointment and remuneration of Directors, KMPs and Senior Management Personnel of the Company.

PARTICULARS OF DIRECTORS AND EMPLOYEES

Pursuant to Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details/information's related to the remuneration of Directors, Key Managerial Personnel and Employees are set out in **Annexure B** to this Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm the following:

a. In the preparation of the Annual Accounts for the financial year ended March 31, 2020, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors have prepared these Annual Accounts on a going concern basis;

e. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

The Act emphasizes the need for an effective Internal Financial Control system in the companies which should be adequate and shall operate effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's Report.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely covered by Internal Auditors and cover all offices and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

RISK MANAGEMENT

The Company has in place, a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Identification of the business risks and their mitigation is a continuing process. Based on the diversified scale of business operations, your Company has formulated a Risk Management Policy to assist the Board in:

- overseeing and approving the Company's enterprise wide risk management framework; and
- overseeing that all the risks that the organization faces, such as strategic, financial, market, liquidity, security, property, IT, legal, regulatory, reputational, and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

The Company's management systems, organizational structure, processes, standards, code of conduct, and behavior together form a system that governs how the Company conducts its business and manage the associated risks.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year 2020-21, were on arm's length basis and in the ordinary course of business. The Audit Committee reviews all the related party transactions and approves wherever such approval is required as per the provisions of Section 188 of the Act, rules made thereunder, Regulation 23 of the Listing Regulations, and applicable Accounting Standards. The Company has not, during the year, entered into any related party transaction that may have a potential conflict with that of the Company at large. During the year, the Company has not entered into any material related party transactions, as specified in Section 188(1) of the Act, with any of its related parties. Accordingly, the disclosure of related party transactions as per Section 134(3)(h) of the Act in Form AOC-2 is not applicable. The details of related party transactions of the Company are disclosed in financials statements of the Company.

Your Company has formulated a Policy on Related Party Transaction disseminated on the Company's website viz. www.mpslimited.com.

VIGIL MECHANISM

The Vigil Mechanism as envisaged in the Act and the Rules prescribed thereunder and the Listing Regulations is implemented through the Whistle Blower Policy. This Policy provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.

The Whistleblower Policy of the Company is available on the website of the Company and can be accessed at the web link: https://d12ux7ql5zx5ks.cloudfront.net/wp-content/uploads/Signed-Whistle-Blower-Policy.pdf

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has a zero tolerance towards sexual harassment at the workplace and has adopted a Policy on Prevention and Prohibition of Sexual Harassment at Workplace and has also put in place a redressal mechanism for resolving complaints received with respect to sexual harassment. Internal Complaint Committees have been constituted at all the locations of the Company in India to redress the complaints, if any, received.

The details of the complainant are kept confidential. During the year under review, no complaint was received from any employee of the Company involving sexual harassment and thus, no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ANNUAL RETURN

As per the requirements of Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in Form MGT–9 is annexed to this Report as **Annexure-C**.

CORPORATE SOCIAL RESPONSIBILITY

MPS has been an early adopter of Corporate Social Responsibility (the "**CSR**") initiatives. In terms of the provisions of Section 135 of the Act the Company has constituted a CSR Committee. The composition and terms of reference of the CSR Committee are provided in the Corporate Governance Report forming part of this Annual Report. The Company has also formulated a CSR Policy which is available on the website of the Company viz. www.mpslimited.com.

During the year under review, your Company spent INR 163 Lakhs on CSR activities i.e. 2% of the average of the net profits of the Company for the past three financial years. In accordance with the provisions of Section 134(3)(o) of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, a report on Corporate Social Responsibility covering brief extract of the CSR policy of the Company and the CSR projects undertaken during the financial year 2020-21, is annexed as **Annexure - D** to this Report.

Composition, role and terms of reference of the CSR Committee are stated in the Corporate Governance Report forming part of this Annual Report.

CORPORATE GOVERNANCE

Your Company believes in adopting best practices of corporate governance and adheres to the standards set out by the Securities and Exchange Board of India. Corporate governance is about maximizing shareholder's value legally, ethically and sustainably. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

A detailed report on Corporate Governance, pursuant to the requirements of Regulation 34 of the Listing Regulations, forms part of the Annual Report together with a certificate from the Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Regulations is presented in a separate section forming part of the Annual Report.

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report for the year under review, as stipulated under Regulation 34(2)(f) of SEBI (LODR) Regulations, is presented in a separate section forming part of the Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUT-GO

Pursuant to Section 134(3)(m) of the Act read with the Rule 8 of the Companies (Accounts) Rules, 2014, the following information is provided:

A. Conservation of Energy

The provisions regarding disclosure of particulars with respect to Conservation of Energy are not applicable to the publishing services industry as the operations are not energy-intensive. However, constant efforts are being made to make the infrastructure more energy-efficient.

B. Technology Absorption

Particulars regarding Technology Absorption are annexed to this Report as **Annexure E**.

C. Foreign Exchange Earnings and Outgo

During the year under review, foreign exchange earned through exports was INR 276.68 crores as against INR 186.38 crores for the previous year ended March 31, 2020. Foreign exchange outgo was INR 65.23 crores as against INR 16.50 crores for the previous year. Thus, the net foreign exchange earned by the Company during the year ended March 31, 2021 was INR 211.45 crores.

SIGNIFICANT DEVELOPMENTS AFTER THE CLOSE OF THE FINANCIAL YEAR

Except for the events disclosed elsewhere in the Annual Report, no significant change or development, that could affect the Company's financial position, has occurred between the end of the financial year and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATORS OR COURT

During the year under review, no significant material order was passed by any regulator or court that would impact the going concern status or future business operations of the Company.

APPRECIATION

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners / associates and Central and State Governments for their consistent support and encouragement to the Company. We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board of Directors

Place:Gurugram | Nishith Arora
Date: May 26, 2021 | Chairman

Annexure-A to Directors Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24 A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

The Members,
MPS LIMITED
RR Tower IV, Super A, 16/17,
Thiru-Vi-Ka Industrial Estate, Guindy,
Chennai – 600032

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MPS LIMITED** (hereinafter called "the Company") [Corporate Identification Number: L22122TN1970PLC005795]. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 and on the basis of our review, we hereby report that during the year under review, the Company has complied with the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment. There was no Foreign Direct Investment and External Commercial Borrowings during the year under review;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable during the period under review);

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable during the period under review);

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable during the period under review);

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable during the period under review); and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:

1. The Information Technology Act, 2000 and the Rules made thereunder

2. The Special Economic Zones Act, 2005 and the Rules made thereunder

3. The Software Technology Parks of India rules and regulations

4. The Trade Marks Act, 1999

5. The Patents Act, 1970

6. The Copyrights Act, 1957

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory auditor, tax auditor, and other designated professionals.

We have also examined compliance with the applicable clauses / regulations of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Uniform Listing Agreement entered with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Women Independent Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Meetings which are convened at shorter notice and agenda / notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Meeting of the Board of Directors are complied with. The Directors participated through video conferencing or other audio visual means during the period under review, the necessary compliances of Rule 3 & 4 of the Companies (Meetings of Board and its powers) Rules, 2014 have been complied with. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting, the Members who voted against the resolution(s) have been recorded.

We further report that based on review of compliance mechanism established by the Company and on basis of the Compliance certificates issued by the Chief Financial Officer and Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws.

We further report that the above mentioned Company being a Listed entity, this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanations provided by the Management, the Company has a Material Unlisted Subsidiary, viz. MPS Interactive Systems Limited, Incorporated in India as defined in Regulation 16(1)(c) and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that during the audit period, the Company has

1. Obtained approval of the Board in its meeting held on July 1, 2020 for the purchase of 100% shares of HighWire Press Limited based at Northern Ireland ("NI Entity") by its wholly owned subsidiary company MPS North America LLC, USA ("MPS NA LLC"), at a purchase consideration of USD 1,000,000 (US Dollars One Million only), pursuant to the Stock Purchase Agreement executed on 1st July, 2020 between MPS NA LLC and HighWire UK Holdings LLC, USA ("Seller"). The Seller holds 100% of the NI Entity. NI Entity also owns 100% shareholding of Semantico Limited ("UK Entity"). Pursuant to this acquisition, NI Entity becomes subsidiary of MPS NA LLC and UK Entity becomes the step down subsidiary of MPS NA LLC.
2. Incorporation of new wholly owned subsidiary of the Company in Delaware, USA, named as HighWire North America LLC ("HighWire NA LLC").
3. Obtained approval of the Board in its meeting held on July 1, 2020 for acquisition of the US business of HighWire Press, Inc. which was completed through the Company's US branch and newly incorporated wholly owned subsidiary in Delaware, USA, HighWire North America LLC by way of forward merger at a purchase price consideration of USD 6,100,000 (US Dollars six million and one hundred thousand only). The Agreement and Plan for Merger was executed on July 1, 2020 between MPS Limited, HighWire North America LLC, MPS North America LLC, and HighWire Press Holdings Inc. and completed the forward merger on 1st July, 2021.
4. Buy-back of up to 5,66,666 (Five Lakhs Sixty Six Thousand Six Hundred and Sixty Six) equity shares of face value of INR 10/- each ("Equity Shares") at a price of INR 600 (Rupees Six Hundred only) by the Company for an amount not exceeding INR 34,00,00,000 (Rupees Thirty Four Crores only) under tender offer route.

For R.Sridharan & Associates
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775

Place: Chennai UIN : S2003TN063400
Date: 26th May, 2021 UDIN: F004775C000372285

*This report is to be read with our letter of even date which is annexed as **ANNEXURE -1** and forms an integral part of this report.*

'ANNEXURE -1'

The Members
MPS LIMITED
RR Tower IV, Super A, 16/17,
Thiru-Vi-Ka Industrial Estate, Guindy,
Chennai – 600032

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of all applicable laws, Rules Regulations and standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R.Sridharan & Associates
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN: S2003TN063400
UDIN: F004775C000372285

Place: Chennai
Date: 26th May, 2021

Annexure-A to Directors Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
MPS INTERACTIVE SYSTEMS LIMITED
CIN: U74999TN2018PLC122594
RR Tower IV, Super A, 16/17,
Thiru-Vi-Ka Industrial Estate, Guindy,
Chennai – 600032

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MPS INTERACTIVE SYSTEMS LIMITED** (hereinafter called "the Company") [Corporate Identification Number: U74999TN2018PLC122594]. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period for the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) Since the Company is an unlisted Company, the question of complying with the provisions of the Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under does not arise;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (Not applicable as the Securities of the Company are held in physical form);

(iv) The Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under FEMA during the year under review and hence, the question of complying with the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder does not arise;

(v) Since the Company is an unlisted Company, the following Regulations (a to i) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the company during the period under review.

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015) and

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vi) The Management of the Company identified and confirmed the following Laws/ Rules are specifically applicable to them:

1. The Information Technology Act, 2000 and the Rules made thereunder
2. The Special Economic Zones Act, 2005 and the Rules made thereunder
3. The Software Technology Parks of India rules and regulations
4. The Trade Marks Act, 1999
5. The Patents Act, 1970
6. The Copyrights Act, 1957

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory auditor, tax auditor, and other designated professionals.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered with Stock Exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Not applicable as the Securities of the Company are not listed on any Stock Exchange).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The Directors participated through video conferencing or other audio visual means during the period under review, the necessary compliances of Rule 3 & 4 of the Companies (Meetings of Board and its powers) Rules, 2014 have been complied with. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors and no Director dissented on the decisions taken at such Board Meetings.

We further report that based on review of compliance mechanism established by the Company and on basis of the Compliance certificates issued by the Chief Financial Officer and Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws.

We further report that as per the information and explanations provided by the Management, the company is a material unlisted wholly owned subsidiary of MPS Limited (Listed entity) as per clause 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that during the audit period, the Company has

1. Redeemed 22,000,000 8% Non-Cumulative Redeemable Preference Shares amounting to INR 22,00,00,000 (Rupees Twenty Two Crores only) issued to MPS Limited, Holding Company.

For R.Sridharan & Associates
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN: S2003TN063400
UDIN: F004775C000361340

Place: Chennai
Date: 24th May, 2021

*This report is to be read with our letter of even date which is annexed as **ANNEXURE -1** and forms an integral part of this report.*

'ANNEXURE -1'

The Members
MPS INTERACTIVE SYSTEMS LIMITED
CIN: U74999TN2018PLC122594
RR Tower IV, Super A, 16/17
Thiru VI KA Industrial Estate, Guindy,
Chennai – 600032

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of all applicable laws and Regulations and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedure on test basis.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R.Sridharan & Associates
Company Secretaries

CS R.Sridharan
CP No. 3239
FCS No. 4775
UIN: S2003TN063400
UDIN: F004775C000361340

Place: Chennai
Date: 24th May, 2021

Annexure-B

DETAILS OF REMUNERATION UNDER SECTION 197 OF COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Details as per Section 197 and Rule 5(1):

(i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21, percentage increase in remuneration of Managing Director, Chief Executive officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year 2020-21,is as follows:

Sl. No.	Name	% increase in Remuneration in the financial year 2020-2021	Ratio to median remuneration#
Non-Executive and Non-Independent Director			
1.	Mr. Nishith Arora*	Nil	Not Applicable
2.	Ms Yamini Tandon*	Nil	Not Applicable
Independent Director"			
3.	Ms. Jayantika Dave (Appointed w.e.f 30th October, 2019)	Not Applicable	Not Applicable
4.	Ms. Achal Khanna (Appointed w.e.f 30th October, 2019)	Not Applicable	Not Applicable
5.	Mr. Ajay Mankotia (Appointed w.e.f 29th January, 2020)	Not Applicable	Not Applicable
6.	Dr. Piyush Kumar Rastogi (Appointed w.e.f 29th January, 2020)	Not Applicable	Not Applicable
Managing Director			
7.	Mr. Rahul Arora**	Nil^	Not Applicable
Chief Financial Officer and Company Secretary			
8.	Mr. Sunit Malhotra	Nil^	Not Applicable

*Mr Nishith Arora, Chairman and Non-Executive Director of the Company and Ms. Yamini Tandon, Non-Executive Director did not receive any sitting fees from the Company.

**Mr Rahul Arora was appointed as the CEO & Managing Director of the Company for a term of 5 years w.e.f August 12, 2018 to August 11, 2023 and the Remuneration was approved by the shareholders by way of special resolution passed by postal ballot on October 24, 2018.

^There was no increase in remuneration of Mr. Rahul Arora and Mr. Sunit Malhotra in the current financial year, hence reported as NIL.

#Median Annual Remuneration computed for the financial year 2020-21 is INR 2,80,416.

"The Independent Directors of the Company are paid sitting fees within the limits as approved by the Board and prescribed under the Companies Act, 2013. The details of remuneration paid to Independent Directors are detailed in the Corporate Governance Report."

(ii) **Increase in Median Remuneration:**

The number of permanent employees as on March 31, 2021 were 2269 and the median remuneration was INR 2,80,416 annually as compared to last year it was calculated as INR 2,82,477 annually. The median remuneration of employees (excluding above Directors and KMPs) in Financial Year 2021 has decreased by 0.72%.

(iii) **Permanent Employees:**

The Company had 2269 permanent employees on its rolls as on March 31, 2021.

(iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and exceptional circumstances, if any, for increase in the managerial remuneration:**

There was no increase in the remuneration of the managerial personnel in the financial year 2020-21.

(v) **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company affirms that the remuneration to Directors and employees during the financial year 2020-21 is as per its Remuneration Policy.

B. **Details as per Section 197 and Rule 5(2) and 5(3) of the Act:**

1. During the financial year 2020-21, no employee of the Company, received remuneration of one crore and two lakh rupees or more per annum while working for the whole year or at the rate of eight lakh and fifty thousand rupees per month while working for a part of the year.
2. During the financial year 2020-21 or part thereof, no employee of the Company received remuneration in excess of the remuneration drawn by Managing Director or Whole-Time Director or Manager and no employee of the Company (by himself or along with his spouse and dependent children), was holding two percent or more of the equity shares of the Company.
3. During the financial year 2020-21, no employee of the Company, resident in India, posted and working in a country outside India, not being Directors or their relatives, had drawn more than sixty lakh rupees per year or five lakh rupees per month.

For and on behalf of the Board of Directors

Gurugram
May 26, 2021

Nishith Arora
Chairman

Annexure-C

FORM MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2021
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	Corporate Identification Number	L22122TN1970PLC005795
2	Registration Date	January 19, 1970
3	Name of the Company	MPS Limited
4	Category of the Company	Public company limited by shares
5	Address of the registered office and contact details	RR Towers IV, Super A, 16/17, Thiru Vi Ka Industrial Estate, Guindy, Chennai - 600 032 Tel: +91 – 44 - 49162222 Fax:+91 – 44 - 49162225
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited Subramanian Building, 1 Club House Road, Chennai – 600002 Tel: +91- 44 – 28460390 Fax: +91- 44- 28460129

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company:

Name and Description of main products / services	NIC Code of the Product/ service	% to total Turnover of the Company#
Content Solutions	620	59%
Platform Solutions	631	41%

#On the basis of gross turnover

*Company operates in two segments, i.e., Content Solutions and Platform Solutions.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name of Company	Address of Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held as on 31/03/2021	Applicable Section
1	ADI BPO Services Limited	RR Tower IV, Super A, 16/17, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai- 600 032	U22110DL2006PLC144592	Holding Company	67.77%	2(46)
2	MPS North America, LLC	5728 Major Blvd., Orlando, Florida 32819	L13000078013	Subsidiary Company	100%	2(87)
3	MPS Interactive Systems Limited*	RR Tower IV, Super A, 16/17, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai- 600 032	U74999TN2018PLC122594	Subsidiary Company	100%	2(87)
4	MPS Europa AG	Lindenstrassese 14, 6340 Baar, Switzerland	CHE-101.439.161 (Firm Number)	Subsidiary Company	100%	2(87)
5	Topsim GmbH	Neckarhalde 55 D- 72070, Tubingen, Germany	HRB 382769 (Local Business Number)	Subsidiary Company	100%	2(87)
6	Highwire North America LLC	15575- Los Gatos Blvd, Los Gatos, CA 95032 USA	M20000005576	Subsidiary Company	100%	2(87)

*6 shares of MPS Interactive Systems Limited are held by Nominee shareholders of MPS Limited

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) CATEGORY-WISE SHARE HOLDING

	Category of Shareholders	No. of shares held at the beginning of the year (as on 01.04.2020)				No. of shares held at the end of the year (as on 31.03.2021)				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
(1)	**Indian**									
(a)	Individual/HUF	-	-	-	-	-	-	-	-	-
(b)	Central Govt.	-	-	-	-	-	-	-	-	-
(c)	State Govt(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	12616996	0	12616996	67.7716	12271608	0	12271608	67.9857	0.2141
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	12616996	0	12616996	67.7716	12271608	0	12271608	67.9857	0.2141
(2)	**Foreign**									
(a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b)	Other – Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total shareholding of Promoter (A)= (A)(1)+(A)(2)	**12616996**	**0**	**12616996**	**67.7716**	**12271608**	**0**	**12271608**	**67.9857**	**0.2141**

	Category of Shareholders	No. of shares held at the beginning of the year (as on 01.04.2020)				No. of shares held at the end of the year (as on 31.03.2021)				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B.	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds	80,636	-	80,636	0.4331	78429	-	78429	0.4345	0.0013
(b)	Banks/FI	477273	-	477273	2.5636	398030	-	398030	2.2051	(0.3585)
(c)	Central Govt	-	-	-	-	-	-	-	-	-
(d)	State Govt(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIIs	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(j)	Any Other	-	-	-	-	-	-	-	-	-
	Alternate Investment Fund	96544	-	96544	0.5185	75496	-	75496	0.4182	(0.1003)
	Foreign Portfolio Investor (Corporate) Category I	933026	-	933026	5.0117	910681	-	910681	5.0452	0.0335
	Foreign Portfolio Investors (Corporate) Category II	152126	-	152126	0.8171	31690	-	31690	0.1755	(0.6415)
	Foreign Portfolio Investors (Corporate) Category III	-	-	-	-	-	-	-	-	-
	Sub- Total (B)(1)	1739605	0	1739605	9.3442	1494326	0	1494326	8.2786	(1.0655)

	Category of Shareholders	No. of shares held at the beginning of the year (as on 01.04.2020)				No. of shares held at the end of the year (as on 31.03.2021)				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2.	Non-Institutions									
(a)	Bodies Corporate	262208	-	262208	1.4084	202598	-	202598	1.1224	(0.2860)
(i)	Indian	-	-	-	-	-	-	-	-	-
(ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
I	Individual shareholders holding nominal share capital up to INR 1 lakh	1997111	13947	2011058	10.8023	2016989	13947	2030936	11.2515	0.4492
II	Individual shareholders holding nominal share capital in excess of INR 1 lakh	1169730	-	1169730	6.2831	1295198	-	1295198	7.1755	0.8923
(c)	Others (specify)									
	Directors and Relatives	-	-	-	-	-	-	-	-	-
	IEPF	4166	-	4166	0.0223	4191	-	4191	0.0232	0.0008
	Hindu Undivided Family	266656	-	266656	1.4323	243304	-	243304	1.3479	(0.0844)
	Non Resident Indians	533102	-	533102	2.8635	495109	-	495109	2.7429	(0.1205)
	Clearing Members	12405	-	12405	0.0666	12029	-	12029	0.0666	0.0000
	TRUSTS	1000	-	1000	0.0053	961	-	961	0.0053	(0.0000)
	Others	-	-	-	-	-	-	-	-	-
	Sub- Total (B)(2)	4246378	13947	4260325	22.8841	4270379	13947	4284326	23.7355	0.8513
	Total Public Shareholding (B)= (B)(1)+(B)(2)	5985983	13947	5999930	32.2283	5764705	13947	5778652	32.0142	(0.2141)
(C)	Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	18602979	13947	18616926	100	18036313	13947	18050260	100	0.00

(II) SHAREHOLDING OF PROMOTERS

S. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2020)			Shareholding at the end of the year (as on 31.03.2021)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	ADI BPO Services Limited	12616996	67.7716	0.0000	12271608	67.9857	0.0000	(1.9134)
	Total	12616996	67.7716	0.0000	12271608	67.9857	0.0000	(1.9134)

(III) CHANGE IN PROMOTERS' SHAREHOLDING

S. No.		Shareholding at the beginning of the year (as on 01.04.2020)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	12616996	67.7716	12616996	67.7716
	Tender of the equity shares, pursuant to the Buyback offer from the Company during the year	(345388)	1.9134	12271608	67.9857
	At the end of the year (as on 31.03.2021)	12271608	67.9857	12271608	67.9857

(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs):

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	ICICI LOMBARD GENERAL INSURANCE COMPANY LTD				
	At the beginning of the year 01-Apr-2020	471270	2.5314	471270	2.5314
	Sale 09-Oct-2020	(18778)	0.1040	452492	2.5068
	Sale 19-Mar-2021	(43208)	0.2393	409284	2.2674
	Sale 26-Mar-2021	(10949)	0.0606	398335	2.2068
	Sale 31-Mar-2021	(305)	0.0016	398030	2.2051
	At the end of the Year 31-Mar-2021	398030	2.2051	398030	2.2051
2	GOVERNMENT OF SINGAPORE - E				
	At the beginning of the year 01-Apr-2020	390379	2.0969	390379	2.0969
	Sale 09-Oct-2020	(15555)	0.0861	374824	2.0765
	At the end of the Year 31-Mar-2021	374824	2.0765	374824	2.0765

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3	**MUKUL AGRAWAL JT1 : PARAM CAPITAL RESEARCH PVT LTD**				
	At the beginning of the year 01-Apr-2020	374700	2.0126	374700	2.0126
	Sale 05-Jun-2020	(374700)	2.0758	0	0.0000
	At the end of the Year 31-Mar-2021	0	0.0000	0	0.0000
	HAVING SAME PAN				
3	**MUKUL AGRAWAL JT1 : PARAM CAPITAL RESEARCH PVT LTD**				
	At the beginning of the year 01-Apr-2020	0	0.0000	0	0.0000
	Purchase 05-Jun-2020	374700	2.0758	374700	2.0758
	Purchase 19-Jun-2020	25829	0.1430	400529	2.2189
	Purchase 26-Jun-2020	11771	0.0652	412300	2.2841
	Purchase 10-Jul-2020	29895	0.1656	442195	2.4497
	Purchase 24-Jul-2020	7547	0.0418	449742	2.4916
	Purchase 31-Jul-2020	7442	0.0412	457184	2.5328
	Purchase 05-Aug-2020	2816	0.0156	460000	2.5484
	Sale 09-Oct-2020	(12636)	0.0700	447364	2.4784
	Purchase 05-Feb-2021	52636	0.2916	500000	2.7700
	At the end of the Year 31-Mar-2021	500000	2.7700	500000	2.7700
4	**PINEBRIDGE GLOBAL FUNDS - PINEBRIDGE INDIA EQUITY FUND**				
	At the beginning of the year 01-Apr-2020	344493	1.8504	344493	1.8504
	Sale 09-Oct-2020	(13726)	0.0760	330767	1.8324
	At the end of the Year 31-Mar-2021	330767	1.8324	330767	1.8324
5	**NIHAR NANDAN NILEKANI**				
	At the beginning of the year 01-Apr-2020	182358	0.9795	182358	0.9795
	Sale 09-Oct-2020	(7266)	0.0402	175092	0.9700
	At the end of the Year 31-Mar-2021	175092	0.9700	175092	0.9700
6	**PARAMJIT MANN**				
	At the beginning of the year 01-Apr-2020	161427	0.8670	161427	0.8670
	Sale 01-May-2020	(14335)	0.0794	147092	0.8149
	Sale 08-May-2020	(10988)	0.0608	136104	0.7540
	Sale 15-May-2020	(469)	0.0025	135635	0.7514
	Sale 22-May-2020	(1535)	0.0085	134100	0.7429
	Sale 29-May-2020	(594)	0.0032	133506	0.7396
	Sale 05-Jun-2020	(133506)	0.7396	0	0.0000
	At the end of the Year 31-Mar-2021	0	0.0000	0	0.0000
	HAVING SAME PAN				

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
6	PARAMJIT MANN				
	At the beginning of the year 01-Apr-2020	0	0.0000	0	0.0000
	Purchase 05-Jun-2020	117197	0.6492	117197	0.6492
	Sale 26-Jun-2020	(12133)	0.0672	105064	0.5820
	Sale 03-Jul-2020	(20000)	0.1108	85064	0.4712
	Sale 10-Jul-2020	(10000)	0.0554	75064	0.4158
	Sale 28-Aug-2020	(14002)	0.0775	61062	0.3382
	Sale 04-Sep-2020	(18317)	0.1014	42745	0.2368
	Sale 11-Sep-2020	(6935)	0.0384	35810	0.1983
	Sale 09-Oct-2020	(2092)	0.0115	33718	0.1868
	Sale 12-Mar-2021	(8946)	0.0495	24772	0.1372
	At the end of the Year 31-Mar-2021	24772	0.1372	24772	0.1372
7	PINEBRIDGE INDIA EQUITY FUND				
	At the beginning of the year 01-Apr-2020	118766	0.6379	118766	0.6379
	Sale 09-Oct-2020	(4732)	0.0262	114034	0.6317
	At the end of the Year 31-Mar-2021	114034	0.6317	114034	0.6317
8	RAMESH S DAMANI				
	At the beginning of the year 01-Apr-2020	115100	0.6182	115100	0.6182
	Sale 31-Jul-2020	(10000)	0.0554	105100	0.5822
	Sale 05-Aug-2020	(5962)	0.0330	99138	0.5492
	Sale 14-Aug-2020	(2880)	0.0159	96258	0.5332
	Sale 21-Aug-2020	(1924)	0.0106	94334	0.5226
	Sale 09-Oct-2020	(3190)	0.0176	91144	0.5049
	At the end of the Year 31-Mar-2021	91144	0.5049	91144	0.5049
9	AIRAVAT CAPITAL TRUST				
	At the beginning of the year 01-Apr-2020	96544	0.5185	96544	0.5185
	Purchase 03-Apr-2020	1005	0.0055	97549	0.5404
	Purchase 10-Apr-2020	1890	0.0104	99439	0.5509
	Sale 09-Oct-2020	(3962)	0.0219	95477	0.5289
	Sale 18-Dec-2020	(5630)	0.0311	89847	0.4977
	Sale 31-Dec-2020	(2440)	0.0135	87407	0.4842
	Sale 08-Jan-2021	(10131)	0.0561	77276	0.4281
	Sale 15-Jan-2021	(24418)	0.1352	52858	0.2928
	Purchase 12-Mar-2021	1135	0.0062	53993	0.2991
	Purchase 19-Mar-2021	21503	0.1191	75496	0.4182
	At the end of the Year 31-Mar-2021	75496	0.4182	75496	0.4182

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
10	DILEEP MORESHWAR WAGLE JT1 : VAIJAYANTI DILEEP WAGLE				
	At the beginning of the year 01-Apr-2020	90000	0.4834	90000	0.4834
	At the end of the Year 31-Mar-2021	90000	0.4986	90000	0.4986
	NEW TOP 10 AS ON (31-Mar-2021)				
11	VIJAYKUMAR PATEL				
	At the beginning of the year 01-Apr-2020	81900	0.4399	81900	0.4399
	Sale 09-Oct-2020	(2290)	0.0126	79610	0.4410
	At the end of the Year 31-Mar-2021	79610	0.4410	79610	0.4410
12	HDFC TRUSTEE COMPANY LIMITED - HDFC TAX SAVERFUND				
	At the beginning of the year 01-Apr-2020	80636	0.4331	80636	0.4331
	Sale 09-Oct-2020	(2207)	0.0122	78429	0.4345
	At the end of the Year 31-Mar-2021	78429	0.4345	78429	0.4345

(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

S. No.	Name of Director/KMP	Shareholding at the beginning of the year (as on 01.04.2020)		Change in no. of shares during the year			Cumulative Shareholding during the year / at the end of the year (as on 31.03.2021)	
		No. of shares	% of total shares of the Company	Date	Purchase/ Sale	No. of shares	No. of shares	% of total shares of the Company
A. Directors								
1	Nishith Arora (Chairman and Non-Executive Director)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	Ajay Mankotia (Non-Executive and Independent Director)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	Dr. Piyush Kumar Rastogi (Non-Executive and Independent Director)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4	Rahul Arora (CEO & Managing Director)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
5	Yamini Tandon (Non-Executive Director)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6	Achal Khanna (Independent Director)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
7	Jayantika Dave (Independent Director)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
B. Key Managerial Personnel								
1	Sunit Malhotra (Chief Financial Officer & Company Secretary)	Nil	Nil	Nil	Nil	Nil	Nil	Nil

V. INDEBTEDNESS

The Company has not availed any term loan from any bank/financial institution during the financial year 2020-21.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO CEO AND MANAGING DIRECTOR:

(INR in lakhs)

Sl. No	Particulars of Remuneration	Name of CEO & Managing Director Mr. Rahul Arora#
1	Gross salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	250.09
	(b) Value of perquisites under Section 17(2) of Income-Tax Act, 1961	
	(c) Profits in lieu of salary under Section 17(3) of Income-Tax Act, 1961	
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - Others, specify	-
5.	Others, please specify	-
	Total (A)	**250.09**
	Ceiling as per the Act	INR 429.88 lakhs (being 5% of the net profits of the Company for the financial year ended March 31, 2021 computed as per Section 198 of the Companies Act, 2013)

B. REMUNERATION TO OTHER DIRECTORS (NON EXECUTIVE INDEPENDENT DIRECTORS)

(INR in lakhs)

Sl. No	Particulars of Remuneration	Name of Directors				Total Amount
		Ms. Jayantika Dave	Ms. Achal Khanna	Mr. Ajay Mankotia	Dr. Piyush Kumar Rastogi	
1.	Fees for attending Board and Committee Meetings	6.4	5.2	7.8	7.8	**27.2**
2.	Commission	-	-	-	-	-
3.	Others, please specify	-	-	-	-	-
	Total (B)	**6.4**	**5.2**	**7.8**	**7.8**	**27.2**
	Total Managerial Remuneration (A+B) (INR in Lakhs)	277.29				
	Overall Ceiling as per the Act (INR in Lakhs)	INR 945.74 (being 11% of the net profits of the Company for the financial year ended March 31, 2021 computed as per Section 198 of the Companies Act, 2013.)				

Note 1: #Mr Rahul Arora was appointed as CEO & Managing Director of the Company effective from August 12, 2018. The Appointment is for a term of 5 years. The Remuneration was approved by the shareholders. Mr. Rahul Arora received a total of INR 250.09 lakhs as remuneration, including performance linked bonus during the financial year 2020-21.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

(INR in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		CEO & Managing Director	CFO & Company Secretary
			Sunit Malhotra
1.	Gross salary	Covered under point VI (A) (in CEO & MD)	
	a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961		60.66
	b) Value of perquisites under Section 17(2) of Income-Tax Act, 1961		-
	c) Profits in lieu of salary under Section 17(3) of Income-Tax Act, 1961		-
2.	Stock Option		-
3.	Sweat Equity		-
4.	Commission - as % of profit - others, specify		-
5.	Others, please specify		-
	Total		**60.66**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES AGAINST COMPANY/ DIRECTORS/ OFFICERS IN DEFAULT:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

On Behalf of the Board of Directors

Date: May 26, 2021
Place: Gurugram

Nishith Arora
Chairman

Annexure-D

CSR ANNUAL REPORT

1. **Brief outline on CSR Policy of the Company**

   Your Company believes that Corporate Social Responsibility is a means to achieve a balance of economic, environmental and social imperatives, while addressing the expectations of shareholders and all other stakeholders. It is a responsible way of doing business. MPS's CSR policy is aimed at demonstrating care for the community through its focus on education and health amongst the disadvantaged and marginalized cross section of the society.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Rahul Arora[2]	Chairman	1	1
2	Jayantika Dave	Member	1	1
3	Yamini Tandon[2]	Member	1	1
4	Nishith Arora[1]	-	-	-

[1]Mr. Nishith Arora, Chairman of the Corporate Social Responsibility Committee resigned from the Committee with effect from August 12, 2020.

[2]Mr. Rahul Arora was designated as the Chairman post resignation of Mr. Nishith Arora and Ms. Yamini Tandon was appointed as the Member of the Corporate Social Responsibility Committee with effect from August 12, 2020.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company –

   Web-link for Composition of CSR committee https://www.mpslimited.com/corporate-governance/

   Web – link for CSR Policy - https://d12ux7ql5zx5ks.cloudfront.net/wp-content/uploads/Signed-CSR-Policy.pdf

   Web – link for CSR projects - https://www.mpslimited.com/csr/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable. – **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – **Not Applicable**

6. Average net profit of the company as per section 135(5) – **INR 8149.12 Lakhs**

7. (a) Two percent of average net profit of the company as per section 135(5) – **INR 163 Lakhs**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – **NIL**

   (c) Amount required to be set off for the financial year, if any – **NIL**

   (d) Total CSR obligation for the financial year 2020-21 (7a+7b-7c) – **INR 163 Lakhs**

8. (a) CSR amount spent or unspent for the financial year 2020-21: - **Total amount spent was INR 163 Lakhs in the financial year 2020-21.**

Total Amount Spent for the Financial Year. (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
163 Lakhs	NIL				

(b) Details of CSR amount spent against ongoing projects for the financial year 2020-21: **Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in INR).	Amount spent in the current financial Year (in INR).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in INR).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	NOT APPLICABLE											
2.												
3.												
	Total											

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year 2020-21:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in INR).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Village Community Mental Health Programme	promoting health care including preventive health care	Yes	Haryana	Gurugram	30 Lakhs	No	Sambandh Health Foundation	CSR00003568
2.	Tobacco Control - Tobacco Free Educational Institutions	promoting health care including preventive health care	Yes	Uttar Pradesh	All	6 Lakhs	No	Sambandh Health Foundation	CSR00003568
3.	Education on Intellectual Development and Higher Values	Promoting Education, including Special Education	Yes	Maharashtra, District Pune & Online (Pan India)		20 Lakhs	No	Vedanta Cultural Foundation	CSR00004887
4.	Prema Vasan	promoting health care including preventinve health care	Yes	Tamil Nadu	Kancheepuram	12 Lakhs	No	Prem Chairtable Trust	CSR00005828
5.	IIMPACT	Promoting Education, including Special Education	Yes	Uttarakhand	Dehradun	91 Lakhs	No	IIMPACT	CSR00002935
				Uttarakhand	Hardwar				
				Haryana	Mewat				
				Rajasthan	Rajsamand				
				Himachal Pradesh	Sirmaur				
				Uttarakhand	Tehri Garhwal				
				Uttarkashi	Uttarkashi				

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in INR).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
6	Vedanta Institute Delhi	Promoting Education, including Special Education	Yes	Online (Pan India)		4 Lakhs	No	Vedanta Institute Delhi	-
	Total					**163 Lakhs**			

(d) Amount spent in Administrative Overheads - Administrative expenses are within permissible 5% of the total CSR contribution made to implementing agencies during the financial year 2020-21.

(e) Amount spent on Impact Assessment - **NIL**

(f) Total amount spent for the Financial Year 2020-21 (8b+8c+8d+8e) – **INR 163 Lakhs**

(g) Excess amount for set off – **NIL**

Sl. No.	Particular	Amount (in INR)
(i)	Two percent of average net profit of the company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in INR)	Amount spent in the reporting Financial Year (in INR).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in INR)
				Name of the Fund	Amount (in INR).	Date of transfer.	
1	NIL						
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in INR).	Amount spent on the project in the reporting Financial Year (in INR).	Cumulative amount spent at the end of reporting Financial Year. (in INR)	Status of the project - Completed / Ongoing.
1	NIL							
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – **NIL**

(a) Date of creation or acquisition of the capital asset(s). **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset. **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – **Not Applicable**

Rahul Arora
CEO & Managing Director

Annexure-E

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT:

Disclosure of Particulars with Respect to Technology Absorption, Research & Development:

1.	Specific areas in which R & D was carried out by the Company	• Platforms for content creation, submission, peer review and editorial with improved user experience. • Research on new features / roadmap to the existing platforms based on customer requirements, market needs and feedback received • Integrating the MPS platforms with industry leading platforms to provide more flexibility, stability and automation • Potential application of Artificial Intelligence and Machine learning techniques in the Editorial and content production services • Simplification of the delivery platforms by bundling web and mobile offerings • Modules and functionalities in DigiCore platform and Mag+ for including diverse content and integration. • Optimization of production processes and workflows • Migrating to cloud based systems including using remote workspaces for certain functions
2.	Benefits derived from the above	• Larger prospects base owing to wider capabilities • Improved competitive positioning due to multiple variants • Improved productivity for customers service teams due to streamlined communication • Further features added / preparation of roadmap to the existing platforms • Utilizing the latest technologies and infrastructure, several platforms were made cloud ready and migrated to web based solution • Technology migration - THINK web version • Revamped version of Mag+ resulting in new HTML5 based Mag+Now platform • Flexibility, stability and automation provided by 3rd party integrations for DigiCore and Think360 platforms lead to increased customer satisfaction and user base. • Increased interest in the DigiCore platform for diverse content types including tax, accounting and educational content processing • Custom development and enhancements in various modules of DigiCore and Think 360 platform for customers • Custom development opportunity for analytics and reporting dashboards • Improved business continuity at optimized cost • Improved productivity with lean workflow and implementation of workflows / processes with more automation

Disclosure of Particulars with Respect to Technology Absorption, Research & Development: *(contd...)*

3.	Future plan of action	• Enhancing platforms further as per project roadmap • Further enhancing security of cloud architecture and platforms • Increased integration with different products in the portfolio • Further leverage of HTML5 for providing enhanced experience and powering interactive products from DigiCore and Mag+Now platforms • Migration of more systems to cloud with increased scalability and availability • Centralization of key processes for cost efficiencies • Improved process automation resulting in increased productivity
4.	Expenditure on R & D result	Expenditure on R&D towards enhancement & integrations of various platforms including newly added HighWire platforms in addition to DigiCore, THINK and Mag+Now platform and is charged to profit & loss account of the Company.

Technology Absorption, Adaptation and Innovation

Efforts in brief made towards technology absorption, adaptation, and innovation.	• Implementing projects using latest technologies like Machine Learning, Artificial Intelligence and Natural Language Processing for achieving higher automation and reducing touch time. • Development and implementation of innovative cloud-based systems for end-to-end publishing services. • Implementation of deep security processes for key applications. • Implemented innovative ways for enabling secure work from home without compromising data security.
Benefits derived from the above	• Increased value addition to customers leading to higher satisfaction. • Tangible benefits to clients in terms of reducing time to publish and increasing productivity. • More secured and scalable products. • Improved customer interests and associated service/technology requests from various customers. • Could manage the productivity without breaching SLAs during the Covid-19 lock down by successfully executing work from home options.
Imported Technology	No technologies were imported

For and on behalf of the Board of Directors

Gurugram
May 26, 2021

Nishith Arora
Chairman

CORPORATE GOVERNANCE REPORT

To comply with Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'], the report containing the details of Corporate Governance of MPS Limited ('the Company'/ 'MPS') is as follows:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is creation and enhancing long term sustainable value for the stakeholders through ethically driven business process. At MPS, it is imperative that your Company affairs are being managed in a fair and transparent manner.

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success and we remain committed towards maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed hereinafter.

The Corporate Governance framework of the Company is based on the following broad practices:

a. Engaging a diverse and highly professional, experienced and competent Board of Directors, with versatile expertise in industry, finance, management and law.

b. Deploying well defined governance structures that establishes checks and balances and delegates decision making to appropriate levels in the organization.

c. Adoption and implementation of fair, transparent and robust systems, processes, policies and procedures.

d. Making high level of disclosures for dissemination of corporate, financial and operational information to all its stakeholders.

e. Having strong systems and processes to ensure full and timely compliance with all legal and regulatory requirements and zero tolerance for non-compliance.

BOARD OF DIRECTORS

The Company is headed by an experienced and empowered Board that is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. The Board has delegated the general management and day-to-day affairs of the Company to the Managing Director & Chief Executive Officer of the Company who exercises them under the supervision of the Board.

Composition of the Board of Directors

a. The Board of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. Independent Directors play a critical role in imparting balance to the Board processes by bringing independent judgments on issues of strategy, performance, resources, conduct and standards of the Company.

b. As on 31st March, 2021, the Company has Seven Directors headed by Non–Executive Chairman.

Out of the Seven Directors, four are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. The brief profile of each director is available at www.mpslimited.com/investors

c. No Directors on the Board holds directorships in more than ten public companies. No Independent Directors serves as an Independent Director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. None of the Directors is related to each other except Mr. Nishith Arora (Father), Mr. Rahul Arora (Son) and Ms. Yamini Tandon (Daughter in Law).

d. The names and categories of the Directors on the Board, name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2021 is given below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulation.

Director's Name	Category	No. of Directorship in other Indian Companies	No of Membership/Chairpersonships in other Board's Committees	
			Member	Chairperson
Mr. Nishith Arora DIN: 00227593	Non-Executive Chairman	1	Nil	Nil
Ms. Jayantika Dave DIN: 01585850	Independent	1	2	Nil
Ms. Achal Khanna DIN: 00275760	Independent	Nil	Nil	Nil
Mr. Ajay Mankotia DIN: 03123827	Independent	1	Nil	Nil
Dr. Piyush Kumar Rastogi DIN: 02407908	Independent	Nil	Nil	Nil
Mr. Rahul Arora DIN: 05353333	CEO & Managing Director	2	Nil	Nil
Ms. Yamini Tandon DIN: 06937633	Non-Executive	Nil	Nil	Nil

e. Five Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on: May 19, 2020, July 01, 2020, August 11, 2020, November 10, 2020, and January 28, 2021. The necessary quorum was present for all the meetings.

Directors	Number of Meetings convened and eligible to attend	Number of Meetings Attended	Attended last AGM held on August 12, 2020 through Video Conferencing
Mr. Nishith Arora	5	5	Yes
Mr. Rahul Arora	5	5	Yes
Ms. Jayantika Dave	5	5	Yes
Ms. Achal Khanna	5	5	Yes
Mr. Ajay Mankotia	5	5	Yes
Dr. Piyush Kumar Rastogi	5	5	Yes
Ms. Yamini Tandon	5	5	Yes

f. None of the Directors of the Company holds the Directorship of any other listed Company as on March 31, 2021, except Ms. Jayantika Dave, Independent Director of the Company, who holds the Directorship in Ingersoll Rand (India) Limited, Listed Entity as an Independent Director of this Company.

g. During the financial year 2020-21, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

h. The Board periodically reviews the compliance reports of all laws applicable to the Company.

i. None of the Directors of the Company holds equity shares of the Company as on March 31, 2021. The Company has not issued any convertible instruments.

j. During the financial year 2020-21, one meeting of the Independent Directors was held on January 28, 2021. The Independent Directors, *inter-alia*, reviewed the performance of Non-Independent Directors, Board as a whole, and the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. Also, reviewed the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The views of the Independent Directors of the Company were also communicated to the Chairman of the Board.

k. The Independent Directors were issued the letter of appointment containing the terms of appointment, roles, duties and code of conduct. Terms and conditions of the appointment of Independent Directors have been disseminated on the website of the Company at http://www.mpslimited.com/corporate-governance/.

l. **Familiarization Programme for Independent Directors:** Independent Directors are periodically updated about the Company's policies, business, on – going events and roles and responsibilities of the Directors.

   Executive Management, through presentations at Board and Committee Meetings, provides them regular updates on the Company and its subsidiaries including, financial and business performance, operational highlights, business risks and their mitigation plans, new offerings, major clients, material litigations, regulatory compliance status, forex exposures and relevant changes in statutory regulations.

   Details of such familiarization programs are posted on the website of the Company at http://www.mpslimited.com/corporate-governance/

   In the opinion of the Board, the Independent Directors fulfill the conditions as specified in the Act and SEBI (LODR)Regulations and are Independent of the management.

m. The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environment
Governance	Experience in developing governance practices, serving the best interests of all the stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

List of core skills/ expertise / competencies identified by the Board of Directors as required in the context of the Company's business and sector for it to function effectively and those actually available with the Board:

Name	Skill	Description
Mr Nishith Arora	**Leadership**	Extended leadership experience, resulting in practical understanding of organization,Business segments, process, strategic guidance & planning and risk management.
Ms Jayantika Dave	**HR and governance**	Experience in working on board of listed public companies. She has experience in growing, acquiring, and divesting businesses, and building organization capability. She has multi-sector experience, in the Industrial, Hi-Tech, and Financial Services sector, and working with diverse teams - Sales, R&D, Support and Strategic Initiatives & Human Resource Management.
Ms Achal Khanna	**HR**	She is the CEO of Society for Human Resource Management, world largest association devoted to Strategic Initiatives & Human Resource Management. She helps the management in building the brand, expanding the business and developing professional relationships with government agencies, and other HR, prospective clients and business associations.
Mr Ajay Mankotia	**Taxation**	He has wide experience in the matters relating to accounts, taxation, legal and financial management.
Dr Piyush Rastogi	**Financial and Law**	Being leader of an an accounting and secretarial firm and understanding of finance functions of an enterprise and financial reporting processes helps him to contribute effectively in discussions involving complex financial matters
Mr Rahul Arora	**Leadership and global business**	He has understanding of global business dynamics, across various geographical markets and industry verticals. Appreciation of long-term trends, strategic choices and experience in guiding and leading management team to make decisions.
Ms Yamini Tandon	**Marketing**	She has wide experience in developing strategies to grow sales and market share and enhance enterprise reputation.

BOARD COMMITTEES

The Board Committees are set up by the Board and governed by its terms of reference which exhibit the scope, composition, functioning and reporting parameters. The Board has constituted various Committees to deal with specific business areas. These Committees play an important role in the governance process. All these Committees have been formed with proper Board authority defining their composition, quorum requirements and the roles and responsibilities. These Committees decide or provide recommendations to Board on the matters referred to them. All the process and governance guidelines applicable and followed by the Board are also applicable and followed by the Committees.

1. AUDIT COMMITTEE

Composition, Meetings and Attendance

Composition of the Audit Committee confirms to the requirements of the Section 177 of the Act and the Listing Regulations. It comprises of three directors, of whom two are Independent Directors. All the members of the Audit Committee are financially literate whereas the Chairman of the Committee Mr. Ajay Mankotia, has expertise in accounting, taxation and financial management.

During the financial year 2020-21, the Audit Committee met four times on May 19, 2020, August 11, 2020, November 10, 2020 and January 28, 2021.

The necessary quorum was present at all the meetings.

The composition and the attendance of members at the Audit Committee meetings held during the financial year 2020-21, is given below:

Members	Position and Category	No. of Meetings held	No. of Meetings Attended
Mr. Ajay Mankotia	Chairman–Independent Director	4	4
Dr. Piyush Kumar Rastogi	Member-Independent Director	4	4
Mr. Nishith Arora[1]	Member-Non-Executive Director	2	2
Mr. Rahul Arora[2]	Member–Executive Director	2	2

[1]Mr. Nishith Arora, Member of the Audit Committee resigned from the Committee with effect from August 12, 2020.

[2]Mr. Rahul Arora joined as Member of the Audit Committee with effect from Augsut 12, 2020.

Chief Financial Officer and Compliance Officer are the permanent invitee to the Audit Committee meetings. The Company Secretary acts as the Secretary to Audit Committee. Representatives of Statutory Auditors and Internal Auditors attended all the Audit Committee meetings held during the financial year 2020-21. As and when required, other senior management personnel of the Company are invited to the Audit Committee meetings.

Role / Terms of Reference

Terms of reference of the Audit Committee (as per the Act and Listing Regulations) includes the following:

- Examination and overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are correct, sufficient, and credible
- Reviewing, with the management, the annual and quarterly financial statements and auditor's report thereon before submission to the Board for approval
- Recommending to the Board, the appointment, remuneration and terms of appointment of the statutory and internal auditors of the Company
- Reviewing and monitoring the auditor's independence and performance and effectiveness of the audit process
- Approving payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing the application of funds raised through public issue, rights issue, preferential issue, etc. and related matters
- Approving, recommending or any subsequent modification of transactions of the Company with related parties as applicable
- Scrutinizing inter-corporate loans and investments
- Approving the valuation of undertakings or assets of the Company, whenever it is necessary
- Reviewing the Internal Audit Reports
- Reviewing and evaluating internal financial controls, adequacy of the internal control and risk management systems
- Discussion with internal auditors of any significant findings and follow up thereon
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- Reviewing the functioning of the Whistle Blower Mechanism
- Approving the appointment of Chief Financial Officer after assessing the qualifications, experience, suitability and background, etc. of the candidate.

- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary.

The Audit Committee considers the matters which are specifically referred to it by the Board of Directors besides considering the mandatory requirements of the Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations and provisions of Section 177 of the Act.

The Audit Committee provides assurance related to the adequacy of internal financial control systems and financial disclosures to the Board.

2. NOMINATION AND REMUNERATION COMMITTEE

Composition, Meetings and Attendance

Composition of the Nomination and Remuneration Committee meets the requirements of Section 178 of the Act and the Listing Regulations. It comprises of three directors of whom two are Independent Directors. During the financial year 2020-21, the Nomination and Remuneration Committee met once on March 31, 2021. Ms. Jayantika Dave, Independent Director is the Chairperson of the Nomination and Remuneration Committee.

The composition and the attendance of members at the Nomination & Remuneration Committee meetings held during the financial year 2020-21, is given below :-

Members	Position and Category	No. of Meetings held	No. of Meetings Attended
Ms. Jayantika Dave	Chairperson-Independent Director	1	1
Ms. Achal Khanna	Member-Independent Director	1	1
Mr. Nishith Arora[1]	Member-Non Executive Director	0	0
Ms. Yamini Tandon[2]	Member-Non Executive Director	1	1

[1]Mr. Nishith Arora, Member of the Nomination and Remuneration Committee resigned Committee with effect from August 12, 2020.

[2]Ms. Yamini Tandon was appointed as the Member of the Nomination and Remuneration Committee with effect from August 12, 2020.

Role / Terms of Reference

Terms of Reference of the Nomination and Remuneration Committee as per the requirements of the Act and the Listing regulations includes the following:

- Formulation of criteria for determining qualification, positive attributes, and independence of Directors and recommendation of the remuneration policy for the Directors, Key Managerial Personnel and other senior management personnel to the Board
- Formulation of criteria for evaluation of Directors, the Board, and the Committees thereof
- Devising policy on Board diversity
- Recommendation of remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria and commission to Non-Executive Directors
- Identifying persons who are qualified to become Directors and/or who may be appointed as Key Managerial Personnel in accordance with the criteria laid down and recommending to the Board their appointment, removal, and other terms as may be referred by the Board from time to time.
- To extend or continue the term of an Independent Director on the basis of the report of performance evaluation of the Independent Director.

Performance evaluation criteria for Independent Directors

The Nomination and Remuneration policy of the Company lays down the criteria of appointment and remuneration of Directors/Key Managerial Personnel and Senior Mangament Personnel including criteria for determining qualification, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-executive Directors (including Independent Directors) and other matters as prescribed under the provisions of the Act and the SEBI (LODR) Regulations.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition, Meetings and Attendance

Stakeholder Relationship Committee comprises of three directors. All the members including the Chairman are Non–Executive Directors. Composition of the

Stakeholders Relationship Committee, given hereunder, is in compliance with Section 178 and Listing Regulations.

During the financial year 2020-21, the Stakeholders Relationship Committee met once on January 28, 2021. The Committee is headed as Chairperson by Ms. Yamini Tandon, Non–Executive Director of the Company.

The composition and the attendance of members at the Stakeholder Relationship Committee meetings held during the financial year 2020-21, is given below:

Members	Position and Category	No. of Meetings held	No. of Meetings Attended
Ms. Yamini Tandon[2]	Chairperson-Non-Executive Director	1	1
Ms. Jayantika Dave	Member-Non Executive Director	1	1
Mr. Rahul Arora[2]	Member-Executive Director	1	1
Mr. Nishith Arora[1]	Chairman-Non-Executive Director	0	0

[1]Mr. Nishith Arora, Chairman of the Stakeholders Relationship Committee resigned from the Committee with effect from August 12, 2020.

[2]Mr. Rahul Arora was appointed as the Member and Ms. Yamini Tandon was designated as the Chairperson of the Stakeholders Relationship Committee with effect from August 12, 2020.

Role / Terms of Reference

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Compliance Officer

Mr. Utkarsh Gupta is the Compliance Officer with effect from January 29, 2021 for ensuring compliance with the regulatory requirements of Securities Laws and SEBI Listing Regulations. Ms. Shiwani Dayal was the Compliance Officer of the Company till January 28, 2021.

Compliance Officer may be reached at the following address:

C-35, Sector-62, Noida – 201 307,
Uttar Pradesh
Phone: 0120-4599754;
E-mail: investors@mpslimited.com

Stakeholders Grievance Redressal

Legal and Secretarial Department and the Registrar and Share Transfer Agents attend to all the grievances received from the shareholders either directly or through SEBI Complaints Redress System (SCORES), Stock Exchanges, Registrar of Companies and dedicated email id (i.e. investors@mpslimited.com) was created to receive the shareholders grievances. The Secretarial team takes appropriate actions with the assistance from Cameo Corporate Services Limited ('Registrar to an Issue and Share Transfer Agent'), to resolve all the grievances of the shareholders expeditiously and satisfactorily.

Details of the complaints received from the shareholders and redressed upto their satisfaction during the financial year 2020-21 is as follows:

No. of complaints pending at the beginning of the financial year i.e. April 1, 2020	0
No. of complaints received during the financial year 2020-21	2
No. of complaints resolved during the financial year 2020-21	2
Complaints pending at the end of the financial year i.e. March 31, 2021	0

As per the provisions of Regulation 39 (4) of SEBI Listing Regulations, the Company does not have any unclaimed shares.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition, Meeting and Attendance

The Corporate Social Responsibility Committee currently comprises of three Directors. Composition of Corporate Social Responsibility (**"CSR"**) Committee confirms to the requirements of Section 135 of the Act.

During the financial year 2020-21, the Corporate Social Responsibility Committee met once on May 19, 2020. The Committee is headed as Chairman by Mr. Rahul Arora, CEO and Managing Director of the Company.

The composition and the attendance of members at the Corporate Social Responsibility Committee meetings held during the financial year 2020-21, is given below:

Members	Position and Category	No. of Meetings held	No. of Meetings Attended
Mr. Rahul Arora[1]	Chairman-Executive Director	1	1
Ms. Jayantika Dave	Member-Non Executive Director	1	1
Ms. Yamini Tandon[1]	Member-Non-Executive Director	-	-
Mr. Nishith Arora[2]	Chairman-Non-Executive Director	1	1

[1]Ms. Yamini Tandon was appointed as the Member and Mr. Rahul Arora was designated as the Chairman of the Corporate Social Resposibility Committee with effect from August 12, 2020.

[2]Mr. Nishith Arora, Chairman of the Corporate Social Responsibility Committee resigned from the Committee with effect from August 12, 2020.

The CSR Report as required under the Act for the year ended March 31, 2021 is attached as Annexure I to the Directors Report.

Role / Terms of Reference

The CSR Committee recommends and monitors the implementation of CSR projects of the Company.

Terms of Reference of the CSR Committee as per the provisions of the Act, includes the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility policy which shall define the focus areas and indicate the activities to be undertaken by the Company under its Corporate Social Responsibility program as detailed in Schedule VII to the Act
- Recommend to the Board necessary amendments, if any, in the CSR policy from time to time
- Recommend the amount of expenditure to be incurred on the CSR activities
- Formulate the implementation schedule of specific project / activity
- Establish mechanism for measuring the effectiveness of the Corporate Social Responsibility Policy.

Directors' Remuneration during the Financial Year 2020-21

Independent Directors are not paid any remuneration other than by way of sitting fees for attending meeting of Board and the Committees. Remuneration to Executive Directors is paid based on the recommendation of the Nomination and Remuneration Committee and as approved by the Board and shareholders of the Company. The Company does not have any stock option scheme at present.

Director	Nishith Arora	Jayantika Dave	Achal Khanna	Piyush Rastogi	Ajay Mankotia	Rahul Arora	Yamini Tandon
Business Relationship with the Company	Director of Holding Company i.e. ADI BPO Services Limited till 12th August, 2020[1]	Nil	Nil	Nil	Nil	Chairman we.f. 12th August, 2020 and Director of Holding Company i.e. ADI BPO Services Limited[1]	Nil

Director	Nishith Arora	Jayantika Dave	Achal Khanna	Piyush Rastogi	Ajay Mankotia	Rahul Arora	Yamini Tandon
Remuneration during the year ended March 31, 2021 (in Rupees lakhs)							
Sitting Fees	Nil	6.4	5.2	7.8	7.8	Nil	Nil
Salary and Perks	Nil	Nil	Nil	Nil	Nil	INR 250.09[2]	Nil
Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	6.4	5.2	7.8	7.8	INR 250.09	Nil
Severance / Notice Period	-		-		-	180 days as per the agreement or otherwise decided by the Board.	-

[1]During the year ended March 31, 2021, the Company paid INR 266.99 lakhs to ADI BPO Services Limited (ADI BPO), the promoter company, wherein Mr. Nishith Arora was the Director till 12th August, 2020 and Mr. Rahul Arora is the Chairman (w.e.f. 12th August, 2020) and Director. The above amount represents the rent paid for the Dehradun facility taken on lease and the charges for infrastructure services provided by ADI BPO Services Limited.

[2]Mr. Rahul Arora was paid remuneration of INR 250.09 Lakhs.

Apart from the above there was no other pecuniary relationship or transaction between the Non-Executive Directors and the Company or Executive Director and the Company. The cretria for making the payment of remuneration to Non-Executive Directors as per Schedule V (C)(5)(b) is available at the website of the Company at https://www.mpslimited.com/corporate-governance/

SUBSIDIARY COMPANIES

The Company has the below subsidiary companies:

- MPS North America LLC
- MPS Interactive Systems Limited
- MPS Europa AG
- Topsim GmbH
- Highwire North America LLC

The Company has a step down subsidiary HighWire Press Limited, which is a subsidiary of MPS North America LLC. Semantico Limited is asubsidiary of HighWire Press Limited.

As per Regulation 24 of the SEBI Listing regulations, minutes of the unlisted Indian Subsidiary Company and all the significant transactions and arrangements entered into by unlisted subsidiary companies are reported to the Board. Audit Committee also reviews the financial statements of, and investments made by, the subsidiary companies.

Mr. Ajay Mankotia has been appointed as an Independent Director in MPS Interactive Systems Limited to comply with the SEBI Listing regulations.

Policy for determining Material Subsidiary has also been uploaded on website of the Company at https://www.mpslimited.com/corporate-governance/

CODE OF CONDUCT

The Board has adopted a Code of Conduct (the **"Code"**) for its business and operations. The Code is applicable to the Directors and senior management personnel of the Company. It also enumerates the duties and responsibilities of Independent Directors. The Code requires the Directors and employees of the Company to act honestly, ethically and with integrity. The Code has also been uploaded on the website of the Company at http://www.mpslimited.com/corporate-governance

The compliance of the Code is to be affirmed annually by the Directors and senior management personnel. All the Board Members and senior management personnel to whom the Code is applicable have affirmed the compliance with the Code as on March 31, 2021.

The CEO and Managing Director has provided the following declaration to this effect:

It is hereby certified that all the members of the Board and senior management personnel have confirmed the compliance with the Code during the financial year 2020-21 and there has been no instances of violation of the Code."

Rahul Arora
CEO & Managing Director
May 26, 2021

GENERAL BODY MEETINGS

Details of last three Annual General Meetings of the Company is detailed below:

Year	Day, Date and Time of Meeting	Venue	Special Resolutions Passed
2017-18	Friday, July 27, 2018 Time: 02:30 P.M.	Raintree Hotels, 636 Anna Salai, Teynampet, Chennai - 600035, Tamilnadu	• No special resolution was passed in the financial year 2017-18.
2018-19	Wednesday, July 24, 2019 Time: 02:30 P.M.		• For re-appointment of Mr. Vijay Sood as an Independent Director of the Company.
2019-20	Wednesday, August 12, 2020 Time: 02:30 PM	Through Video Conferencing	• No special resolution was passed in the financial year 2019-20.

All resolutions placed before the Shareholder's at the last Annual General Meeting of the Company were passed with the requisite majority.

As per Section 108 of the Act read with rules made thereunder, Regulation 44 of the Listing Regulations, e-voting facility was provided to the Shareholders of the Company for electronically voting on the resolutions passed at the Annual General Meeting held on August 12, 2020 and voting during the Annual General Meeting.

During the year, there were no resolution passed through postal ballot.

MEANS OF COMMUNICATION

The Company recognizes the importance of two-way communication with shareholders and giving a balanced reporting of results and progress. Complete and timely disclosure of information regarding the Company's financial position and performance is an important part of the Company's corporate governance ethos. The Company follows a robust process of communicating with its stakeholders, security holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Investor Releases, Press Releases, the Annual Reports and uploading relevant information on its website.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statement, Board's Report, Auditors' Report, Business Responsibility Report and other important information is circulated to the shareholders and others, entitled thereto. The Management Discussion & Analysis Report forms part of this Annual Report. The Company's Annual Report is also available in downloadable form on the Company's website. For the Annual General Meeting held during this year under review, Annual Reports, notices, and other communications to the shareholders were communicated electronically on their email IDs registered in the depository system.

Website: The Company is maintaining a website viz., www.mpslimited.com which contains a dedicated section "Investors" which displays details/information of interest of various stakeholders.

Financial Results: The quarterly/Half Yearly /Annual financial results of the Company are communicated to the stock exchange within 30 minutes of the closure of the Board Meeting wherein results are approved by the Board of Directors and recommended by the Audit Committee to the Board. Financial Results of its subsidiary company are also available on the website of the Company.

Compliances: All periodic compliances, viz. quarterly shareholding patterns, corporate governance reports, investors complaint redressal mechanism, etc., and other event-based disclosures are being filed at the web-based filing platforms of NSE (NEAPS) and BSE (Listing Centre).

Presentations to institutional investors/analysts: Investor presentations on the quarterly financials of the company is hosted on the website of the Company under Investors section.

Newspaper: Quarterly, half yearly and annual results are published in one leading national (English) Financial Express paper and in one vernacular (Tamil) Makkal Kural newspaper with a footnote of availability of complete financial results at the stock exchanges and company's websites.

GENERAL SHAREHOLDERS INFORMATION

a. **Annual General Meeting**

Day, Date and Time	:	June 30, 2021 at 5.30 P.M. (IST)
Venue/Mode	:	Through Video Conferencing / Other Audio Visual Means facility
Date of Book closure	:	June 24, 2021 to June 30, 2021 (both days inclusive)

b. **Financial Calendar (Tentative)**

Financial Year:	April 1 to March 31

Tentative Calendar for declaration of results for the financial year 2021-22 is given below:

Results for the Quarter / Year ending	Date of Declaration
June 30, 2021	On or before August 14, 2021
September 30, 2021	On or before November 14, 2021
December 31, 2021	On or before February 14, 2022
March 31, 2022 (Annual Audited)	On or before May 30, 2022

c. **Dividend**

During the financial year 2020-21, the Company has not paid/declared any dividend.

d. **Listing of Equity Shares**

Equity Shares of the Company are listed and traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fees to both the Stock Exchanges, for the financial year 2020-21.

e. **Details of Company's scrip code and ISIN no. are as follows:**

Stock Exchange and addresses	Code - Equity
BSE Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	532440
NSE Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	MPSLTD
ISIN	Equity Share-INE943D01017

f. **Stock Market Data**

The monthly high and low share prices and market capitalization of equity shares of the Company traded on BSE and NSE from April 1, 2020 to March 31, 2021 and the comparison in performance of share price of the Company vis-à-vis broad based Indices are given below:

National Stock Exchange of India Limited (NSE)-MPS Share Price

Month	High (INR)	Low (INR)	Close (INR)	Volume (In Lakhs)
April 2020	307.00	204.20	277.30	1.16
May 2020	278.80	216.45	231.70	0.88
June 2020	310.00	226.40	277.20	4.04
July 2020	383.00	267.20	363.25	3.83
August 2020	458.00	355.30	383.25	4.53
September 2020	439.90	352.15	404.45	2.38
October 2020	435.05	352.00	366.50	1.60
November 2020	394.00	535.05	365.20	1.30
December 2020	415.00	344.60	363.95	2.24
January 2021	392.95	341.85	374.35	4.75
February 2021	499.95	370.00	474.30	6.28
March 2021	547.10	432.05	462.90	7.93

[Source: www.nseindia.com]

BSE Limited (BSE)

Month	High (INR)	Low (INR)	Close (INR)	Volume
April 2020	305.50	198.00	276.30	10,790
May 2020	276.30	218.85	238.15	8,930
June 2020	309.60	232.35	279.70	33,407
July 2020	384.00	267.00	362.15	62,311
August 2020	452.15	355.75	382.10	57,512
September 2020	439.95	349.20	403.65	23,267
October 2020	445.00	352.00	363.65	26,428
November 2020	400.00	350.00	365.65	38,456
December 2020	385.00	342.00	365.15	27,691
January 2021	390.00	340.50	373.05	55,106
February 2021	498.00	371.90	471.10	78,699
March 2021	546.00	424.95	466.90	41,387

[Source: www.bseindia.com]

Market Price Data and performance in Comparision to indices:

BSE Sensex:

Month	Open (INR)	High (INR)	Low (INR)	Close
April 2020	29505.33	33887.25	27500.79	33717.62
May 2020	32,748.14	32,845.48	29,968.45	32,424.10
June 2020	32,906.05	35,706.55	32,348.10	34,915.80
July 2020	35,009.59	38,617.03	34,927.20	37,606.89
August 2020	37,595.73	40,010.17	36,911.23	38,628.29
September 2020	38,754.00	39,359.51	36,495.98	38,067.93

(Continued)

Month	Open (INR)	High (INR)	Low (INR)	Close
October 2020	38,410.20	41,048.05	38,410.20	39,614.07
November 2020	39,880.38	44,825.37	39,334.92	44,149.72
December 2020	44,435.83	47,896.97	44,118.10	47,751.33
January 2021	47,785.28	50,184.01	46,160.46	46,285.77
February 2021	46,617.95	52,516.76	46,433.65	49,099.99
March 2021	49,747.71	51,821.84	48,236.35	49,509.15

[Source: www.bseindia.com]

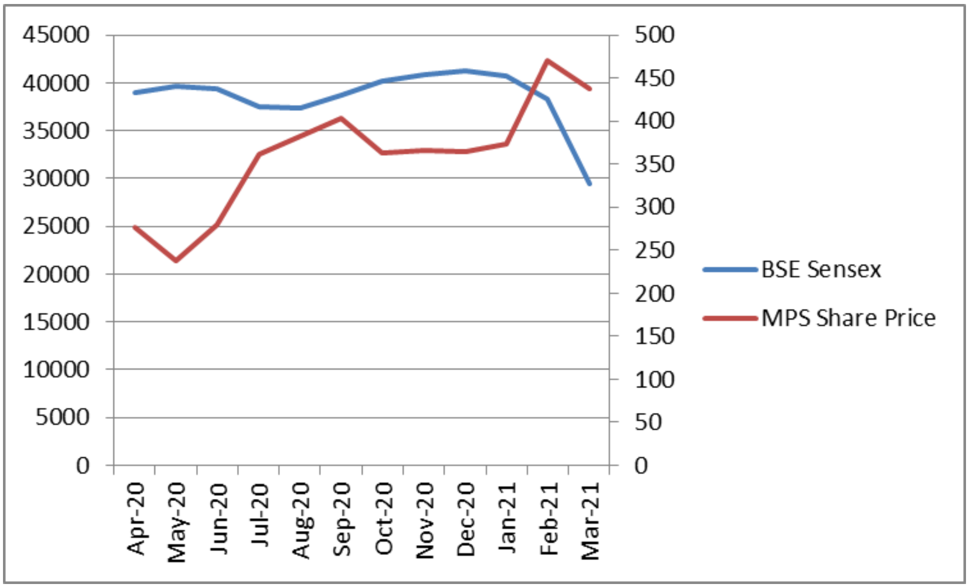
NSE Nifty:

Month	Open (INR)	High (INR)	Low (INR)	Close
April 2020	8584.1	9889.05	8055.8	9859.9
May 2020	9533.5	9598.85	8806.75	9580.3
June 2020	9726.85	10401.05	9544.35	10302.1
July 2020	10323.8	11341.4	10299.6	11073.45
August 2020	11057.55	11794.25	10882.25	11387.5
September 2020	11464.3	11618.1	10790.2	11247.55
October 2020	11364.45	12025.45	11347.05	11642.4
November 2020	11697.35	13145.85	11557.4	12968.95
December 2020	13062.2	14024.85	12962.8	13981.75
January 2021	13996.1	14753.55	13596.75	13634.6
February 2021	13758.6	15431.75	13661.75	14529.15
March 2021	14702.5	15336.3	14264.4	14690.7

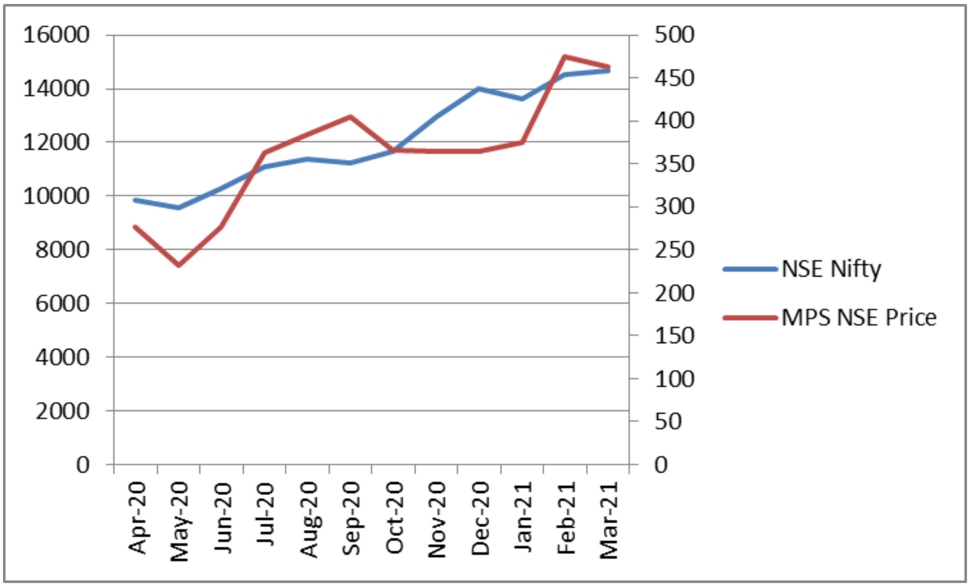
[Source: www.nseindia.com]

Performance in comparison to indices:

BSE Sensex and MPS Share Price



NSE Nifty and MPS Share Price



Unclaimed/Unpaid Dividends and Transfer to IEPF

Pursuant to the applicable provisions of the Companies Act 2013 read with of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid or unclaimed dividend are required to be transferred by the Company to the Investors Education and Protection Fund (IEPF) established by the Central Government of India, after the completion of seven years. Further, according to Section 124(6) of the Companies Act, 2013 and the rules made there in, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEPF.

During the financial year 2020-21, the Company has transferred the below amount to IEPF:

Year	Dividend	Amount	Date of Transfer
2012-13	Interim Dividend-2	1,58,645	July 17, 2020
2013-14	Interim Dividend-1	1,14,615	October 20, 2020
2013-14	Interim Dividend-2	1,18,785	January 06, 2021

Also, the Company has also transferred 25 shares of 1 Shareholder which was pertaining for the Interim Dividend-2 paid in the Financial Year 2013-14.

g. Distribution of Shareholding as on March 31, 2021:

Category of Shareholdings From – To	No. of Shareholders	% of Total Shareholders	Total Shares	% of Shares
10-5000	11760	92.6762	8,42,339	4.666
5001-10000	463	3.6468	3,57,221	1.979
10001-20000	226	1.7801	3,40,851	1.8883
20001-30000	72	0.5671	1,81,004	1.0028
30001-40000	37	0.2914	1,32,769	0.7356
40001-50000	26	0.2048	1,18,271	0.6552
500001-100000	56	0.4411	4,25,467	2.3571
100001-and Above	56	0.4411	1,56,52,338	86.7153
Total	12696	100.00	1,80,50,260	100.00

h. Dematerialization of Shares and Liquidity

The shares of the Company are compulsorily traded in demat form and are available for trading under both the Depository Systems in India – National Securities Depository Limited (the **"NSDL"**) and Central Depository Services (India) Limited (the **"CDSL"**). As on March 31, 2021, a total of 1,80,36,313 shares of the Company, constituting 99.93 % of the total Share Capital, were in demat form. Details of the Demat and Physical shareholding of the Company are a under:

	No. of shares	Percentage (%)
At National Securities Depository Limited	1,67,86,081	92.9963
At Central Depository Services (India) Limited	12,50,232	6.9264
In Physical Form	13,947	0.0773
Total Paid-up Share Capital	**1,80,50,260**	**100.00**

i. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity;

As on date there are no outstanding warrants / bonds/ other instruments which are convertible into equity shares of the Company.

j. Share Transfer System

The Company has appointed a common Registrar for the physical share transfer and dematerialization of shares. The shares lodged for physical transfer/ transmission/ transposition are registered normally within a period of fortnight, if the documents are complete in all respects.

The Company obtains from a Company Secretary in Practice half-yearly certificates of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges.

DISCLOSURES AND AFFIRMATION

(i) Compliances

The Company has complied with all the applicable provisions of SEBI Listing Regulations, other guidelines / regulations issued by the Securities and Exchange Board of India (SEBI) and applicable provisions of other statutes.

The Company has complied with all the mandatory requirements as per the provisions of Regulation 34, 53 and Schedule V of the SEBI Listing Regulations.

There have been no instances of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties have been imposed on the Company by Stock Exchanges or SEBI or any such other statutory authority.

(ii) Related Party Transactions

All transactions of the Company with related parties, as defined in the Act and the SEBI Listing Regulations, during the year ended March 31, 2021, were made in the ordinary course of business and were on an arm's length basis. There was no material related party transaction of the Company, which may have a potential conflict with the interest of the Company at large. The same are reported under notes to the financial statements.

As required under Regulation 23 of the Listing Regulations, the Company has adopted a policy on Related Party Transactions which has been uploaded on the website of the Company and can be accessed at the weblink at http://www.mpslimited.com/corporate-governance

All related party transactions are regularly/ periodically reviewed and approved by the Audit Committee/ Board as may be applicable. For details, please refer Notes of the financial statement of the Company.

(iii) **Vigil Mechanism/Whistle Blower Policy**

As per the provisions of Section 177(9) and (10) of the Act and Regulation 22 of the Listing Regulations, your Company has adopted a Vigil Mechanism through Whistle Blower Policy' ("Policy").

The Whistle Blower Policy/Vigil mechanism provides a mechanism for the director/employee to report without fear of victimisation, any unethical behaviour, suspected or actual fraud, violation of the Code of Conduct and instances of leak of Unpublished Price Sensitive Information, which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice. The Company affirms that no employee has been denied access to the Audit Committee.

Policy is available on the website of the Company at http://www.mpslimited.com/corporate-governance

(iv) **Disclosure on Sexual Harresment of Women at workplace**

The Company has a policy on Prevention of Sexual Harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. The policy is set up for providing a redressel mechanism pertaining to sexual harassment of women employees at workplace.

The policy is available on the intranet site of the Company. During the financial year 2020-21, no complaint with allegations of sexual harassment was received by the Company.

(v) **Total fees paid to Statutory Auditors**

Pursuant to Part C of Schedule V of the SEBI Listing Regulations, information on total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s BSR & Co., LLP, Statutory Auditor is INR 81.35 Lakhs consisting of INR 64.72 Lakhs from MPS Limited and INR 16.63 Lakhs from MPS Interactive Systems Limited.

(vi) **Accounting Principles**

The consolidated financial statement ('financial statement') has been prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs ('MCA').

Financial Results for the year 2020-21, both standalone and consolidated is separately disclosed in the Annual Report.

(vii) **Foreign Exchange Risk and Hedging**

During the year, the Company had managed the foreign exchange risk by entering into forward contracts for hedging foreign exchange exposures against its exports to the extent considered necessary as per the policy approved by the Board. The details of foreign currency exposure are disclosed in Notes to the Audited Financial Statements of the Company, forming part of the Annual Report for the financial year ended March 31, 2021.

(viii) **Adoption of Non-Mandatory Requirements of Listing Regulations**

The Board of Directors periodically reviews the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of SEBI Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements under the SEBI Listing Regulations as on March 31, 2021 to the extent mentioned below:

- The Board is headed by a Non-Executive Chairman.
- The Company has separate posts of Chairman and Managing Director.
- The Internal Auditors report directly to the Audit Committee of the Company.
- The Company is already in No Audit Qualifications regime.

CERTIFICATION BY PRACTICING COMPANY SECRETARY

R.Sridharan & Associates, Company Scretaries, have certified that none of the Directors of the Company as on March 31, 2021, have been debarred or disqualified from being appointed or continuing as Director(s) of Company by SEBI, Ministry of Corporate Affairs and/or any other statutory authority. This Certificate is enclosed with this report.

MANAGING DIRECTOR & CFO CERTIFICATION

Managing Director and CFO of the Company have certified to the Board on the accuracy of financial reporting and adequacy of internal controls for the financial year ended March 31, 2021. This certificate is enclosed with this report.

Business Locations

Content Solutions for Educational, Academic, and STM Markets	RR Towers IV, Super A, 16/17 Thiru-Vi-Ka Industrial Estate, Guindy, Chennai-600032, Tamilnadu
Content Solutions and Platform Solutions for Academic and STM Markets	HMG Ambassador, 137, Residency Road, Bengaluru-560025, Karnataka
Platform Solutions	709, DLF Corporate Greens, Sector -74A, Narsinghpur, Gurgaon-122004, Haryana
Content Solutions for Educational Publishing and Platform Solutions	C-35, Sector 62, Noida-201 307, Uttar Pradesh
Platform Solutions and Content Solutions for Educational, Academic, and STM Markets	33, Sahastra Dhara Road, IT Park, Dehradun Uttarakhand-248001
Content Solutions and Platform Solutions	MPS North America LLC, 5728 Major Blvd., Orlando, Florida 32819.

Registrar and Share Transfer Agent	**Cameo Corporate Services Limited** Subramanian Building, 1 Club House Road, Chennai – 600002 Phone no. 044 – 28460390 Contact person: Mr. D. Narasimhan, Manager

Registered Office Address: **MPS Limited** RR Towers IV, Super A, 16/17 Thiru Vi Ka Industrial Estate, Guindy, Chennai 600 032, Tamilnadu Tel. : (+91 – 44 49162222) Fax No.: (+91 – 44 49162225) Website address: www.mpslimited.com	**Address for Correspondence –** **Corporate Office:** **MPS Limited** C-35, Sector 62, Noida – 201 307 Uttar Pradesh Tel. : (+91 – 120- 4599754)

On behalf of Board of Directors

Place: Gurugram
Date: May 26, 2021

Nishith Arora
Chairman

Independent Auditor's Report on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of **MPS Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 25 May 2021

2. The accompanying Corporate Governance Report (the 'Report') contains details of compliance of conditions of Corporate Governance, as per regulations 17-27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') by MPS Limited (the 'Company') for the year ended 31 March 2021.

Management responsibility on compliance with the conditions contained in SEBI Listing Regulations

3. The preparation of the accompanying Report is the responsibility of the Management of the company. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and presentation of the Report, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The Management is also responsible for ensuring that the company complies with the requirements of the SEBI Listing Regulations and for providing all relevant information to the Securities and Exchange Board of India.

Auditor's Responsibility

5. Pursuant to the requirements of Clause E to Section V to the SEBI Listing Regulations, it is our responsibility to obtain reasonable assurance and form an opinion as to whether the Company complies with the conditions of Corporate Governance as per regulations 17-27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the year ended 31 March 2021.

6. We conducted our examination of the Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination as above, and the information and explanations given to us, in our opinion the Company has complied with the conditions of Corporate Governance as per regulations 17 to 27, clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the year ended 31 March 2021.

Restriction of Use

9. This Certificate is addressed to and provided to the members of the Company solely for the purpose of complying with the SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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

Shashank Agarwal
Partner

Place: Gurugram
Membership No.: 095109

Date: 26 May 2021
ICAI UDIN.:21095109AAAAADS5888

Managing Director/ CFO Certification as per Regulation 17(8) of the Listing Regulations

We, Rahul Arora, CEO & Managing Director and Sunit Malhotra, Chief Financial Officer & Company Secretary, certify to the Board of Directors of MPS Limited (the "Company") that:

a. We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2021 and that to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violate of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee

   i. that there are no significant changes in internal control during the year;

   ii. that there are no significant changes in accounting policies, and

   iii. that there are no instances of significant fraud of which we became aware or the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Rahul Arora
Managing Director

Sunit Malhotra
CFO & Company Secretary

Place: Gurugram
Date: May 26, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members,
MPS LIMITED
CIN: L22122TN1970PLC005795
RR Tower IV, Super A,
16/17 Thiru-Vi-Ka Industrial Estate,
Guindy, Chennai-600032

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MPS LIMITED (CIN:L22122TN1970PLC005795)** having its Registered Office at RR TOWER IV, SUPER A, 16/17 THIRU-VI-KA INDUSTRIAL ESTATE, GUINDY, CHENNAI-600032(hereinafter referred to as "The Company") produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that None of the Directors as stated below on the Board of the Company as on 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such other statutory authority.

S.NO	NAME OF THE DIRECTOR	DESIGNATION	DIN	Date of Appointment
1.	NISHITH ARORA	Non Executive - Chairman	00227593	07-12-2011
2.	RAHUL ARORA	Managing Director	05353333	12-08-2013
3.	YAMINI TANDON	Non-Executive – Non-Independent Director	06937633	11-08-2014
4.	JAYANTIKA DAVE	Non-Executive –Independent Director	01585850	30-10-2019
5.	ACHAL KHANNA	Non-Executive –Independent Director	00275760	30-10-2019
6.	PIYUSH KUMAR RASTOGI	Non-Executive –Independent Director	02407908	29-01-2020
7.	AJAY MANKOTIA	Non-Executive –Independent Director	03123827	29-01-2020

Ensuring the eligibility and appointment/continuity of, every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
UIN:S2003TN063400
UDIN : F004775C000372340

PLACE : CHENNAI
DATE : 26th May, 2021

BUSINESS RESPONSIBILITY REPORT (BRR)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Corporate Identity Number (CIN) of the Company	L22122TN1970PLC005795
Name of the Company	MPS Limited
Registered Address	RR Tower IV, Super A,16/17 Thiru-Vi-Ka Industrial Estate, Guindy Chennai - TN 600032
Website	www.mpslimited.com
Email id	investors@mpslimited.com
Financial Year reported	April 01, 2020 to March 31, 2021
Sector(s) that the Company is engaged in (industrial activity code-wise)	631(Data processing, hosting and related activities; web portals), 620 (Computer programming, consultancy and related activities)
List three key products/services that the Company manufactures/provides (as in balance sheet)	Content Solutions Platform Solutions eLearning Solutions
Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	We are present in 15 locations globally. Please refer complete list of locations available on the website of the Company's website at https://www.mpslimited.com/locations/
Markets served by the Company – Local/State/National/International	North America, Europe, Middle East, India, and APAC

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid up Capital (INR)	18.05 Crores
Total Turnover (INR)	Standalone-279.02 Crores Consolidated-422.55 Crores
Total profit after taxes (INR)	Standalone-60.53 Crores Consolidated-58.56 Crores
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.63 crores equivalent to 2% of the average net profit for the previous three years in respect of standalone MPS Limited.
List of activities in which expenditure in 4 above has been incurred	Healthcare and Education

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

   Yes.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

   Yes. The various subsidiaries and/or local business units contribute to the Company's consolidated performance across all parameters – Economic, Social and Environmental. There are 4 subsidiaries.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]

   No.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

   (a) Details of the Director responsible for implementation of the BR policy/policies

      1. DIN Number - 05353333
      2. Name: Rahul Arora
      3. Designation: CEO & Managing Director

   (b) Details of the Business Responsibility head:

No.	Particulars	Details
1	DIN Number (if applicable)	Not Applicable
2	Name	Narendra Kumar
3	Designation	Chief Technology Officer
4	Telephone number	0120 4599750
5	e-mail id	narendra.kumar@mpslimited.com

2. Principle-wise (as per NVGs) BR Policy/policies

   i. **Principle 1 (P1):** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability -

   ii. **Principle 2 (P2):** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

   iii. **Principle 3 (P3):** Businesses should promote the wellbeing of all employees -

   iv. **Principle 4 (P4):** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

   v. **Principle 5 (P5):** Businesses should respect and promote human rights

   vi. **Principle 6 (P6):** Business should respect, protect, and make efforts to restore the environment.

   vii. **Principle 7 (P7):** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

   viii. **Principle 8 (P8):** Businesses should support inclusive growth and equitable development

   ix. **Principle 9 (P9):** Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have policies for each of the principles	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	N	N	Y	N	N	N	N	N	N
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	N	N	Y	N	N	N	N	N	N
6	Indicate the link for the policy to be viewed online?	#	** &******	* & *** &*****	** & ****	* & ***	**	**	** & ***	******
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

Policies of the Company are compliant of the applicable laws in India and uploaded on website of the Company at www.mpslimited.com

*MPS Code of Conduct for Board of Directors and Senior Management at https://d12ux7ql5zx5ks.cloudfront.net/wp-content/uploads/2018/06/05092545/MPS-Code-of-Conduct.pdf

**MPS Vision 2023 & Values at https://www.mpslimited.com/values/

***MPS Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace - https://www.mpslimited.com/Policy-for-prevention-of-Sexual-Harassment.pdf

****MPS Corporate Social Responsibility Policy at https://d12ux7ql5zx5ks.cloudfront.net/wp-content/uploads/Signed-CSR-Policy.pdf

*****MPS Whistle Blower Policy at https://d12ux7ql5zx5ks.cloudfront.net/wp-content/uploads/Signed-Whistle-Blower-Policy.pdf

******MPS Values of Excellence, Efficiency, and Empathy Deliver Customer Success https://www.mpslimited.com/testimonials/

*******MPS Environmental Policy https://www.mpslimited.com/MPS-Environmental-Policy.pdf

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The CEO and the Board of Directors meet every quarter.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Till date, we disclosed all the business responsibilities through our Corporate Governance Report as part of our Annual Report. Hence forth, the Business Responsibility Report will also be published annually as a part of the Annual Report.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

   The policy applies only to the company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   2 complaints were received. Both were resolved.

   For details on Investors Complaint, refer to "Stakeholders Grievance Redressal" section of Corporate Governance Report in the Annual Report.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   As an ITeS company, we have transformed processes to reduce the adverse effect on the environment. We are a major player in publishing, and we have changed publishing workflow to be more environment friendly. Our impact is as follows

   (a) *Online Production that has significantly reduced the usage of print publications and associated environmental impact*

   (b) *We help our customers adapt their content to visually impaired readers with our alt text production services. By helping our clients serve these marginalized readers, we are bringing a positive change to their lives.*

   (c) *Our elearning services transform classroom education to virtual sessions, reducing the need for facilities, travel, and the environmental hazards that come with these.*

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   The products and services offered are Digital in nature and are built using a combination of our proprietary and third-party software. All production devices are state of the art, and the production facilities are highly energy efficient, with negligible emissions to the environment. We continuously monitor our consumption to control our input resource efficiency. We have leveraged our scale of operations to reduce the wastage in our value chain.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Yes. Procured products are sourced sustainably. We have an established process for supplier evaluation and selection that enlists the factors of sustainability, amongst others. This process also looks into the practices that the supplier has in place to ensure environmental and social compliance.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Procurement of goods and services from local and small producers is encouraged wherever feasible. Appropriate technical support is provided to them to this effect.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Being IT/ITES industry, no waste is generated. Sewer waste is treated by the Swage Treatment Plant. There are no SOx/NOx emission to the air during the course of production.

Principle 3

1. Please indicate the Total number of employees.

   MPS employs 2571 people across the globe.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

   We have 12 employees on contract basis.

3. Please indicate the Number of permanent women employees.

   We have 675 women employees.

4. Please indicate the Number of permanent employees with disabilities

   We do not have any disabled employee.

5. Do you have an employee association that is recognized by management?

   No

6. What percentage of your permanent employees is members of this recognized employee association?

   Not Applicable.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	0	0
2	Sexual harassment	0	0
3	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

   (a) Permanent Employees – 38.9%

   (b) Permanent Women Employees – 26.8%

   (c) Casual/Temporary/Contractual Employees – NA

   (d) Employees with Disabilities – NA

Principle 4

1. Has the company mapped its internal and external stakeholders?

   Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

   Yes.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   We try to uplift external vulnerable stakeholders through our CSR activities. Please refer to the report on CSR activities, appearing in the Company's FY 2021 Annual Report, for more details. Internally, we have anti-harassment policies, code of conduct to protect their interests. Our HR team is involved in making the workplace equitable to these marginalized stakeholders.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The policy applies only to the company. The subsidiaries adhere to the regulations of the countries they are located it.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   No such complaints have been received in the current financial year.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

   Company and its subsidiaries adhere to the guidance issued in their respective countries.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Being an IT/ITeS industry they are no emissions to the air or waste water release to the environment. The production activities are carried out in energy efficient buildings. We also have our Environmental Policy to manage our impact on the environment.

3. Does the company identify and assess potential environmental risks? Y/N

   Yes.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No. This is not applicable to us.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes. The production operations are carried out in energy efficient buildings.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   None as on the end of the financial year 2020-2021.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   None.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   None.

Principle 8

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Yes. Please refer to the Annexure-D of the Directors Report containing the details of CSR activities undertaken during the financial year ended March 31, 2020, appearing in the Company's FY 2020 Annual Report, for more details.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

   External NGO(s).

3. Have you done any impact assessment of your initiative?

   Yes

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   INR 1.63 crores was spent on CSR. Please refer to the table in Annexure D for more details project wise.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   The entities involved are required to report on their usage of the funds. Please refer to the report on CSR activities, appearing in the Company's FY 2021 Annual Report, for more details.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   No such cases are pending against the company.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

   Not Applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   No such cases are pending against the company.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes.

PRINCIPLES TO ASSESS COMPLIANCE WITH ENVIRONMENTAL, SOCIAL AND GOVERNANCE NORMS

[SEE REGULATION 34(2)(F)]

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Businesses should develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain. Businesses should communicate transparently and assure access to information about their decisions that impact relevant stakeholders.
2. Businesses should not engage in practices that are abusive, corrupt, or anti- competition.
3. Businesses should truthfully discharge their responsibility on financial and other mandatory disclosures.
4. Businesses should report on the status of their adoption of these Guidelines as suggested in the reporting framework in this document.
5. Businesses should avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. Businesses should assure safety and optimal resource use over the life-cycle of the product – from design to disposal – and ensure that everyone connected with it- designers, producers, value chain members, customers and recyclers are aware of their responsibilities.
2. Businesses should raise the consumer's awareness of their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage and disposal of their products and services.

3. In designing the product, businesses should ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
4. Businesses should regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
5. Businesses should recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.
6. Businesses should recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore promote sustainable consumption, including recycling of resources.

Principle 3: Businesses should promote the wellbeing of all employees

1. Businesses should respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.
2. Businesses should provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
3. Businesses should not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
4. Businesses should take cognizance of the work-life balance of its employees, especially that of women.
5. Businesses should provide facilities for the wellbeing of its employees including those with special needs. They should ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
6. Businesses should provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees. Business should communicate this provision to their employees and train them on a regular basis.
7. Businesses should ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. They should promote employee morale and career development through enlightened human resource interventions.
8. Businesses should create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Businesses should systematically identify their stakeholders, understand their concerns, define purpose and scope of engagement, and commit to engaging with them.
2. Businesses should acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
3. Businesses should give special attention to stakeholders in areas that are underdeveloped.
4. Businesses should resolve differences with stakeholders in a just, fair and equitable manner

Principle 5: Businesses should respect and promote human rights

1. Businesses should understand the human rights content of the Constitution of India, national laws and policies and the content of International Bill of Human Rights. Businesses should appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
2. Businesses should integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms.
3. Businesses should recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
4. Businesses should, within their sphere of influence, promote the awareness and realization of human rights across their value chain.

5. Businesses should not be complicit with human rights abuses by a third party.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Businesses should utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
2. Businesses should take measures to check and prevent pollution. They should assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
3. Businesses should ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
4. Businesses should continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.
5. Businesses should develop Environment Management Systems (EMS) and contingency plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of its value chain.
6. Businesses should report their environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
7. Businesses should proactively persuade and support its value chain to adopt this principle.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Businesses, while pursuing policy advocacy, must ensure that their advocacy positions are consistent with the Principles and Core Elements contained in these Guidelines.
2. To the extent possible, businesses should utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

Principle 8: Businesses should support inclusive growth and equitable development

1. Businesses should understand their impact on social and economic development, and respond through appropriate action to minimise the negative impacts.
2. Businesses should innovate and invest in products, technologies and processes that promote the wellbeing of society.
3. Businesses should make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
4. Businesses operating in regions that are underdeveloped should be especially sensitive to local concerns.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. Businesses, while serving the needs of their customers, should take into account the overall well-being of the customers and that of society.
2. Businesses should ensure that they do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling their products.
3. Businesses should disclose all information truthfully and factually, through labelling and other means, including the risks to the individual, to society and to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. Where required, businesses should also educate their customers on the safe and responsible usage of their products and services.
4. Businesses should promote and advertise their products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.
5. Businesses should exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
6. Businesses should provide adequate grievance handling mechanisms to address customer concerns and feedback.

FINANCIAL SECTION

Independent Auditors' Report

To the Members of MPS Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of MPS Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (together referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Revenue from Contract with customers

<table>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>Revenue recognition involves certain key judgements relating to terms specified in the contract including measuring performance using percentage-of-completion method. Refer note 2.9 to the standalone financial statements.</td><td>Our audit procedures on revenue recognized from contracts included:
Tested the effectiveness of control related to revenue recognition.
Selected sample of contracts and performed the following procedures:
Read, analysed and identified the distinct performance obligations in these contracts.
Compared these performance obligations with that identified and recorded by the Company.
Evaluated communication, agreed price list and payment terms of invoice in these contracts.
In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with estimated efforts computed.</td></tr>
</table>

Accounting for Business combinations

The key audit matter	How the matter was addressed in our audit
As explained in note 39 to the standalone financial statements, the Company has done the acquisition of the HighWire Press US Business at a purchase consideration of INR 5,181 Lacs through its US branch. This being a Business Combination thus based on the purchase price allocation to the various identifiable acquired assets and assumed liabilities, goodwill of INR 3,450 Lacs has been recognized. In accounting for a business combination, there is judgement and inherent uncertainty in the estimation used in allocating the overall purchase price to the different assets and liabilities that make up the acquisition. Accordingly, we have identified this as a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others to obtain sufficient appropriate audit evidence: • reviewed asset purchase agreements and share purchase agreement, to determine whether the appropriate intangible assets have been identified and that no unusual terms exist that have not been accounted for; • involved independent valuation specialist to assist in evaluation of the valuation assumptions used for fair valuation of the assets and liabilities acquired; and • evaluated the adequacy of the financial statement disclosures.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 36 to the standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.

   (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109
ICAI UDIN: 21095109AAAADM2867

Place: Gurugram
Date: 26 May 2021

Annexure A referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of MPS Limited on the Standalone Financial Statements for the year ended 31 March 2021, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified every year, which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. In accordance with this program, all fixed assets have been physically verified by the management during the year. The discrepancies noticed on such verification were not material.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property are held in the name of the Company except for the following:

S.No.	Particulars of immovable property	Net block as at 31 March 2021 (INR in Lacs)	Remarks
1	Office space at Building located at 137, Residency Road Bangalore admeasuring 62,349 square feet	1,199.53	The title deeds for building and undivided portion of land are held in the name of HMG Ambassador Property Management Private Limited, represented by 14,750,000 equity shares of INR 10 each representing the value of land and buildings with irrevocable right of permanent occupation.
2	Office space at Building located at 135, Brigade Road Bangalore admeasuring 10,000 square feet	46.91	The title deeds for building and undivided portion of land admeasuring 10,000 square feet are in the name of Brigade Marketing Company Private Limited, erstwhile Company that was merged with Macmillan India Limited (now MPS Limited) under Section 391 to 394 of the Companies Act, 1956 in terms of the Honorable Karnataka High Court order dated 21 June 2005.

(ii) The Company is a service company, primarily engaged in the business of providing publishing solutions. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, the Companies has no outstanding loan which was granted in the previous year to companies covered in the register maintained under section 189 of the Companies Act, 2013 ('Act").

(a) The Company has not granted any new loan during the year, hence provision of paragraph 3(iii) (a) of the order is not applicable.

(b) The schedule of repayment of principal and payment of interest has been stipulated and the repayments and receipts are regular.

(c) No loan is outstanding as at 31 March 2021, hence provision of paragraph 3(iii) (c) of the order is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not provided any guarantees or security to the parties covered under Section 185 and Section 186 of the Act, Further in respect of loan granted and investment made by the company, the provision of section 185 and 186 of the Act, as applicable, have been complied with.

(v) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

(vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the activities carried out by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income- tax, Goods and Service tax, Service tax and other material statutory dues have been regularly deposited during the year by the Company. As explained to us, the provisions relating to Value added tax, Sales tax, Cess, Duty of excise and Duty of customs are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service tax, Service tax and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, Goods and Service tax, Sales tax, Value added tax, and Service tax, which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statute	Nature of the dues	Amount (Rupees in Lacs)*	Period to which the amount relates	Payment under protest/refund adjusted (Rupees in Lacs)	Forum where dispute is pending
Income tax Act, 1961	Income tax	86.68	AY 2006-07 #	-	CIT (A)
Income tax Act, 1961	Income tax	131.98	AY 2007-08 #	-	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	12.95	AY 2009-10	-	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	187.57	AY 2010-11 #	-	CIT (A)
Income tax Act, 1961	Income tax	178.58	AY 2011-12 #	-	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	88.85	AY 2012-13	88.85	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	27.61	AY 2016-17	27.61	Assessing officer
Income tax Act, 1961	Income tax	60.98	AY 2017-18	-	CIT(A)
Finance Act, 1994	Service tax	718.25	Financial year 2008-09 to 2012-13	53.86	Director General of Central Excise Intelligence (India)

* amount as per demand orders, wherever indicated in the order.

opted for 'Vivad se Vishwas' scheme and payment has been done in the month of April'21

(viii) The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.

(ix) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been paid or provided by the Company in accordance with provisions of section 197 read with Schedule V of the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions with the related parties which are not in compliance with Section 177 and 188 of the Act and the details have been disclosed in the Standalone Financial Statements, as required, by the applicable accounting standards.

(xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109
ICAI UDIN: 21095109AAAADM2867

Place: Gurugram
Date: 26 May 2021

Annexure B to the Independent Auditors' report on the standalone financial statements of MPS Limited for the year ended 31 March 2021.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of **MPS Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Shashank Agarwal
Partner
Place: Gurugram
Membership No. 095109
Date: 26 May 2021
ICAI UDIN: 21095109AAAADM2867

Balance Sheet as at 31 March 2021

INR in Lacs

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	1,823.61	1,626.55
Investment property	3.2	104.41	107.58
Right-of-use assets	4	742.35	841.05
Goodwill	5	3,405.73	50.27
Other intangible assets	5	2,239.35	416.74
Financial assets			
Investments	6 (i)	12,338.84	13,957.69
Loans	7 (i)	99.07	1,619.71
Other financial assets	8 (i)	6,509.06	26.97
Income tax assets (net)	9	146.80	523.06
Other non-current assets	10 (i)	257.37	165.61
Total non-current assets		**27,666.59**	**19,335.23**
Current assets			
Financial assets			
Investments	6 (ii)	625.34	5,573.79
Trade receivables	11	5,729.92	3,239.45
Cash and cash equivalents	12 (i)	2,118.44	2,994.91
Other bank balances	12 (ii)	2,812.02	865.00
Loans	7 (ii)	178.74	608.46
Other financial assets	8 (ii)	414.28	167.95
Other current assets	10 (ii)	4,260.00	4,232.80
Total current assets		**16,138.74**	**17,682.36**
TOTAL ASSETS		**43,805.33**	**37,017.59**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1,805.02	1,861.69
Other equity		34,066.41	32,326.07
Total equity		**35,871.43**	**34,187.76**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	14 (i)	1,062.64	898.28
Deferred tax liabilities (net)	15	90.27	19.23
Total non-current liabilities		**1,152.91**	**917.51**
Current liabilities			
Financial liabilities			
Lease liabilities	14 (ii)	162.59	222.12
Trade payables			
Due to Micro and Small enterprises	16	55.81	9.70
Due to Others	16	3,152.52	360.81
Other financial liabilities	17	678.01	353.58
Other current liabilities	18	2,232.92	620.34
Provisions	19	248.61	137.86
Income tax liabilities (net)	20	250.53	207.91
Total current liabilities		**6,780.99**	**1,912.32**
TOTAL EQUITY AND LIABILITIES		**43,805.33**	**37,017.59**
Significant accounting policies	2		
Notes to financial statements	3-44		
The accompanying notes form an integral part of financial statements			

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Shashank Agarwal
Partner
Membership Number: 095109

Place: Gurugram
Date : 26 May 2021

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date : 26 May 2021

Statement of Profit & Loss for the year ended 31 March 2021

INR in Lacs

	Note	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operations	21	27,902.16	18,764.76
Other income	22	889.08	1,841.85
Total income		**28,791.24**	**20,606.61**
Expenses			
Employee benefits expense	23	11,449.94	8,854.78
Finance costs	24	136.05	138.01
Depreciation and amortization expense	25	1,245.99	744.72
Other expenses	26	7,169.10	3,900.43
Total expenses		**20,001.08**	**13,637.94**
Profit before tax		**8,790.16**	**6,968.67**
Tax expense:	27		
Current tax		2,168.56	2,197.11
Adjustment of tax relating to earlier years		497.91	23.19
Deferred tax	15	70.32	(528.50)
Total tax expenses		**2,736.79**	**1,691.80**
Profit for the year		**6,053.37**	**5,276.87**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit liability/assets		2.62	(20.94)
Income tax relating to items that will not be reclassified to profit or loss		(0.66)	5.27
Exchange differences on translation of foreign operations		(157.42)	-
Total other comprehensive income for the year, net of tax		**(155.46)**	**(15.67)**
Total comprehensive income for the year		**5,897.91**	**5,261.20**
Earnings per equity share (nominal value of share INR 10)			
- Basic and diluted (earnings per equity share expressed in absolute amount in Indian Rupees)	28	33.00	28.34
Significant accounting policies	2		
Notes to financial statements	3-44		
The accompanying notes form an integral part of financial statements			

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Shashank Agarwal
Partner
Membership Number: 095109

Place: Gurugram
Date : 26 May 2021

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date : 26 May 2021

Statement of change in equity for the year ended 31 March 2021

A. Equity share capital

	INR in Lacs
Balance as at 1 April 2019	1,861.69
Changes in equity share capital during the year	-
Balance as at 31 March 2020	1,861.69
Shares extinguished on buy back	(56.67)
Balance as at 31 March 2021	1,805.02

B. Other equity

INR in Lacs

Particulars	Reserve and Surplus (refer note 1 below)				Other Comprehensive income (refer note 1 below)	Total
	Securities premium account	Capital redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	
As at 1 April 2019	14,600.33	-	2,849.32	26,652.53	-	44,102.18
Transition impact of Ind AS 116 (refer note 31 (iii))	-	-	-	(204.55)	-	(204.55)
Restated balance as at 1 April 2019	14,600.33	-	2,849.32	26,447.98	-	43,897.63
Profit for the year	-	-	-	5,276.87	-	5,276.87
Other comprehensive income	-	-	-	(15.67)	-	(15.67)
Total comprehensive income for the year	-	-	-	5,261.20	-	5,261.20
Dividends	-	-	-	(13,962.69)	-	(13,962.69)
Income tax on dividend	-	-	-	(2,870.07)	-	(2,870.07)
As at 31 March 2020	14,600.33	-	2,849.32	14,876.42	-	32,326.07
As at 1 April 2020	14,600.33	-	2,849.32	14,876.42	-	32,326.07
Profit for the year	-	-	-	6,053.37	-	6,053.37
Other comprehensive income	-	-	-	1.96	(157.42)	(155.46)
Total comprehensive income for the year	-	-	-	6,055.33	(157.42)	5,897.91
Buy-back of equity shares (refer note 13 vii)	(3,343.33)	56.67	(56.67)	-	-	(3,343.33)
Expenses for buy-back of equity shares (refer note 13 vii)	(35.38)	-	-	-	-	(35.38)
Tax expenses on buy back (refer note 13 vii)	(778.86)	-	-	-	-	(778.86)
As at 31 March 2021	10,442.76	56.67	2,792.65	20,931.75	(157.42)	34,066.41

Statement of change in equity for the year ended 31 March 2021 *(contd...)*

Notes:

1 Nature and purpose of other equity:

Securities premium reserve: The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve: As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of general reserve. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

General reserve: This represents appropriation of profit by the Company and is available for distribution of dividend.

Retained earning: This represents the cumulative profits/(losses) of the Company.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Shashank Agarwal
Partner
Membership Number: 095109

Place: Gurugram
Date : 26 May 2021

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date : 26 May 2021

Cash Flow Statement for the year ended 31 March 2021

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flows from operating activities		
Net profit before tax	**8,790.16**	**6,968.67**
Adjustments:		
Depreciation and amortisation expense	1,245.99	744.72
Interest income	(590.56)	(679.61)
Dividend income	-	(2.73)
Net (gain)/loss on sale of current investment	(37.85)	22.72
Finance costs	136.05	138.01
Gain on sale/disposal/discard of property, plant and equipment (net)	(3.79)	(0.39)
Miscellaneous income	(40.19)	-
Rent concession as a variable lease payment	(34.79)	-
Gain on investment carried at fair value through profit or loss (net)	(78.08)	(776.16)
Liabilities/provisions no longer required written back	(8.48)	(163.52)
Allowances for expected credit loss	107.08	36.26
Bad debts written off	6.77	-
Allowances for doubtful advances	4.49	3.08
Advances written off (net)	32.12	3.00
Unrealised foreign exchange loss (net)	133.89	86.23
Unrealised foreign exchange (gain)/loss on mark-to-market on forward contracts	(150.82)	177.26
Operating cash flows before working capital changes	**9,511.99**	**6,557.54**
(Increase)/decrease in trade receivables	(1,096.54)	395.92
Decrease/(increase) in loans	21.27	(13.80)
(Increase) in other financial assets	(8.43)	(28.59)
Decrease/(increase) in other current assets	392.95	(153.18)
(Increase)/decrease in other non-current assets	(91.76)	111.32
Increase/(decrease) in trade payables	738.85	(125.86)
(Decrease)/increase in other financial liabilities	(158.98)	51.21
Increase in other liabilities	557.19	1.69
(Decrease) in provisions	(210.87)	(14.02)
Cash generated from operations	**9,655.67**	**6,782.23**
Income tax paid (net of refund)	(1,966.14)	(1,897.94)
Net cash generated from operating activities (A)	**7,689.53**	**4,884.29**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress)	(501.69)	(141.20)
Purchase of other intangible assets	(83.64)	(0.40)
Sale of property, plant and equipment	5.66	0.45
Acquisition of business (net of cash and cash equivalents acquired) (refer note 39)	(4,209.99)	-

Cash Flow Statement for the year ended 31 March 2021 *(contd...)*

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Investment in subsidiaries	(189.05)	-
Loan repaid by subsidiary	2,052.60	247.40
Purchase of current investments	(16,741.40)	(20,915.78)
Sale of current investments	21,805.78	32,855.95
Purchase of term deposits	(9,488.75)	(865.00)
Redemption of term deposits	1,088.75	2,780.00
Redemption of investment in preference shares (refer note 6 (i))	2,195.72	-
Rent received	416.03	-
Dividend received	-	2.73
Interest received*	208.60	741.74
Net cash generated (used in)/from investing activities (B)	**(3,441.38)**	**14,705.89**
C. Cash flows from financing activities		
Repayment of lease liabilities including interest expenses	(683.69)	(374.43)
Buy-back of equity shares (refer note 13 vii)	(3,400.00)	-
Expenses for buy-back of equity shares (refer note 13 vii)	(35.38)	-
Tax on buy-back of equity shares (refer note 13 vii)	(778.86)	-
Finance costs	(13.94)	(0.82)
Dividend paid	-	(13,962.69)
Tax on dividend	-	(2,870.07)
Net cash used in financing activities (C)	**(4,911.87)**	**(17,208.01)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(663.72)**	**2,382.17**
Impact on cash flows on account of foreign currency translation reserve	5.91	-
Effects of exchange differences on cash and cash equivalents held in foreign currency	(218.66)	41.32
Cash and cash equivalents at the beginning of the year	2,994.91	571.42
Cash and cash equivalents at the end of the year (see below)	**2,118.44**	**2,994.91**
Components of cash and cash equivalents:		
Cash on hand	0.64	1.56
Balances with banks		
- Current accounts	2,008.34	950.43
- EEFC accounts	109.46	592.92
-Demand deposit accounts (demand deposits and deposits having original maturity of 3 months or less)	-	1,450.00
	2,118.44	**2,994.91**

Cash Flow Statement for the year ended 31 March 2021 *(contd...)*

Notes:

1. Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
2. During the year, the Company paid in cash INR 163 Lacs (31 March 2020: INR 186 Lacs) towards corporate social responsibility (CSR) expenditure (refer note 38).

* Includes dividend received on preference shares of INR 29.41 Lacs (31 March 2020 : INR 176.00 Lacs) for the year ended 31 March 2021 (refer note 35).

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Shashank Agarwal
Partner
Membership Number: 095109

Place: Gurugram
Date : 26 May 2021

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date : 26 May 2021

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

1. Corporate Information

MPS Limited ("the Company") is a public limited Company domiciled in India and incorporated under the provisions of Companies Act, 1956 having its registered office located at RR Towers IV, Super A, 16/17, Thiru-vi-ka Industrial State, Guindy, Chennai-600032. Its equity shares are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. MPS provides platforms and services for content creation, full-service production, and distribution to the world's leading publishers, learning companies, corporate institutions, libraries, and content aggregators.

The Company offers a diverse geographic spread with production facilities in Chennai, Noida, Dehradun Gurugram and Bengaluru. The Company also operates with editorial and marketing offices in United States. The Company's multi location presence helps it in executing various customer requirements efficiently.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation of financial statements

a) Statement of compliance

These standalone Ind AS Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with companies (Indian accounting standard) rules as amended from time to time and other relevant provisions of the Act.

b) Effective 1 April 2016, the Company had transitioned to Ind AS while the financial statements were being prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (previous GAAP) till 31 March 2017 and the transition was carried out in accordance of Ind AS 101 "First time adoption of Indian Accounting Standards". While carrying out transition, in addition to the mandatory exemptions, the Company had elected to certain exemption which are listed as below:

- The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. As such previous GAAP balances relating to business combinations consummated before that date, including goodwill, have been carried forward.
- The Company elected to continue with the carrying value for all of its property, plant and equipment, intangible assets and investment property as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.
- The Company has elected to consider previous GAAP carrying amount of its investments in subsidiaries on the date of transition to Ind AS as its deemed cost for the purpose of determining cost in accordance with principles of Ind AS 27-"Separate financial statements".

The financial statements of the Company for the year ended 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 26 May 2021.

c) Basis of measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items which have been measured at fair value as required by relevant Ind AS

- Derivative financial instruments;
- Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss; and
- The net defined benefit asset/(liability) is recognized as the present value of defined benefit obligation less fair value of plan assets

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

d) **Critical estimates and judgement**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes.

- Assessment of useful life of items of property, plant and equipment and intangible asset – refer note 2.3
- Estimated impairment of financial instrument and non-financial assets – refer note 2.5 and 2.6
- Recognition and estimation of tax expense including deferred tax – refer note 15
- Estimation of assets and obligations relating to employee benefits – refer note 30
- Fair value measurement – refer note 32
- Measurement and likelihood of occurrence of provisions and contingencies – refer note 36
- Measurement of consideration and assets acquired as part of business combination – refer note 39
- Assessment of revenue based on the progress of project using percentage of completion method, measured on the basis of effort involved which is akin to output to customer - refer note 2.9

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts considering emerging situations due to COVID-19. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods.

2.2 Current–non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non current classification of assets and liabilities.

2.3 Property, plant and equipment (PPE), Investment properties and Intangible assets

a) Items of property, plant and equipment

Items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The cost of items of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties 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 property, plant and equipment up to the date the asset is ready for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Items of property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

b) Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent expenditure is capitalised to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property consists of freehold land and building, building is depreciated using the straight line method over their estimated useful life of 60 years.

c) Intangible assets

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Goodwill is initially recognised based on the accounting policy for business combinations (refer note 2.4). Goodwill is not amortised but is tested for impairment annually.

d) Depreciation and amortisation methods, estimated useful lives and residual value

Depreciation on items of property, plant and equipment is provided on a pro-rata basis on the straight-line method based on useful life specified in Part C of Schedule II to the Companies Act.

Freehold land is not depreciated. Leasehold improvements are amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter.

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

Intangible assets are amortised on a pro-rata basis on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of intangible assets are as follows:

- Software – 2 to 5 years
- Customer relationship-5 years
- Trademark-10 years

The residual values, useful lives and method of depreciation/amortisation of items of property, plant and equipment, investment property and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Derecognition

An item of property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

2.4 Business Combination:

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed.

Transaction costs are expensed as incurred. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

2.5 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax are reviewed at each reporting date to determine whether there is any such indication. If any such indication exits, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or group of CGUs that are expected to benefit from synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an assets or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, then Company reviews at each reporting

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceeds the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

2.6 Financial instrument

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

ii. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Dividend income from the financial assets at FVPL is recognized in the statement of profit and loss with in other income separately from the other gains / losses arising from changes in fair value.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of financial instrument

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition.

Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Company uses derivative financial instruments primarily forward contract to mitigate its currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value and changes therein are recognised in Statement of profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.7 Cash and cash equivalents

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

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

2.8 Provisions and Contingent Liabilities

Provision

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities and commitments are reviewed at each balance sheet date.

2.9 Revenue recognition

The Company derives revenue primarily from content solutions, platform solutions and related services.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue related to fixed-price contracts is recognised using percentage-of-completion method ('POC method') of accounting with efforts incurred in determining the degree of completion of the performance obligation.
- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance is recognized based on time elapsed mode and revenue is straight lined over the period of performance.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is a billing in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customers geography and nature of services.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the efforts incurred which is used to determine the degree of completion of the performance obligation.

2.10 Recognition of dividend income and interest income

Dividend income is accounted for when the right to receive it is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Rental income from operating leases is recognised on time proportionate basis over the period of rent.

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

2.11 Government Grants

Government grants that are awarded as incentives with no ongoing performance obligations are recognised when there is reasonable assurance that:

a) the Company will comply with the conditions attached to them; and

b) the grant will be received.

These are recorded at fair value where applicable. Government grants are recognised in the statement of profit and loss, either on a systematic basis when the Company recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred.

Government grants related to income are presented as an offset against the related expenditure.

2.12 Employee benefits

a) **Short-term employee benefits:** All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc measured on an undiscounted basis and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

b) **Post-employment benefits:** Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

- **Gratuity:** The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of Gratuity is recognised in the books of accounts based on actuarial valuation by an independent actuary. The gratuity liability for the employees of the Company is funded with an insurance company in the form of a qualifying insurance policy. The gratuity benefit obligation recognised in the balance sheet represents the present value of the obligations as reduced by fair value of assets held by the Insurance Company. Actuarial gain/losses are recognised immediately in the other comprehensive income.
- **Superannuation:** Certain employees of the Company are also participants in the superannuation plan ('the Plan'), a defined contribution plan. Contribution made by the Company to the plan is charged to Statement of Profit and Loss.
- **Provident fund:** For employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan. Company's contribution to the provident fund is charged to Statement of Profit and Loss.
- **Employee State Insurance:** For employees in India, Employee State Insurance (ESI) is deposited with Employee State Insurance Corporation. This is treated as defined contribution plan. Company's contribution to the ESI is charged to Statement of Profit and Loss.
- **Social security plans:** For employees outside India, Employees contributions payable to the social security plan, which is a defined contribution scheme, is charged to the statement of profit and loss in the period in which the employee renders services.

c) **Other long-term employee benefits: Compensated absences:**

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized during the service, or encashed. Encashment can be made on early retirement, on separation, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Company's liability in respect of compensated absences is recognised in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

d) **Termination benefits:**

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Actuarial valuation

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

2.13 Tax Expense

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

a) **Current tax:**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously. Any adjustment to the tax payable or receivable in respect of previous year is shown separately.

b) **Deferred tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

2.14 Dividend Distributions

The Company recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Company. A corresponding amount is recognised directly in equity.

2.15 Foreign currency transactions and translations

a) Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). All the amount have been rounded-off to the nearest lakhs, unless otherwise stated.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction or at rates that closely approximate the rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

2.16 Leases

The Company's lease asset classes primarily consist of leases for offices. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 1 April 2019.

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

The Company has applied the practical expedient to grandfather the definition of a lease on transition. This means that it has applied Ind AS 116 to all the contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

2.17 Earnings per share

Basic earnings/ (loss) per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, except where the result would be anti-dilutive.

2.18 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.19 Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes forming part of the Financial Statements

All amount in INR Lacs, unless otherwise stated

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values. The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

2.20 New standards and interpretations not yet adopted

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. The Company is evaluating the effect of the amendments on its financial statements.

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

3.1 Property, plant and equipment and Capital work-in-progress

INR in Lacs

Particulars	Freehold land (refer note 1 below)	Buildings (refer note 1 below)	Plant & equipment	Furniture & fixtures	Vehicles	Leasehold improvements	Capital Work-in-Progress	Total
Gross carrying value								
As at 1 April 2019	400.00	901.23	1,417.08	42.40	0.18	-	-	2,760.89
Additions	-	-	139.51	1.69	-	-	-	141.20
Disposals/adjustments	-	-	(0.54)	(0.03)	-	-	-	(0.57)
As at 31 March 2020	**400.00**	**901.23**	**1,556.05**	**44.06**	**0.18**	**-**	**-**	**2,901.52**
Acquisitions through business combinations (refer note 39)	-	-	3.09	16.67	-	6.98	-	26.74
Additions	-	-	501.69	-	-	-	-	501.69
Disposals/adjustments	-	-	(3.36)	(0.64)	-	-	-	(4.00)
Foreign currency translation reserve	-	-	(0.10)	(0.55)	-	(0.23)	-	(0.88)
As at 31 March 2021	**400.00**	**901.23**	**2,057.37**	**59.54**	**0.18**	**6.75**	**-**	**3,425.07**
Accumulated depreciaton								
As at 1 April 2019	-	61.00	935.56	38.43	0.16	-	-	1,035.15
Depreciation charge for the year	-	20.39	216.54	3.40	-	-	-	240.33
Disposals/adjustments	-	-	(0.48)	(0.03)	-	-	-	(0.51)
As at 31 March 2020	**-**	**81.39**	**1,151.62**	**41.80**	**0.16**	**-**	**-**	**1,274.97**
Depreciation charge for the year	-	20.31	295.35	9.63	-	3.60	-	328.89
Disposals/adjustments	-	-	(1.49)	(0.64)	-	-	-	(2.13)
Foreign currency translation reserve	-	-	(0.09)	(0.15)	-	(0.03)	-	(0.27)
As at 31 March 2021	**-**	**101.70**	**1,445.39**	**50.64**	**0.16**	**3.57**	**-**	**1,601.46**

Net carrying value	Freehold land (refer note 1 below)	Buildings (refer note 1 below)	Plant & equipment	Furniture & fixtures	Vehicles	Leasehold improvements	Capital Work-in-Progress	Total
As at 31 March 2020	400.00	819.84	404.43	2.26	0.02	-	-	1,626.55
As at 31 March 2021	400.00	799.53	611.98	8.90	0.02	3.18	-	1,823.61

Net carrying value	31 March 2021	31 March 2020
Property, plant and equipment	1,823.61	1,626.55
Capital work in progress	-	-

1. Freehold land and Buildings include property located at Bengaluru (HMG Ambassador) at a cost of INR 400 Lacs and INR 901.23 Lacs respectively. The title to this property is in the name of HMG Ambassador Property Management Private Limited, represented by 1,47,50,000 equity shares of INR 10/- each representing the value of land and buildings with irrevocable right of permanent occupation.

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

3.2 Investment property

INR in Lacs

Particulars	Freehold land	Buildings	Total
Gross carrying value			
As at 1 April 2019	4.36	114.93	119.29
Additions	-	-	-
Disposals/adjustments	-	-	-
As at 31 March 2020	**4.36**	**114.93**	**119.29**
Additions	-	-	-
Disposals/adjustments	-	-	-
As at 31 March 2021	**4.36**	**114.93**	**119.29**
Accumulated depreciation			
As at 1 April 2019	-	8.53	8.53
Depreciation charge for the year	-	3.18	3.18
Disposals/adjustments	-	-	-
As at 31 March 2020	-	**11.71**	**11.71**
Depreciation charge for the year	-	3.17	3.17
Disposals/adjustments	-	-	-
As at 31 March 2021	-	**14.88**	**14.88**

INR in Lacs

Net carrying value	Freehold land	Buildings	Total
As at 31 March 2020	4.36	103.22	107.58
As at 31 March 2021	4.36	100.05	104.41

INR in Lacs

Amount recognised in profit or loss for Investment property	Year ended 31 March 2021	Year ended 31 March 2020
Rental income derived from investment properties	-	-
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(27.65)	(34.74)
Loss arising from investment properties before depreciation	**(27.65)**	**(34.74)**
Less: Depreciation for the year	(3.17)	(3.18)
Loss arising from investment properties	**(30.82)**	**(37.92)**

INR in Lacs

Fair value of investment property	Freehold land and buildings
As at 31 March 2020	3,211.88
As at 31 March 2021	3,211.88

1. Investment property comprises land and building for basement, ground floor, first floor, eighth floor and parking areas situated in Bengaluru. The title deeds for land and building for basement, ground floor and first floor are in the name of Brigade Marketing Company Private Limited, erstwhile Company that was merged with Macmillan India Limited (now MPS Limited) in 2001 under section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court at Karnataka. The title deeds for land and building for remaining areas are in the name of the Company.
2. The Company has obtained an independent valuation for the fair value of its investment property based on the market value approach. The valuer has relied on the prevalent real estate rates and realisable price of similar property in the same vicinity.

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

4 Right-of-use assets*

INR in Lacs

Particulars	Buildings	Total
Gross carrying value		
As at 1 April 2019	-	-
Impact of Ind AS 116	1,076.56	1,076.56
Additions	-	-
Disposals/adjustments	-	-
Depreciation charge for the year	235.51	235.51
As at 31 March 2020	**841.05**	**841.05**
Additions	-	-
Acquisitions through business combinations (refer note 39)	233.70	233.70
Disposals/adjustments	(28.43)	(28.43)
Depreciation charge for the year	296.57	296.57
Foreign currency translation reserve	(7.40)	(7.40)
As at 31 March 2021	**742.35**	**742.35**

INR in Lacs

Net carrying value	Buildings	Total
As at 31 March 2020	841.05	841.05
As at 31 March 2021	742.35	742.35

* Refer note 31

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

5 Intangible assets

INR in Lacs

Particulars	Goodwill	Other intangible assets			Total
		Trademark	Customer relationship	Computer software (acquired)	
Gross carrying value					
As at 1 April 2019	50.27	69.12	196.71	1,137.70	1,453.80
Additions	-	-	-	0.40	0.40
Disposals/adjustments	-	-	-	-	-
As at 31 March 2020	**50.27**	**69.12**	**196.71**	**1,138.10**	**1,454.20**
Acquisitions through business combinations (refer note 39)	3,450.42	360.71	1,519.12	485.95	5,816.20
Additions	-	-	52.23	83.64	135.87
Foreign currency translation reserve	(94.96)	(11.98)	(36.49)	(16.14)	(159.57)
As at 31 March 2021	**3,405.73**	**417.85**	**1,731.57**	**1,691.55**	**7,246.70**
Accumulated depreciation/amortisation					
As at 1 April 2019	-	11.93	81.77	627.79	721.49
Amortisation expense for the year	-	7.88	43.26	214.56	265.70
Disposals/adjustments	-	-	-	-	-
As at 31 March 2020	**-**	**19.81**	**125.03**	**842.35**	**987.19**
Amortisation expense for the year	-	34.27	275.69	307.40	617.36
Disposals/adjustments	-	-	-	-	-
Foreign currency translation reserve	-	(0.11)	(1.95)	(0.87)	(2.93)
As at 31 March 2021	**-**	**53.97**	**398.77**	**1,148.88**	**1,601.62**

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

5 Intangible assets *(contd...)*

INR in Lacs

Net carrying value	Goodwill	Trademark	Customer relationship	Computer software (acquired)	Total
As at 31 March 2020	50.27	49.31	71.68	295.75	467.01
As at 31 March 2021	3,405.73	363.88	1,332.80	542.67	5,645.08

Net carrying value	31 March 2021	31 March 2020
Goodwill	3,405.73	50.27
Other Intangible assets	2,239.35	416.74

5(a) Impairment testing of goodwill

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Units (CGU) which represents the lowest level at which the goodwill is monitored for internal management purposes, which is not higher than the Company's operating reportable segments.

The aggregate carrying amounts of goodwill allocated to platform solutions operating segment as follows:

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Platform solutions	3,405.73	50.27
	3,405.73	**50.27**

For the purpose of the impairment testing, goodwill is allocated to the Cash Generating Units (CGU) which represents the recoverable amount of the above CGU based on its value in use. The value in use of CGU is determined to be higher than the carrying amount post the sensitivity analysis towards change in the key assumptions including the cash flow projections consequent to the change in the estimated future economic conditions arising from the possible effects due to COVID-19. No probable scenario was identified where the CGU recoverable amount would fall below their carrying amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

i. The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5 year business plan in all periods presented.

ii. The terminal growth rate 1% to 2% for the year ended 31 March 2021 (31 March 2020: 1%) representing management view on the future long-term growth rate.

iii. Discount rate of 15.5% to 19% for the year ended 31 March 2021 (31 March 2020: 15%) was applied in determining the recoverable amount of the CGUs. The discount rate was estimated based on past experience and historical industry average weighted-average cost of capital.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

6(i) Non-current investments

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Investments carried at cost :		
Equity instruments of subsidiaries (unquoted)		
66,500 Units (31 March 2020: 66,500 Units) of USD 100 each fully paid up of MPS North America LLC, USA	4,257.39	4,257.39
6,20,00,000 Shares (31 March 2020: 6,20,00,000 Shares) of INR 10 each fully paid up of MPS Interactive Systems Limited	6,095.01	6,200.00
22,860 Shares (31 March 2020: 22,860 Shares) of EURO 10 each fully paid up of TOPSIM GmbH	599.18	599.18
10,000 Shares (31 March 2020: 10,000) of CHF 10 each fully paid up of MPS Europa AG	810.39	810.39
2,50,000 Units of USD 1 each fully paid up of HighWire North America LLC	189.05	-
Preference instruments of subsidiaries (unquoted)		
Nil Shares (31 March 2020: 22,00,000 Shares) of INR 100 each fully paid up of MPS Interactive Systems Limited (refer note below)	-	2,090.73
Lease Investment	387.82	
	12,338.84	**13,957.69**

Note

The Company had invested in 8% cumulative redeemable preference shares of subsidiary company as on 15 June 2018 aggregating to INR 2200 Lacs. The Subsidiary Company had revised the terms of preference shares vide AGM dated 23 July 2019 by way of Special Resolution. The Subsidiary Company called for redemption of all the preference shares and also paid the dividend on cumulative basis as due on the date of redemption i.e. 1 June 2020. Gain on redemption of 8% cumulative redeemable preference shares being a transaction with the Subsidiary Company has been transferred to Equity instruments of subsidiaries of INR 104.99 Lacs.

Notes forming part of Financial Statements for the year ended 31 March 2021

(*INR in Lacs, except share and per share data, unless otherwise stated*)

6(ii) Current investments

INR in Lacs

Particulars	As at 31 March 2021 Units in '000	As at 31 March 2021 INR in Lacs	As at 31 March 2020 Units in '000	As at 31 March 2020 INR in Lacs
Investment in mutual funds carried at fair value through profit or loss (unquoted, fully paid up)				
Axis Liquid Fund-Direct Plan-Growth	-	-	29.79	656.61
Kotak Liquid Fund-Direct Plan-Growth*	10.23	425.33	5.42	217.50
Aditya Birla Sun Life Liquid Fund-Direct Growth	-	-	134.95	431.25
HDFC Overnight Fund-Direct Plan-Growth	-	-	62.15	1,845.41
SBI Overnight Fund-Direct Plan-Growth	-	-	21.48	698.88
DSP Liquidity Fund-Direct Plan-Growth	-	-	7.11	202.04
ICICI Prudential Overnight Fund-Direct Plan-Growth	-	-	911.42	982.04
Aditya Birla Sun Life Overnight Fund-Direct Plan-Growth	-	-	49.99	540.06
Nippon India Liquid Fund-Direct Plan-Growth	3.97	200.01	-	-
Total	**14.20**	**625.34**	**1,222.31**	**5,573.79**
Aggregate market value of unquoted investments	**14.20**	**625.34**	**1,222.31**	**5,573.79**

*Out of the same mutual fund units i.e., 5.20 (units in thousands) with an NAV of INR 0.04 Lacs as at 31 March 2021 (31 March 2020: Units 5.20 (units in thousands) as at NAV of INR 0.04 Lacs) have been pledged with Kotak Mahindra Bank Limited as a security towards hedging facilities availed by the Company.

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

7 Loans

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Non current (unsecured, considered good)		
Financial instruments at amortized cost		
Interest bearing loan to subsidiary (refer note 35)	-	1,525.81
Security deposits (refer note below)	99.07	93.90
	99.07	**1,619.71**
Note: Includes INR 75.46 Lacs (31 March 2020: INR 70.34 Lacs) to holding company (ADI BPO Services Ltd.) as a deposit for premises and infrastructure facility taken on rent.		
(ii) Current (unsecured, considered good)		
Financial instruments at amortized cost		
Interest bearing loan to subsidiary (refer note 35)	-	526.79
Security deposits	178.44	80.39
Loan to employees	0.30	1.28
	178.74	**608.46**

8 Other financial assets

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Non current (unsecured, considered good)		
Bank deposits held as margin money or security against guarantees	18.06	26.97
Bank deposits due to mature after 12 months of the reporting date	6,491.00	-
	6,509.06	**26.97**
(ii) Current (unsecured, considered good)		
Unrealised MTM gain receivable on forward covers	75.94	-
Unbilled revenue	210.23	118.01
Interest accrued on loan to related parties	-	39.26
Interest accrued on deposits	128.11	10.68
	414.28	**167.95**

9 Income taxes

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Advance income tax (net of provisions of INR 15,513.53 Lacs (31 March 2020: INR 13,566.15 Lacs))	146.80	523.06
	146.80	**523.06**

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

10 Other assets

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Other non-current assets (Unsecured, Considered Good)		
Security deposits	33.77	24.52
Prepaid expenses	152.45	64.66
Balances with government authorities	55.39	55.39
Prepayment rent (refer note below)	15.76	21.04
	257.37	**165.61**
Note: Includes INR 15.74 Lacs (31 March 2020: INR 20.98 Lacs) to holding company (ADI BPO Services Ltd.) as a deposit for premises and infrastructure facility taken on rent.		
(ii) Other current assets (Unsecured, Considered Good)		
Security deposits		
Doubtful	1.13	1.13
	1.13	1.13
Less: Allowances for doubtful deposits	1.13	1.13
	-	-
Advances to employees		
Considered good	0.28	6.34
Doubtful	5.54	1.05
	5.82	7.39
Less: Allowances for doubtful advances to employees	5.54	1.05
	0.28	6.34
Government grant receivables*	487.83	487.83
Prepaid expenses	537.21	414.05
Contract assets (refer note 44)	2,049.93	2,034.97
Balances with government authorities		
-GST receivable	1,030.29	1,122.17
-Others	-	35.00
Capital advances	84.71	66.25
Others advances	60.41	58.04
Prepayment rent (refer note 1 below)	9.34	8.15
	4,260.00	**4,232.80**

Note:

1) Includes INR 5.24 Lacs (31 March 2020: INR 5.24 Lacs) to holding company (ADI BPO Services Ltd.) as a deposit for premises and infrastructure facility taken on rent.

*represents grant receivable under Service Export from India Scheme

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

11 Trade receivables

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Current		
Trade receivables	4,367.11	2,995.98
Receivables from subsidiaries (refer note 35)	1,362.81	243.47
	5,729.92	**3,239.45**
Break-up for details:		
Trade receivables (Unsecured)		
Considered good	5,815.37	3,270.64
Less: Expected credit loss allowance (refer note 33)	85.45	50.43
	5,729.92	3,220.21
Trade Receivables which have significant increase in Credit Risk	-	19.24
Trade Receivables - credit impaired	112.29	-
Less: Expected credit loss allowance (refer note 33)	112.29	-
Total	**5,729.92**	**3,239.45**

12(i) Cash and cash equivalents

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(a) Cash and cash equivalents		
Balances with banks		
- In current accounts	2,008.34	950.43
- In EEFC accounts	109.46	592.92
- In demand deposit accounts (demand deposits and deposits having original maturity of 3 months and less)	-	1,450.00
Cash on hand	0.64	1.56
Total	**2,118.44**	**2,994.91**

12 (ii) Other bank balances

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Other balances with banks		
Term deposits with original maturity for more than 3 months but less than 12 months	2,774.00	865.00
Earmarked Balances with Banks		
Unclaimed dividends	38.02	-
Total	**2,812.02**	**865.00**
Details of bank balances/deposits		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	-	1,450.00
Bank deposits due to mature within 12 months of the reporting date included under 'Other Balances with banks'	2,774.00	865.00
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current financial assets' (refer note 8 (i))	6,509.06	26.97
	9,283.06	**2,341.97**

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

13 Share capital

INR in Lacs

(i) Particulars	As at 31 March 2021	As at 31 March 2020
Authorised		
20,000,000 equity shares of INR 10 each	2,000.00	2,000.00
(31 March 2020: 20,000,000 equity shares of INR 10 each)		
	2,000.00	**2,000.00**
Issued, Subscribed & Paid-up		
18,050,260 equity shares of INR 10 each fully paid up with voting rights	1,805.02	1,861.69
(31 March 2020: 18,616,926 equity shares of INR 10 each)		
	1,805.02	**1,861.69**

(ii) Reconciliation of the equity share outstanding at beginning and at end of the year

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	INR in Lacs	Number	INR in Lacs
Equity shares (with voting rights) outstanding at the beginning of the year	1,86,16,926	1,861.69	1,86,16,926	1,861.69
Issued during the year	-	-	-	-
Shares extinguished on buy-back	(5,66,666)	(56.67)	-	-
Outstanding at the end of the year	**1,80,50,260**	**1,805.02**	**1,86,16,926**	**1,861.69**

(iii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The equity share holders are entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amount, if any. The distribution will be in proportion to number of equity shares held by the shareholders.

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	INR in Lacs	Number	INR in Lacs
Equity shares of INR 10 each fully paid up and held by				
ADI BPO Services Limited, the holding company	1,22,71,608	1,227.16	1,26,16,996	1,261.70

(v) Details of the shareholders holding more than 5% shares of the Company

Class of shares / Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	Number	% holding in that class of shares	Number	% holding in that class of shares
Equity shares of INR 10 each fully paid up and held by				
ADI BPO Services Limited, the holding company	1,22,71,608	67.99%	1,26,16,996	67.77%

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

13 **Share capital** *(contd...)*

(vi) Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

There are no bonus shares issued during the period of five years immediately preceding the reporting date.

(vii) The Board of Directors, at its meeting held on 11 August 2020, approved Buyback of fully paid-up equity shares of face value of INR 10 each from the eligible equity shareholders through the tender offer process, at a price not exceeding INR 600 per equity share, for an aggregate amount not exceeding INR 3,400 Lacs, payable in cash. The Company has bought back 5,66,666 fully paid up equity shares on 7 October 2020 and extinguished the equity shares bought back on 12 October 2020. The Company has utilised its Securities Premium of INR 4,157.57 Lacs for the buyback of its equity shares. Total transaction cost including tax of INR 814.24 Lacs incurred towards buyback was offset from Securities Premium. In accordance with Section 69 of the Companies Act 2013, the Company has created Capital Redemption Reserve of INR 56.67 Lacs equal to the nominal value of the shares bought back as an appropriation from the General Reserve.

14 **Lease liabilities***

INR in Lacs

Particulars	As at 31 March 2021	As at 1 July 2020
(i) Non current		
Lease liabilities	1,062.64	898.28
	1,062.64	**898.28**
(ii) Current		
Lease liabilities	162.59	222.12
	162.59	**222.12**

(iii) Reconciliation of liabilities from financing activities

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Opening	**1,120.40**	-
Acquisitions through business combinations (refer note 39)	802.89	-
Impact of Ind AS 116	-	1,365.14
Interest on lease liabilities	118.01	129.69
Rent concession as a variable lease payment	(34.79)	-
Repayment of lease liabilities including interest expenses	(683.69)	(374.43)
Disposals/adjustments	(70.83)	-
Exchange difference on lease liabilities	(26.76)	-
Closing	**1,225.23**	**1,120.40**

* Refer note 31

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

15 Deferred tax

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of asset and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

Deferred tax assets:

INR in Lacs

	Expected credit loss allowance	Gains on investment carried at fair value through profit or loss	Expenses allowable for tax purposes when paid	Lease assets net of lease liabilities (refer note 31)	Unrealised MTM loss receivables on forward covers	Others	Total
As at 1 April 2019	**4.14**	**-**	**6.39**	**-**	**-**	**33.37**	**43.90**
(Charged)/credited							
- Impact of Ind AS 116	-	-	-	84.03	-	-	84.03
- to statement of profit and Loss	8.56	-	5.41	(13.73)	-	0.70	0.94
- to other comprehensive income	-	-	5.27	-	-	-	5.27
- transferred from provision for tax	-	-	-	-	-	(122.78)	(122.78)
- transferred from deferred tax liabilities	-	26.31	-	-	18.85	-	45.16
- transferred to deferred tax liabilities	-	-	-	-	-	88.71	88.71
As at 31 March 2020	**12.70**	**26.31**	**17.07**	**70.30**	**18.85**	**-**	**145.23**
(Charged)/credited							
- to statement of profit and Loss	25.81	(101.60)	9.51	51.22	(37.96)	(31.12)	(84.14)
- to other comprehensive income	-	-	(0.66)	-	-	-	(0.66)
- transferred to deferred tax liabilities	-	75.29	-	-	19.11	31.12	125.52
As at 31 March 2021	**38.51**	**-**	**25.92**	**121.52**	**-**	**-**	**185.95**

Notes forming part of Financial Statements for the year ended 31 March 2021
(INR in Lacs, except share and per share data, unless otherwise stated)

15 **Deferred tax** *(contd...)*

Deferred tax liabilities:

INR in Lacs

	Difference between book balance and tax balance of property, plant and equipment/ Investment property/ Other intangible assets	Lease liabilities net of lease assets (refer note 31)	Unrealised MTM gain receivables on forward covers	Gains on investment carried at fair value through profit or loss	Others	Total
As at 1 April 2019	**(121.33)**	**-**	**(29.81)**	**(407.01)**	**-**	**(558.15)**
(Charged)/credited						
- to statement of profit and Loss	45.58	-	48.66	433.32	-	527.56
- to other comprehensive income	-	-	-	-	-	-
- transferred to deferred tax assets	-	-	(18.85)	(26.31)	-	(45.16)
- transferred from deferred tax assets	-	-	-	-	(88.71)	(88.71)
As at 31 March 2020	**(75.75)**	**-**	**-**	**-**	**(88.71)**	**(164.46)**
(Charged)/credited						
- to statement of profit and Loss	14.00	-	-	-	(0.18)	13.82
- transferred from deferred tax assets	-	-	(19.11)	(75.29)	(31.12)	(125.52)
- to foreign currency translation reserve	(0.06)	-	-	-	-	(0.06)
As at 31 March 2021	**(61.81)**	**-**	**(19.11)**	**(75.29)**	**(120.01)**	**(276.22)**

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

15 Deferred tax *(contd...)*

Reflected in the Balance Sheet as follows:

INR in Lacs

	As at 31 March 2021	As at 31 March 2020
Deferred tax assets	185.95	145.23
Deferred tax liabilities	(276.22)	(164.46)
Deferred tax liabilities (net)	**(90.27)**	**(19.23)**

Reconciliation of deferred tax liabilities (net):

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Balance as at the commencement of the year	(19.23)	(514.25)
Impact of Ind AS 116 (refer note 31)	-	(84.03)
Expense/(income) during the year recognised in Statement of profit and loss	70.32	(528.50)
Expenses/(credit) during the year recognised in other comprehensive income	0.66	(5.27)
Transferred from provision for tax	-	122.78
Foreign currency translation reserve	0.06	-
Balance as at the end of the year	**(90.27)**	**(19.23)**

DTA has not been recognized on temporary differences in relation to indexation benefit of investment in subsidiaries and freehold land amounting to INR 1,511.11 Lacs (31 March 2020: INR 740.73 Lacs) and INR 812.76 Lacs (31 March 2020: INR 764.24 Lacs) respectively, as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

16 Trade payables

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Trade payables		
Due to Micro and Small Enterprises (refer note 29)	55.81	9.70
Due to Others	954.96	359.20
Trade payables to related parties (refer note 35)	2,197.56	1.61
	3,208.33	**370.51**

17 Other financial liabilities

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Current		
Security deposits carried at amortised cost	48.00	-
Employee payable	411.92	278.70
Unrealised MTM loss payable on forward covers	-	74.88
Unclaimed dividends	38.02	-
Payable to Invest Northern Ireland	180.07	-
	678.01	**353.58**

18 Other liabilities

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Prepayment rent	1.44	-
Income received in advance (contract liabilities) (refer note 44(iii))	1,396.15	428.77
Payables on purchase of fixed assets (refer note 35)	52.23	15.34
Statutory remittances*	642.93	172.77
Others	140.17	3.46
	2,232.92	**620.34**

*includes goods and services tax, tax deducted at source, provident fund, employee state insurance, sales tax and others.

19 Provisions (current)

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for service tax (refer note 41)	-	39.04
Provision for compensated absences (refer note 30)	171.69	-
Provision for gratuity (refer note 30)	76.92	98.82
	248.61	**137.86**

20 Income tax liabilities (current)

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for tax (net of advance tax of INR 2,770.89 Lacs (31 March 2020: INR 2,064.07 Lacs))	250.53	207.91
	250.53	**207.91**

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

21 Revenue from operations

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Sale of services (refer note 44)		
Exports (earning in foreign currency)	27,668.24	18,638.48
Domestic	233.92	126.28
	27,902.16	**18,764.76**

22 Other income

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest income on:		
Financial assets-carried at amortised cost	370.96	498.27
Deposits with banks	219.60	181.34
Dividend received on current investment carried at fair value through profit or loss (Mutual funds units)	-	2.73
Net gain on sale of current investment carried at fair value through profit or loss	37.85	-
Gain on investment carried at fair value through profit or loss	78.08	776.16
MTM and net gain on foreign currency transactions	34.69	205.19
Other non-operating income (refer note (i) below)	147.90	178.16
	889.08	**1,841.85**

Note (i) Other non-operating income comprises:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Rent concession as a variable lease payment	34.79	-
Liabilities/provisions no longer required written back	8.48	163.52
Bad debts and advances recovered	0.57	-
Gain on sale/disposal/discard of property, plant and equipment (net)	3.79	0.39
Miscellaneous income	100.27	14.25
	147.90	**178.16**

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

23 Employee benefits expense

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries and wages (refer note 30)	10,595.38	8,046.03
Contribution to provident and other funds (refer note 30)	562.55	509.03
Staff welfare expenses	292.01	299.72
	11,449.94	**8,854.78**

24 Finance costs

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest on lease liabilities (refer note 31)	118.01	129.69
Interest expense on income tax, service tax & GST	18.04	8.32
	136.05	**138.01**

25 Depreciation and amortization expense

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on property, plant and equipment (refer note 3.1)	328.89	240.33
Depreciation on investment property (refer note 3.2)	3.17	3.18
Depreciation on right-of-use asset (refer note 4)	296.57	235.51
Amortization on intangible assets (refer note 5)	617.36	265.70
	1,245.99	**744.72**

Notes forming part of Financial Statements for the year ended 31 March 2021

(*INR in Lacs, except share and per share data, unless otherwise stated*)

26 Other expenses

INR in Lacs

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
Consumables		6.66		10.13
Outsourcing cost		2,765.13		916.14
Power and fuel		333.88		439.23
Rent		139.68		13.34
Hire charges		16.33		7.04
Repairs and maintenance - buildings		230.78		334.77
Repairs and maintenance - plant and machinery		505.85		255.91
Repairs and maintenance - others		2.54		0.72
Insurance		26.77		23.13
Rates and taxes		59.13		157.70
Communication		1,140.02		415.11
Travelling and conveyance		7.94		384.44
Expenditure on corporate social responsibility (refer note 38)		163.00		186.00
Legal and professional		335.92		213.98
Directors sitting fees		27.20		21.40
Payments to auditors (refer note (i) below)		63.69		53.80
Bad debts written off	11.21		-	
Less: Allowances for expected credit loss utilised for the above	4.44	6.77	-	-
Advances written off		32.69		3.00
Allowances for expected credit loss and doubtful advances		111.56		39.34
Net loss on sale of current investment carried at fair value through profit or loss		-		22.72
Software expenses		439.32		119.84
Sales and support cost		554.21		-
Royalty expenses		50.24		-
Sales and marketing expenses		36.45		192.05
Miscellaneous expenses		113.34		90.64
		7,169.10		**3,900.43**

INR in Lacs

(i) Payments to the auditors comprises (net of input credit, where applicable):	Year ended 31 March 2021	Year ended 31 March 2020
To Statutory auditors		
for statutory audit	36.00	25.00
for tax audit	2.00	2.00
for other services	24.07	22.50
for reimbursement of expenses	1.62	4.30
	63.69	**53.80**

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

27 Income tax

The major components of income tax expense for the year ended 31 March 2021 and 31 March 2020 are:

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Current income tax:		
Current income tax charge for the year	2,168.56	2,197.11
Adjustments in respect of current income tax of previous years	497.91	23.19
	2,666.47	**2,220.30**
Deferred tax:		
Deferred tax on profits for the year	70.32	(528.50)
	70.32	**(528.50)**
Tax expense reported in the Statement of Profit and Loss	**2,736.79**	**1,691.80**
OCI section		
Tax related to items that will not be reclassified to Profit and Loss	(0.66)	5.27
Income tax charged to OCI	**(0.66)**	**5.27**

Reconciliation between average effective tax rate and applicable tax rate for the year ended 31 March 2021 and 31 March 2020:

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Accounting profit before income tax	8,790.16	6,968.67
At India's statutory income tax rate	25.168%	25.168%
Computed Tax Expense	**2,212.31**	**1,753.87**
Change in tax rate	-	(58.38)
Tax exempt income	-	(44.98)
Non-deductible expenses	45.52	21.73
Others	(18.95)	(3.64)
Tax relating to earlier years	497.91	23.19
Income tax charged to Statement of Profit and Loss at effective rate of 31.13% (March 31, 2020: 24.28 %) (refer point (a) below)	**2,736.79**	**1,691.80**

(a) Effective tax rate has been calculated on profit before tax.

(b) Income tax rates had reduced from 25% to 22% effective 1 April 2019 for the domestic companies. Consequential deferred tax income of INR 58.38 Lacs has been appropriately adjusted in the tax expense for the year ended 31 March 2020.

(c) The Company had opted for the Scheme by the Government under the Income Tax Law in respect of four Assessment Years to avoid protracted litigation and the attendant uncertainty on the issues covered in those years. Consequently, a tax provision of INR 585 Lacs had been made towards this purpose during the year ended 31 March 2021.

28 Earnings per equity share

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Profit for the year attributable to the owners of the Company	6,053.36	5,276.87
Weighted average number of equity shares outstanding	1,83,43,684	1,86,16,926
Face value per share (INR)	10.00	10.00
Earnings per share- basic & diluted (INR)	**33.00**	**28.34**

Notes forming part of Financial Statements for the year ended 31 March 2021

(*INR in Lacs, except share and per share data, unless otherwise stated*)

29 Micro, small and medium enterprises

There are no Micro, Small and Medium enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at the end of year except for the amount of INR Nil Lacs (31 March 2020: INR Nil Lacs) against which interest has been accrued (refer below(ii)). The information as required to be disclosed in relation to Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) The principal amount remaining unpaid to any supplier as at the end of the year	55.50	9.39
(ii) The interest due on principal amount remaining unpaid to any supplier as at the end of the year	0.31	0.31
(iii) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

30 Employee benefits in respect of the Company have been calculated as under:

(A) Defined contribution plans

The Company has certain defined contribution plan such as provident fund, 401(k) plan, employee state insurance (ESI) and social security fund and pension scheme for qualifying employees. Under the schemes, the company is required specified percentage of payroll costs to fund the benefits. During the year, the Company has contributed following amounts to:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Employer's contribution to provident fund	480.71	437.98
Employer's contribution to 401(k) plan	20.16	1.24
Employer's contribution to employee state insurance	60.57	69.81
Employer's contribution to social security fund and pension scheme	1.11	-
	562.55	**509.03**

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

30 Employee benefits in respect of the Company have been calculated as under: *(contd...)*

(B) Defined benefit plans

Gratuity

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 6.26% p.a. (31 March 2020: 6.43% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds.

The retirement age has been considered at 58 to 65 years (31 March 2020: 58 to 65 years) and mortality table is as per IALM (2006-08) (31 March 2020: IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 6% p.a. (31 March 2020: 6% p.a.), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for employees of the Company. The expected rate of return on plan assets is 6.26% p.a. (31 March 2020: 6.43% p.a.).

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation at the beginning of the year	704.87	652.19
Current service cost	79.19	75.58
Interest cost	45.32	47.09
Actuarial (gain)/ loss	(4.60)	11.02
Benefits paid	(70.92)	(81.01)
Present value of obligation at the end of the year	**753.86**	**704.87**

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation at the end of the year	753.86	704.87
Fair value of plan assets at the end of the year	(676.94)	(606.05)
Net liabilities recognised in the Balance Sheet	**76.92**	**98.82**

Fair value of plan assets

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Plan assets at the beginning of the year	606.05	560.29
Expected return on plan assets	38.97	40.45
Contribution by employer	104.82	96.24
Actual benefits paid	(70.92)	(81.01)
Actuarial loss	(1.98)	(9.92)
Plan assets at the end of the year	**676.94**	**606.05**

Company's best estimate of contribution during next year is INR 169.39 Lacs (31 March 2020: INR 178.01 Lacs)

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

30 Employee benefits in respect of the Company have been calculated as under: *(contd...)*

Composition of the plan assets is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Central government securities	19.09%	19.35%
State government securities	50.98%	56.02%
Debentures and bonds	23.85%	20.94%
Equity shares	6.08%	3.67%
Money market instruments	0.00%	0.02%

The above composition of plan assets are based on details received for 31 March 2020 (for previous year composition of plan assets are based on details received for 31 March 2019). Details for 31 March 2021 are awaited from LIC.

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	79.19	75.58
Interest cost	6.35	6.64
Expense recognised in the Statement of Profit and Loss	**85.54**	**82.22**

Amount recognised in the other comprehensive income:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial loss due to financial assumption change	7.86	32.29
Actuarial (gain) due to experience adjustment	(12.46)	(21.27)
Actuarial loss on plan assets	1.98	9.92
Amount recognised in the other comprehensive income	**(2.62)**	**20.94**

Sensitivity analysis

INR in Lacs

Particulars	Year ended 31 March 2021		Year ended 31 March 2021	
Assumptions	Discount rate		Future salary	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(22.67)	24.05	23.99	(22.83)

INR in Lacs

Particulars	Year ended 31 March 2020		Year ended 31 March 2020	
Assumptions	Discount rate		Future salary	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(20.78)	22.03	22.02	(20.95)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

(C) Other long term benefits (compensated absences):

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation at the end of the year	171.69	-

Notes forming part of Financial Statements for the year ended 31 March 2021

(*INR in Lacs, except share and per share data, unless otherwise stated*)

31 Leases

(i) The Company has adopted Ind AS 116 'Leases' with the date of initial application being 1 April 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2019. As a result, the comparative information has not been restated. In adopting Ind AS 116, the Company has applied the below practical expedients:

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics

The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases"

The Company has not applied the requirements of Ind AS 116 for leases of low value assets

The Company has applied the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

(ii) The Company has discounted lease payments using the applicable incremental borrowing rate which is 4.5% to 9.5% for measuring the lease liability.

(iii) **Impact of adoption of Ind AS 116 on the retained earnings**

INR in Lacs

Particulars	As at 1 April 2019
Right-of-use assets (refer note 4)	1,076.56
Lease liabilities (refer note 14)	(1,365.14)
Deferred tax credit (refer note 15)	84.03
Impact on the retained earnings	**(204.55)**

(iv) **Impact of adoption of Ind AS 116 on the statement of profit and loss**

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest on lease liabilities (refer note 24)	118.01	129.69
Depreciation of Right-of-use assets (refer note 25)	296.57	235.51
Deferred tax credit (refer note 15)	(51.22)	(13.73)
Impact on the statement of profit and loss for the year	**363.36**	**351.47**

(v) **Bifurcation of lease expenses on which exemption is taken**

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Expense related to short-term leases	115.64	356.60
Expense related to leases of low value assets, excluding short team leases of low value	14.45	38.98
Total	**130.09**	**395.58**

(vi) **Amount recognised in the statement of cash flows**

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Repayment of lease liabilities including interest expenses	683.69	374.43
Impact on the statement of cash flows for the year	**683.69**	**374.43**

(vii) Refer note 33 (iii) for contractual maturities of lease liabilities.

(viii) The Company does not foresee significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Company has entered with lessors towards properties used as offices are long term in nature and no changes in terms of those leases are expected due to the COVID-19.

Notes forming part of Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

32 Fair value measurements

INR in Lacs

Particulars	Note	Level of hierarchy*	As at 31 March 2021			As at 31 March 2020		
			FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets								
Investments in mutual fund (excluding investment in subsidiaries)	(d)	1	625.34	-	-	5,573.79	-	-
Investments in preference shares of subsidiary	(a)	3	-	-	-	-	-	2,090.73
Lease Investment	(a)		-	-	387.82	-	-	-
Trade receivables	(a)		-	-	5,729.92	-	-	3,239.45
Loans	(a, b)		-	-	277.80	-	-	175.57
Loans given to subsidiary	(e, f)	3	-	-	-	-	-	2,052.60
Cash and cash equivalents	(a)		-	-	2,118.44	-	-	2,994.91
Other bank balances	(a)		-	-	2,812.02	-	-	865.00
Derivative financial assets	(c)	2	75.94	-	-	-	-	-
Other financial assets	(a, b)		-	-	6,847.40	-	-	194.92
Total financial assets			**701.28**	**-**	**18,173.40**	**5,573.79**	**-**	**11,613.18**
Financial liabilities								
Lease liabilities	(a)		-	-	1,225.23	-	-	1,120.40
Trade payables	(a)		-	-	3,208.33	-	-	370.51
Derivative financial liabilities	(c)	2	-	-	-	74.88	-	-
Other financial liabilities	(a)		-	-	678.01	-	-	278.70
Total financial liabilities			**-**	**-**	**5,111.57**	**74.88**	**-**	**1,769.61**

Note:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturity of these instruments.

(b) Fair value of non-current financial assets has not been disclosed as there is no significant differences between carrying value and fair value.

(c) Derivatives are carried at fair value at each reporting date. The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

(d) The fair value of the mutual funds are based on net assets value of the funds as at reporting date.

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

32 Fair value measurements *(contd...)*

(e) The following table shows the valuation techniques and the significant unobservable inputs used in determination of fair value of the Level 3 financial instruments not measured at fair value:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Other financial assets (Loans to subsidiary)	Discounted cash flows: The valuation model considers the present value of expected receipts discounted using an adjusted discount rate	Adjusted discount rate 31 March 2020 : 9.40% p.a.	The estimated fair value would increase by INR Nil Lacs (31 March 2020: INR 31.91 Lacs) (decrease by INR Nil Lacs (31 March 2020: INR 30.97 Lacs)) if the adjusted discount rate was lower by 1% (higher by 1%)

(f) Fair value of loans is as below

INR in Lacs

Particulars	Level of hierarchy	As at 31 March 2021	As at 31 March 2020
Other financial assets (Loans to subsidiary)	3	-	2,072.06

(g) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair-value of the financial-instruments factor the uncertainties arising out of COVID-19, where applicable.

* Refer note 2.19 for Level of hierarchy

33 Financial risk management

Risk management framework

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

i Market risk

Market risk includes foreign exchange risk, pricing risk and interest risk that may affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenue and expense are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are USD, EUR, GBP and Others. The Company takes adequate foreign exchange forward covers as per the guidelines approved by the Board to mitigate currency risk.

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

33 Financial risk management *(contd...)*

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

INR in Lacs

	As at 31 March 2021				As at 31 March 2020			
	USD	EUR	GBP	Others	USD	EUR	GBP	Others
Cash and cash equivalents	90.87	8.92	9.64	0.42	653.18	26.96	68.28	0.13
Trade receivables	3,624.79	51.54	1,049.09	146.93	2,835.03	36.57	307.30	31.07
Other financial assets	51.12	-	80.92	4.68	-	-	-	-
Trade payables	(50.14)	(6.49)	(2,216.06)	(0.93)	(61.49)	(6.85)	(9.42)	(2.55)
Other financial liabilities	(66.77)	-	(182.54)	-	(158.10)	-	3.41	-
Net statement of financial position exposure	**3,649.87**	**53.97**	**(1,258.95)**	**151.10**	**3,268.63**	**56.68**	**369.57**	**28.65**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EUR and GBP against INR at 31 March would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast revenue and expenses.

INR in Lacs

	Profit or Loss (before tax)			
	Year ended 31 March 2021		Year ended 31 March 2020	
	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	36.50	(36.50)	32.69	(32.69)
EUR (1% movement)	0.54	(0.54)	0.57	(0.57)
GBP (1% movement)	(12.59)	12.59	3.70	(3.70)
Others (1% movement)	1.51	(1.51)	0.29	(0.29)

Forward covers

The Company takes adequate foreign exchange forward covers to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is bank. These forward covers are value based on quoted prices for similar assets and liabilities in active markets or input that are directly or indirectly observable in the marketplace.

The details in respect of outstanding foreign currency forward contract are as follows:

INR in Lacs

Forward exchange contract	Buy/Sell	As at 31 March 2021		As at 31 March 2020	
		FC in Lacs	INR in Lacs	FC in Lacs	INR in Lacs
USD	Sell	69.50	5,237.78	28.50	2,091.03
GBP	Sell	-	-	5.00	473.23

Pricing risk:

Pricing pressure is a constant risk due to increased competition. The Company strives to mitigate this risk with existing customers by a trade-off for volumes. Thereon, it is the Company's endeavour to reduce the impact by taking advantage of economies of scale and increasing productivity, as well increasing automation within these processes.

Interest rate risk

The Company is not exposed to interest rate risk.

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

33 Financial risk management *(contd...)*

ii Credit risk

Trade receivables and other financial assets

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and if a customer fails to meet its contractual obligations. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Details of concentration of revenue are as follows:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from top customer (31 March 2020: 2 customers) (more than 10% revenue individually)	3,687.16	6,527.69
Revenue from top 15 customers	17,000.87	15,060.41

Expanding the customer base is mitigating this risk. Within the current customers, the Company is looking to deepen the partnership by supporting publishers in new areas of outsourcing.

Expected credit loss for trade receivables:

Trade receivables of INR 5,729.92 Lacs as at 31 March 2021 (31 March 2020 : INR 3,239.45 Lacs) forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the nature of segment, impact immediately seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable.

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss.

Group's exposure to credit risk for trade receivables using provision matrix is as follows: INR in Lacs

	As at 31 March 2021			As at 31 March 2020		
	Gross carrying amount	Allowance for credit losses	Net carrying amount	Gross carrying amount	Allowance for credit losses	Net carrying amount
Less than 180 days	3,302.75	64.06	3,238.69	3,209.73	31.48	3,178.25
More than 180 days	2,624.91	133.68	2,491.23	80.15	18.95	61.20
	5,927.66	**197.74**	**5,729.92**	**3,289.88**	**50.43**	**3,239.45**

Movement in the expected credit loss allowance of trade receivables are as follows: INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	50.43	14.17
Add: Addition due to business combination	46.28	-
Add: Provided during the year (net of reversal)	107.07	36.26
Less: Amount written off	(4.44)	-
Less: Impact of foreign currency translation	(1.60)	-
Balance at the end of the year	**197.74**	**50.43**

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

33 Financial risk management *(contd...)*

Expected credit loss on financial assets other than trade receivables:

With regard to other financial assets with contractual cash flows other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no material provision for excepted credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet

Investments

The Company limits its exposure to credit risk by investing in liquid securities and short term bonds and only with counterparties that have a good credit rating. The Company invests as per the guidelines approved by the Board to mitigate this risk.

iii Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Liquidity situation is reviewed regularly by the management.

Exposure to liquidity risk

The following are the details of contractual maturities of financial liabilities at the reporting date:

INR in Lacs

Particulars	Contractual Cash flows					
	As at 31 March 2021			As at 31 March 2020		
	Carrying Amount	Within 1 year	More than 1 Year	Carrying Amount	Within 1 year	More than 1 Year
Non-derivative financial liabilities						
Lease liabilities	1,225.23	162.59	1,062.64	1,120.40	222.12	898.28
Trade payables	3,208.33	3,208.33	-	370.51	370.51	-
Other financial liabilities	678.01	678.01	-	278.70	278.70	-
Derivative financial liabilities						
Other financial liabilities (forward covers)	-	-	-	74.88	74.88	-

34 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital structure is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Total equity attributable to the equity share holders of the Company	1,805.02	1,861.69
As percentage of total capital	100%	100%
Total lease liabilities	1,225.23	1,120.40
As a percentage of total capital	68%	60%
Total capital (lease liabilities and equity)	**3,030.25**	**2,982.09**

The Company is equity financed which is evident from the capital structure. Further, the Company has always been a net cash company with cash and bank balances along with investment which is predominantly investment in fixed deposits with bank, liquid and short term mutual funds.

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

35 Related party transactions

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (specified under section 133 of the Companies Act, 2013) are disclosed below:-

A Names of related parties and description of relationship:

S.No.	Description of relationship	Names of related parties
1	Holding Company	ADI BPO Services Limited
2	Subsidiary Company	MPS North America LLC MPS Interactive Systems Limited TOPSIM GmbH MPS Europa AG HighWire North America LLC (w.e.f 19 June 2020)
3	Downstream Subsidiary Company	HighWire Press Limited (w.e.f 1 July 2020) Semantico Limited (w.e.f 1 July 2020)
4	Company Under Common Control	ADI Media Private Limited
5	Key management personnel (KMP)	Mr. Nishith Arora, Non-Executive Chairman
		Mr. Rahul Arora, Managing Director
		Ms. Yamini Tandon, Non- Executive Director
		Mr. Vijay Sood, Non-Executive Director (till 25 January 2020)
		Mr. Ambarish Raghuvanshi, Independent Director till 27 January 2020
		Mr. Sunil Shah, Non-Executive Director (Additional Director) till 31 July 2019
		Ms. Jayantika Dave, Independent Director w.e.f 30 October 2019
		Ms. Achal Khanna, Independent Director w.e.f 30 October 2019
		Mr. Ajay Mankotia, Independent Director w.e.f. 29 January 2020
		Dr. Piyush Kumar Rastogi, Independent Director w.e.f. 29 January 2020
		Mr. Sunit Malhotra, CFO & Company Secretary and Director of the holding company
		Ms. Gagan Sahni Tyagi, Director of holding company
		Ms. Pooja Singh, Director of the holding company till 1 August 2019
6	Sole Proprietorship firm of Director	M/s Ajay Mankotia Associates

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

35 Related party transactions *(contd...)*

B Transactions during the year

INR in Lacs

S. No.	Description of transactions:	Name of related party	Relationship	Year ended 31 March 2021	Year ended 31 March 2020
1	Rentals paid	ADI BPO Services Limited	Holding Company	168.88	184.23
		ADI Media Private Limited	Company Under Common Control	5.28	5.28
2	Infrastructure charges	ADI BPO Services Limited	Holding Company	51.60	51.60
3	Reimbursement of expenses-paid	ADI BPO Services Limited	Holding Company	9.93	54.31
		ADI Media Private Limited	Company Under Common Control	1.94	3.67
		MPS North America LLC	Subsidiary Company	1.18	2.45
		MPS Interactive Systems Limited	Subsidiary Company	2.11	-
4	Reimbursement of expenses-received	MPS Interactive Systems Limited	Subsidiary Company	3.61	38.65
		MPS North America LLC	Subsidiary Company	8.81	-
5	Rendering of services	MPS North America LLC	Subsidiary Company	1,957.97	1,466.56
		TOPSIM GmbH	Subsidiary Company	3.38	-
		Semantico Limited	Downstream Subsidiary Company	789.18	-
6	Outsourced Cost	HighWire Press Limited	Downstream Subsidiary Company	1,309.55	-
7	Sales and support cost	Semantico Limited	Downstream Subsidiary Company	554.21	-
8	Royalty income	Semantico Limited	Downstream Subsidiary Company	24.78	-
9	Royalty expenses	Semantico Limited	Downstream Subsidiary Company	50.24	-
10	Invoices for novation of contracts	Semantico Limited	Downstream Subsidiary Company	318.25	-
11	Interest income on loan	MPS Interactive Systems Limited	Subsidiary Company	55.80	190.51

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

35 Related party transactions *(contd...)*

S. No.	Description of transactions:	Name of related party	Relationship	Year ended 31 March 2021	Year ended 31 March 2020
12	Purchase of property, plant and equipment	MPS Interactive Systems Limited	Subsidiary Company	1.87	6.51
13	Purchase of intangible assets	Semantico Limited	Downstream Subsidiary Company	52.23	-
14	Investment in equity shares	HighWire North America LLC	Subsidiary Company	189.05	-
15	Redemption of preference shares	MPS Interactive Systems Limited	Subsidiary Company	2,200.00	-
16	Repayment of loan	MPS Interactive Systems Limited	Subsidiary Company	2,052.60	247.40
17	Dividend income received	MPS Interactive Systems Limited	Subsidiary Company	29.41	176.00
18	Remuneration				
(i)	Short-term employee benefits	Mr. Rahul Arora	KMP	250.09	249.27
		Mr. Sunit Malhotra	KMP	66.56	63.57
		Ms. Gagan Sahni Tyagi	KMP	23.28	20.72
		Ms. Pooja Singh	KMP	-	6.53
(ii)	Post-employment benefits	Mr. Sunit Malhotra	KMP	0.52	1.33
		Ms. Gagan Sahni Tyagi	KMP	1.15	0.97
		Ms. Pooja Singh	KMP	-	0.32
19	Director sitting fees	Mr. Vijay Sood	KMP	-	5.40
		Mr. Ambarish Raghuvanshi	KMP	-	5.40
		Mr. Sunil Shah	KMP	-	1.60
		Ms. Jayantika Dave	KMP	6.40	2.60
		Ms. Achal Khanna	KMP	5.20	2.00
		Mr. Ajay Mankotia	KMP	7.80	2.20
		Dr. Piyush Kumar Rastogi	KMP	7.80	2.20
20	Buy back of Equity Share	ADI BPO Services Limited	Holding Company	2,072.33	-

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

35 Related party transactions *(contd...)*

C Balances at the year end

INR in Lacs

S. No.	Balances at the year end	Name of related party	Relationship	As at 31 March 2021	As at 31 March 2020
1	Security deposit placed	ADI BPO Services Limited	Holding Company	75.46	70.34
		ADI Media Private Limited	Company Under Common Control	0.81	0.77
2	Prepayment rent	ADI BPO Services Limited	Holding Company	20.98	26.22
		ADI Media Private Limited	Company Under Common Control	0.06	0.11
3	Trade receivables	MPS North America LLC	Subsidiary Company	233.82	208.14
		TOPSIM GmbH	Subsidiary Company	-	35.33
		Semantico Limited	Downstream Subsidiary Company	1,128.99	-
4	Trade payables	ADI BPO Services Limited	Holding Company	-	1.31
		ADI Media Private Limited	Company Under Common Control	0.02	0.30
		HighWire Press Limited	Downstream Subsidiary Company	311.00	-
		Semantico Limited	Downstream Subsidiary Company	1,886.54	-
5	Payable on purchase of Intangible assets	Semantico Limited	Subsidiary Company	52.23	-
6	Interest accrued on deposits	MPS Interactive Systems Limited	Subsidiary Company	-	39.26
7	Projected benefit obligation	Mr. Sunit Malhotra	KMP	11.98	11.08
		Ms. Gagan Sahni Tyagi	KMP	4.29	3.03

Notes:

1 No amount has been written off / written back during the year in respect of dues from / to related parties.

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

36 Contingent liabilities to the extent not provided for:

(i) Claims against Company, disputed by the Company, not acknowledged as debt:

INR in Lacs

	As at 31 March 2021	As at 31 March 2020
(a) Income tax	651.67	683.45
(b) Service tax	43.14	43.14

The above amounts are based on the notice of demand / Assessment Orders / claims by the relevant authorities / parties and the Company is contesting these claims. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the judiciary. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(ii) The Supreme Court on 28 February 2019 had provided its judgement regarding inclusion of other allowances such as travel allowances, special allowances, etc., within the expression 'basic wages' for the purpose of computation of contribution of provident fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). There are interpretive challenges on the application of the Supreme Court Judgement including the period from which judgement would apply, consequential implications on resigned employees, etc. Further, various stakeholders had also filed representations with PF authorities in this respect. All these factors raises significant uncertainty regarding the implementation of the Supreme Court Judgement. Owing to the aforesaid uncertainty and pending clarification from regulatory authorities in this regard, the Company had recognized provision for the PF contribution on the basis of above mentioned order with effect from the order date. Further, the management believes that impact of aforementioned uncertainties on the financial statements of the Company should not be material

37 Commitments as at year end

Estimated amount of contracts remaining to be executed on capital account (net of advances) INR 62.21 Lacs (31 March 2020: INR 119.54 Lacs).

38 Corporate Social Responsibility (CSR) Expense

As required by Section 135 of the Companies Act 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The areas for CSR activities include imparting primary education to under privileged girls, computer education to underprivileged children and building intellect and instill higher values of life through education and any other area the Board may find appropriate. Gross amount required to be spent by the Company during the year was INR 163 Lacs (for the year ended 31 March 2020; INR 186 Lacs).

Amount spent by the company on its CSR activities are as follows:

INR in Lacs

Purpose	Year ended 31 March 2021	Year ended 31 March 2020
Promotion of education and skills	115.00	144.00
Health care	48.00	42.00
Total	**163.00**	**186.00**

39 Business Combination:

The Company during the year ended 31 March 2021, had given purchase consideration of INR 5,181.20 Lacs in cash to acquire HighWire Press US Business through its US Branch. The combined platforms of the Company and HighWire has significantly strengthen Company's product ecosystem.

Notes forming part of Consolidated Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

39 Business Combination: *(contd...)*

Following assets and liabilities have been recorded on fair value through business combination accounting by the Company:

INR in Lacs

Particulars	Note	As at 1 July 2020
Property, plant and equipment	3.1	26.74
Right-of-use assets	4	233.70
Other intangible assets	5	2,365.78
Non-current investments		806.89
Trade receivables		1,423.72
Cash and cash equivalents		971.21
Loans		127.99
Other current assets		452.27
Lease liabilities	14	(802.89)
Other financial liabilities-non current		(48.01)
Trade payables		(2,105.94)
Other financial liabilities-current		(397.39)
Income received in advance (contract liabilities)	44(iii)	(830.80)
Other current liabilities		(168.26)
Provisions		(324.23)
Net assets		**1,730.78**
Purchase consideration		5,181.20
Goodwill on acquisition	5	**3,450.42**

The goodwill of INR 3,450.42 Lacs comprises value of acquired workforce and expected synergies arising from the acquisition. Goodwill is deductible for income tax purposes at USA.

The company incurred acquisition related cost of INR 64.61 Lacs on legal fees and due diligence costs. These cost have been included in legal and professional fees under the head "other expenses".

If the acquisition had occurred on 1 April 2020, management estimates that total revenue for the Company would have been higher by INR 2,393.88 Lacs and the profit after taxes would have been higher by INR 159.66 Lacs. The pro-forma amounts are not necessarily indicative of the results that would have occurred if the acquisition had occurred on date indicated or that may result in the future.

40 There has been no delay in transferring amounts and shares, required to be transferred, to the Investor Education and Protection Fund by the Company.

Notes forming part of Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

41 Details of provisions

The Company has made provision for pending litigation matter based on its assessment of the amount it estimates to incur to meet such obligation, details of which are given below:

INR in Lacs

Provision for service tax matter	As at 31 March 2021	As at 31 March 2020
As at commencement of the year	39.04	159.10
Additions	-	4.84
Reversal/utilisation	(39.04)	(124.90)
As at end of the year	-	**39.04**
Out of the above following amount are expected to be incurred within year	-	39.04

42 The Company publishes this financial statement along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.

43 Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans to subsidiary company (refer note 35):

INR in Lacs

MPS Interactive Systems Limited	Purpose/Term of loan	As at 31 March 2021	As at 31 March 2020
Outstanding as at the beginning of year	General business purpose for a tenure of 5 years	2,052.60	2,300.00
Given during the year		-	-
Repaid during the year		(2,052.60)	(247.40)
Maximum balance outstanding		2,052.60	2,300.00
Outstanding as at the end of year		-	**2,052.60**

44 Revenue from contracts with customers

(i) Revenue from contracts with customers

Revenues for the year ended 31 March 2021 and 31 March 2020 are as follows:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Content solutions	16,387.42	15,443.55
Platform solutions	11,514.74	3,321.21
	27,902.16	**18,764.76**

Notes forming part of Consolidated Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

44 Revenue from contracts with customers *(contd...)*

(ii) Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by primary geographical market and major products/service lines.

INR in Lacs

Revenue by geographical markets	Year ended 31 March 2021			Year ended 31 March 2020		
	Content solutions	Platform solutions	Total	Content solutions	Platform solutions	Total
India (country of domicile)	172.50	61.42	**233.92**	76.96	49.32	**126.28**
Europe	3,794.73	4,485.30	**8,280.03**	5,928.90	1,677.87	**7,606.77**
USA	12,078.05	6,512.76	**18,590.81**	9,100.90	1,287.21	**10,388.11**
Rest of the World	342.14	455.26	**797.40**	336.79	306.81	**643.60**
Total	**16,387.42**	**11,514.74**	**27,902.16**	**15,443.55**	**3,321.21**	**18,764.76**

Refer note 33 (ii) on financial risk management for information on revenue from top customers.

(iii) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Receivables, which are included in 'Trade and other receivables' (refer note 11)	5,729.92	3,239.45
Unbilled revenue (refer note 8(ii))	210.23	118.01
Contract assets (refer note 10(ii))	2,049.93	2,034.97
Contract liabilities (refer note 18)	1,396.15	428.77

Trade receivables are non-interest bearing and are generally on terms of 0 to 60 days.

The acquisition of HighWire Press US Business resulted in increase in trade receivables of INR 1,423.72 Lacs in year ended 31 March 2021 (refer note 39).

Significant changes in the contract assets and the contract liabilities balances during the year are as follows

INR in Lacs

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Balance as at beginning of the year	**2,034.97**	**428.77**	**2,140.68**	**475.52**
Business combination (refer note no 39)		830.80	-	-
Revenue recognised that was included in the unearned balance at the beginning of the year	-	(1,133.01)	-	(448.96)
Increases due to cash received, excluding amounts recognised as revenue during the year	54.61	814.60	-	402.21
Transfers from contract assets recognised at the beginning of the year to receivables	(1,960.50)	-	(2,015.52)	-
Increases as a result of changes in the measure of progress	1,920.85	479.55	1,909.81	-
Exchange Impact	-	(24.56)	-	-
Balance at the end of the year	**2,049.93**	**1,396.15**	**2,034.97**	**428.77**

Notes forming part of Consolidated Financial Statements

(INR in Lacs, except share and per share data, unless otherwise stated)

44 Revenue from contracts with customers *(contd...)*

(iv) The amount of revenue recognised from performance obligations satisfied (or partially satisfied) in previous years, mainly due to the changes in the transaction price is Nil (31 March 2020 : Nil)

(v) Reconciliation of revenue recognized with the contracted price is as follows:

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Contracted price	28,017.22	18,830.90
Reductions towards variable consideration components	(115.06)	(66.14)
Revenue recognised	**27,902.16**	**18,764.76**

The reduction towards variable consideration comprises of volume discounts, bulk discount and price discount, etc.

(vi) Transaction price allocated to the remaining performance obligations

The Company applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

(vii) The Company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material based on such evaluation. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Shashank Agarwal
Partner
Membership Number: 095109

Place: Gurugram
Date : 26 May 2021

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date : 26 May 2021

Independent Auditors' Report

To the Members of MPS Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of MPS Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates, joint ventures and joint operations in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Revenue from Contract with customers

The key audit matter	How the matter was addressed in our audit
Revenue recognition involves certain key judgements relating to terms specified in the contract including measuring performance using percentage-of-completion method. Refer note 2.9 to the consolidated financial statements.	Our audit procedures on revenue recognized from contracts included: ◻ Tested the effectiveness of control related to revenue recognition. ◻ Selected sample of contracts and performed the following procedures: • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Evaluating communication, agreed price list and payment terms of invoice in these contracts. In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with estimated efforts computed.

Accounting for Business combinations

The key audit matter	How the matter was addressed in our audit
As explained in note 40 to the consolidated financial statements, the Company has done the acquisition of the HighWire Press US Business at a purchase consideration of INR 5,181 Lacs through its US branch. Further, MPS North America LLC, an existing 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 the 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 2,549 Lacs has been recognized. In accounting for a business combination, there is judgement and inherent uncertainty in the estimation used in allocating the overall purchase price to the different assets and liabilities that make up the acquisition. Accordingly, we have identified this as a key audit matter	In view of the significance of the matter, we applied the following audit procedures in this area, amongst others to obtain sufficient appropriate audit evidence: □ reviewed asset purchase agreements and share purchase agreement, to determine whether the appropriate intangible assets have been identified and that no unusual terms exist that have not been accounted for; □ involved independent valuation specialist to assist in evaluation of the valuation assumptions used for fair valuation of the assets and liabilities acquired; and □ evaluated the adequacy of the financial statement disclosures.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of 4 subsidiaries whose financial statements reflect total assets of (before consolidation adjustments) INR 5,679.24 Lacs as at 31 March 2021, total revenues (before consolidation adjustments) of INR 6,007.12 Lacs and net cash outflows amounting to (before consolidation adjustments) INR 12.62 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

All of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group company, incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 37 to the consolidated financial statements.

ii. The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures and joint operations incorporated in India during the year ended 31 March 2021.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2021

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109
ICAI UDIN: 21095109AAAADN7660

Place: Gurugram
Date: 26 May 2021

Annexure A to the Independent Auditors' report on the consolidated financial statements of MPS Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of MPS Limited (hereinafter referred to as "the Holding Company") and such company incorporated in India under the Companies Act, 2013 which are its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which are its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109
ICAI UDIN: 21095109AAAADN7660

Place: Gurugram
Date: 26 May 2021

Consolidated Balance Sheet as at 31 March 2021

INR in Lacs

	Note	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	2,156.18	1,998.23
Capital work-in-progress	3.1	-	3.06
Investment property	3.2	104.41	107.58
Right-of-use assets	4	1,276.65	1,543.42
Goodwill	5	8,529.06	6,177.24
Other intangible assets	5	3,369.28	1,673.15
Financial assets			
Investments	6 (i)	387.82	-
Loans	7 (i)	230.01	181.75
Other financial assets	8 (i)	6,984.97	51.43
Income tax assets (net)	9 (i)	326.19	973.15
Deferred tax assets (net)	16	55.94	39.48
Other non-current assets	10 (i)	374.64	286.28
Total non-current assets		**23,795.15**	**13,034.77**
Current assets			
Financial assets			
Investments	6 (ii)	827.07	8,572.27
Trade receivables	11	9,054.15	6,227.65
Cash and cash equivalents	12 (i)	6,658.91	8,170.08
Other bank balances	12 (ii)	3,603.83	1,276.10
Loans	7 (ii)	187.45	112.58
Other financial assets	8 (ii)	464.06	189.19
Income tax assets (net)	9 (ii)	18.35	-
Other current assets	10 (ii)	6,108.38	6,776.29
Total current assets		**26,922.20**	**31,324.16**
TOTAL ASSETS		**50,717.35**	**44,358.93**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1,805.02	1,861.69
Other equity		36,306.83	34,829.03
Total equity		**38,111.85**	**36,690.72**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	14 (i)	1,291.83	1,279.25
Provisions	15 (i)	63.63	57.13
Deferred tax liabilities (net)	16	1,110.52	391.86
Total non-current liabilities		**2,465.98**	**1,728.24**
Current liabilities			
Financial liabilities			
Lease liabilities	14 (ii)	543.14	604.86
Trade payables			
Due to Micro and Small enterprises	17	55.81	9.70
Due to Others	17	2,140.77	1,209.84
Other financial liabilities	18	1,092.92	753.00
Other current liabilities	19	5,585.75	2,933.64
Provisions	15 (ii)	301.59	165.66
Income tax liabilities (net)	20	419.54	263.27
Total current liabilities		**10,139.52**	**5,939.97**
TOTAL EQUITY AND LIABILITIES		**50,717.35**	**44,358.93**
Significant accounting policies	2		
Notes to financial statements	3-45		
The accompanying notes form an integral part of consolidated financial statements			

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of **MPS Limited**

Shashank Agarwal
Partner
Membership Number: 095109

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place : Gurugram
Date : 26 May 2021

Place : Gurugram
Date : 26 May 2021

Consolidated Statement of Profit & Loss for the year ended 31 March 2021

INR in Lacs

	Note	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operations	21	42,254.75	33,165.28
Other income	22	987.26	1,997.82
Total income		**43,242.01**	**35,163.10**
Expenses			
Employee benefits expense	23	20,254.12	16,562.48
Finance costs	24	203.77	214.87
Depreciation and amortization expense	25	2,121.59	1,536.66
Other expenses	26	11,323.14	8,707.23
Total expenses		**33,902.62**	**27,021.24**
Profit before tax		**9,339.39**	**8,141.86**
Tax expense:	27		
Current tax		2,371.71	2,379.51
Adjustment of tax relating to earlier years		498.26	35.67
Deferred tax	16	613.46	(259.16)
Total tax expenses		**3,483.43**	**2,156.02**
Profit for the year		**5,855.96**	**5,985.84**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit liability/assets		69.42	(53.05)
Income tax relating to items that will not be reclassified to profit or loss		(17.47)	13.35
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(272.54)	686.36
Total other comprehensive income for the year, net of tax		**(220.59)**	**646.66**
Total comprehensive income for the year		**5,635.37**	**6,632.50**
Earnings per equity share (nominal value of share INR 10)			
- Basic and diluted (earnings per equity share expressed in absolute amount in Indian Rupees)	28	31.92	32.15
Significant accounting policies	2		
Notes to financial statements	3-45		
The accompanying notes form an integral part of consolidated financial statements			

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Shashank Agarwal
Partner
Membership Number: 095109

Place: Gurugram
Date : 26 May 2021

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date : 26 May 2021

Consolidated Statement of change in equity for the year ended 31 March 2021

A. Equity share capital

	INR in Lacs
Balance as at 1 April 2019	**1,861.69**
Changes in equity share capital during the year	-
Balance as at 31 March 2020	**1,861.69**
Shares extinguished on buy back	(56.67)
Balance as at 31 March 2021	**1,805.02**

B. Other equity

INR in Lacs

Particulars	Reserve and Surplus (refer note 1 below)				Other Comprehensive income	Total
	Securities premium account	Capital redemption reserve	General reserve	Retained earnings	Foreign currency translation reserve	
As at 1 April 2019	**14,600.33**	**-**	**2,849.32**	**27,638.06**	**166.14**	**45,253.85**
Transition impact of Ind AS 116 (refer note 31 (iii))	-	-	-	(224.56)	-	(224.56)
Restated balance as at 1 April 2019	**14,600.33**	**-**	**2,849.32**	**27,413.50**	**166.14**	**45,029.29**
Profit for the year	-	-	-	5,985.84	-	5,985.84
Other comprehensive income	-	-	-	(39.70)	686.36	646.66
Total comprehensive income for the year	**-**	**-**	**-**	**5,946.15**	**686.36**	**6,632.50**
Dividends	-	-	-	(13,962.69)	-	(13,962.69)
Income tax on dividend	-	-	-	(2,870.07)	-	(2,870.07)
As at 31 March 2020	**14,600.33**	**-**	**2,849.32**	**16,526.88**	**852.50**	**34,829.03**
As at 1 April 2020	**14,600.33**	**-**	**2,849.32**	**16,526.88**	**852.50**	**34,829.03**
Profit for the year	-	-	-	5,855.96	-	5,855.96
Other comprehensive income	-	-	-	51.95	(272.54)	(220.59)
Total comprehensive income for the year	**-**	**-**	**-**	**5,907.91**	**(272.54)**	**5,635.37**
Buy-back of equity shares (refer note 13 vii)	(3,343.33)	56.67	(56.67)	-	-	(3,343.33)
Expenses for buy-back of equity shares (refer note 13 vii)	(35.38)	-	-	-	-	(35.38)
Tax expenses on buy back (refer note 13 vii)	(778.86)	-	-	-	-	(778.86)
As at 31 March 2021	**10,442.76**	**56.67**	**2,792.65**	**22,434.79**	**579.96**	**36,306.83**

Notes:

1 **Nature and purpose of other equity:**

Securities premium reserve: The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve: As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of general reserve. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

General reserve: This represents appropriation of profit by the Company and is available for distribution of dividend.

Retained earning: This represents the cumulative profits/(losses) of the Group.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Shashank Agarwal
Partner
Membership Number: 095109

Place: Gurugram
Date : 26 May 2021

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date : 26 May 2021

Consolidated Cash Flows Statement for the year ended 31 March 2021

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flows from operating activities		
Net profit before tax	**9,339.39**	**8,141.86**
Adjustments:		
Depreciation and amortisation expense	2,121.59	1,536.66
Interest income	(572.45)	(362.38)
Dividend income	-	(2.73)
Net (gain)/loss on sale of current investment	(42.16)	13.43
Finance costs	203.77	214.87
Loss/(gain) on sale/disposal/discard of property, plant and equipment (net)	12.40	(4.70)
Miscellaneous income	(40.19)	-
Rent concession as a variable lease payment	(50.17)	-
Gain on investment carried at fair value through profit or loss (net)	(93.29)	(1,005.95)
Liabilities/provisions no longer required written back	(32.77)	(254.60)
Allowances for expected credit loss	165.36	120.01
Bad debts written off	32.77	3.88
Allowances/(reversal) for doubtful advances	4.49	3.08
Advances written off (net)	32.12	3.00
Unrealised foreign exchange loss (net)	200.84	105.04
Unrealised foreign exchange (gain)/loss on mark-to-market on forward contracts	(150.82)	177.26
Operating cash flows before working capital changes	**11,130.88**	**8,688.73**
(Increase)/decrease in trade receivables	(940.06)	389.71
Decrease/(increase) in loans	42.87	(23.86)
Decrease in other financial assets	60.85	28.97
Decrease/(increase) in other current assets	1,325.25	(1,389.10)
(Increase)/decrease in other non-current assets	(85.12)	176.11
(Decrease) in trade payables	(276.97)	(101.50)
(Decrease)/increase in other financial liabilities	(122.60)	82.26
Increase/(decrease) in other liabilities	907.24	(452.38)
(Decrease) in provisions	(172.32)	(25.42)
Cash generated from operations	**11,870.02**	**7,373.52**
Income tax paid (net of refund)	(1,932.85)	(2,099.86)
Net cash generated from operating activities (A)	**9,937.17**	**5,273.66**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress)	(587.15)	(255.51)
Purchase of other intangible assets	(87.24)	(220.37)
Sale of property, plant and equipment	8.54	15.13
Acquisition of business (net of cash and cash equivalents acquired)#	(4,448.69)	-
Purchase of current investments	(18,631.06)	(23,329.78)
Sale of current investments	26,511.72	36,954.95
Purchase of term deposits	(12,336.19)	(1,307.20)
Redemption of term deposits	3,104.03	2,922.15
Rent received	416.03	-
Dividend received	-	2.73
Interest received	121.06	381.91
Net cash (used in)/generated from investing activities (B)	**(5,928.95)**	**15,164.01**

Consolidated Cash Flows Statement for the year ended 31 March 2021

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
C. Cash flows from financing activities		
Repayment of lease liabilities including interest expenses	(1,065.18)	(697.34)
Buy-back of equity shares (refer note 13 vii)	(3,400.00)	-
Expenses for buy-back of equity shares (refer note 13 vii)	(35.38)	-
Tax on buy-back of equity shares (refer note 13 vii)	(778.86)	-
Finance costs	(13.94)	(0.82)
Dividend paid	-	(13,962.69)
Tax on dividend	-	(2,870.07)
Net cash used in financing activities (C)	**(5,293.36)**	**(17,530.92)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(1,285.14)**	**2,906.75**
Impact on cash flows on account of foreign currency translation reserve	(7.37)	469.56
Effects of exchange differences on cash and cash equivalents held in foreign currency	(218.66)	41.32
Cash and cash equivalents at the beginning of the year	8,170.08	4,752.45
Cash and cash equivalents at the end of the year (see below)	**6,658.91**	**8,170.08**
Components of cash and cash equivalents:		
Cash on hand	1.22	2.02
Balances with banks		
- Current accounts	6,423.07	5,316.31
- EEFC accounts	234.62	902.75
- Demand deposit accounts (demand deposits and deposits having original maturity of 3 months or less)	-	1,949.00
	6,658.91	**8,170.08**

Notes:

1. Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
2. During the year, the Company paid in cash INR 163.00 Lacs (31 March 2020: INR 186.00 Lacs) towards corporate social responsibility (CSR) expenditure (refer note 39).

Net of cash and cash equivalents acquired (refer note 40).

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Shashank Agarwal
Partner
Membership Number: 095109

Place: Gurugram
Date : 26 May 2021

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date : 26 May 2021

Notes forming part of the Consolidated Financial Statements

All amount in INR Lacs, unless otherwise stated

1. Corporate Information

MPS Limited ("the Company" or the "Parent Company") is a public limited Company domiciled in India and incorporated under the provisions of Companies Act, 1956 having its registered office located at RR Towers IV, Super A, 16/17, Thiru-vi-ka Industrial State, Guindy, Chennai-600032. Its equity shares are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

MPS provides platforms and services for content creation, full-service production, and distribution to the world's leading publishers, learning companies, corporate institutions, libraries, and content aggregators.

The Company offers a diverse geographic spread with production facilities in Chennai, Noida, Dehradun Gurugram and Bengaluru. The Company also operates with editorial and marketing offices in United States. The Company's multi location presence helps it in executing various customer requirements efficiently.

The Company has a wholly owned subsidiary namely MPS North America LLC (MPS NA LLC) as a Limited Liability Company under the laws of the State of Florida in the United States of America.

The Company has a wholly owned subsidiary namely MPS Interactive Systems Limited as a public limited company under the provisions of Companies Act, 2013 domiciled in India.

The Company had acquired TOPSIM GmbH, a company based in Germany and MPS Europa AG, a company based in Switzerland and eLearning business of Tata Interactive Systems (a division of Tata Industries Limited) having its branches at USA, UK, Canada and UAE through MPS Interactive Systems Limited.

On 19 June 2020, the Company has incorporated a wholly owned subsidiary by the name HighWire North America LLC as a Limited Liability Company under the laws of the State of Florida in the United States of America.

On 1 July 2020, MPS North America LLC, an existing US based wholly owned subsidiary of the Company has 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 the United Kingdom. The consolidated financial statements of the Company as at and for the year ended on 31 March 2021 comprise the Company and its subsidiaries (together referred to as "the Group").

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation of consolidated financial statements

a) Statement of compliance

These consolidated Ind AS Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with companies (Indian accounting standard) rules as amended from time to time and other relevant provisions of the Act.

The consolidated financial statements of the Group for the year ended 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 26 May 2021.

b) Effective 1 April 2016, the Group had transitioned to Ind AS while the financial statements were being prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (previous GAAP) till 31 March 2017 and the transition was carried out in accordance of Ind AS 101 "First time adoption of Indian Accounting Standards". While carrying out transition, in addition to the mandatory exemptions, the Group had elected to certain exemption which are listed as below

- The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. As such previous GAAP balances relating to business combinations consummated before that date, including goodwill, have been carried forward. Business combination occurring prior to the transition date has not been restated.

Notes forming part of the Consolidated Financial Statements

All amount in INR Lacs, unless otherwise stated

- The Group elected to continue with the carrying value for all of its property, plant and equipment, intangible assets and investment property as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.
- The Group has elected to consider previous GAAP carrying amount of its investments in subsidiaries on the date of transition to Ind AS as its deemed cost for the purpose of determining cost in accordance with principles of Ind AS 27-"Separate financial statements".
- The group has elected to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

c) Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls listed above. The group considers all relevant facts and circumstances in assessing whether it has power over the investee, including:

- The size of Group's holding of voting rights;
- Potential voting rights held by the Group;
- Rights arising from other contractual arrangements.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The details of the consolidated entities are as follows:

S.N.	Name	Country of incorporation	Name of Ultimate Parent company	Percentage of ownership
1	MPS North America LLC	USA	MPS Limited	100%
2	MPS Interactive Systems Limited	India	MPS Limited	100%
3	TOPSIM GmbH	Germany	MPS Limited	100%
4	MPS Europa AG	Switzerland	MPS Limited	100%
5	HighWire North America LLC (w.e.f 19 June 2020)	USA	MPS Limited	100%
6	HighWire Press Limited (w.e.f 1 July 2020)	Northern Ireland	MPS Limited	100%
7	Semantico Limited (w.e.f 1 July 2020)	UK	MPS Limited	100%

Notes forming part of the Consolidated Financial Statements

All amount in INR Lacs, unless otherwise stated

d) **Consolidation procedure**

i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

iii. Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group.

e) **Basis of measurement**

These consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items which have been measured at fair value as required by relevant Ind AS

- Derivative financial instruments;
- Financial instruments classified as fair value through other comprehensive income or fair value through profit or loss; and
- The net defined benefit asset/(liability) is recognized as the present value of defined benefit obligation less fair value of plan assets

f) **Critical estimates and judgements**

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes.

- Assessment of useful life of items of property, plant and equipment and intangible asset – refer note 2.3
- Estimated impairment of financial instrument and non-financial assets – refer note 2.5 and 2.6
- Recognition and estimation of tax expense including deferred tax – refer note 16
- Estimation of assets and obligations relating to employee benefits – refer note 30
- Fair value measurement – refer note 32
- Measurement and likelihood of occurrence of provisions and contingencies – refer note 37
- Measurement of consideration and assets acquired as part of business combination – refer note 40
- Assessment of revenue based on the progress of project using percentage of completion method, measured on the basis of effort involved which is akin to output to customer – refer note 2.9

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In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, goodwill, intangible assets, and certain investments, the Group has considered internal and external information up to the date of approval of these financial statements including credit reports and 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.

2.2 Current–non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- the group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle for the purpose of current-non current classification of assets and liabilities.

2.3 Property, plant and equipment (PPE), Investment property and Intangible assets

a) Item of property, plant and equipment

Item of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The cost of item of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties 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 property, plant and equipment up to the date the asset is ready for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Notes forming part of the Consolidated Financial Statements

All amount in INR Lacs, unless otherwise stated

Item of property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

b) **Investment Properties**

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent expenditure is capitalised to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property consists of freehold land and building, building is depreciated using the straight line method over their estimated useful life of 60 years.

c) **Intangible assets**

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Goodwill is initially recognised based on the accounting policy for business combinations (refer note 2.4). Goodwill is not amortised but is tested for impairment annually.

d) **Depreciation and amortisation methods, estimated useful lives and residual value**

Depreciation on item of property, plant and equipment is provided on a pro-rata basis on the straight-line method based on useful life specified in Part C of Schedule II to the Companies Act.

Freehold land is not depreciated. Leasehold improvements are amortised on a straight line basis over the period of lease or their useful lives, whichever is shorter.

Intangible assets are amortised on a pro-rata basis on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of intangible assets are as follows:

- Software – 2 to 5 years
- Customer relationship – 5 years
- Trademark – 10 years
- Order Book – 3 years

Assets acquired through business combination are recorded in books at fair value as per IND AS 103. The useful life of these assets is considered based on internal technical assessment of the management which are as follows:

Category of assets	Management estimate of useful life	Useful life as per schedule II
Plant and equipment	up to 5 years	3 to 6 years
Furniture & fixture	up to 8 years	10 years
Vehicles	up to 3 years	8 years
Software	up to 5 years	5 years

The residual values, useful lives and method of depreciation/amortisation of item of property, plant and equipment, investment property and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes forming part of the Consolidated Financial Statements

All amount in INR Lacs, unless otherwise stated

For overseas entities, depreciation is charged using the straight line method, over the estimated useful life considered as follows:

- Plant and equipment- 3 to 5 years
- Leasehold improvement- over the life of lease period
- Fixtures and fixtures- 10 years
- Office equipment- 3 to 10 years
- Trademark- 10 years
- Computer software- 1 to 10 years

e) **Derecognition**

An item of property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

2.4 Business Combination:

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed.

Transaction costs are expensed as incurred. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

2.5 Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax are reviewed at each reporting date to determine whether there is any such indication. If any such indication exits, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or group of CGUs that are expected to benefit from synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an assets or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a *pro rata* basis.

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An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, then Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceeds the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

2.6 Financial instrument

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

ii. The asset's contractual cash flows represent SPPI.

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Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Dividend income from financial assets at FVPL is recognized in the statement of profit and loss with in other income separately from the other gains / losses arising from changes in fair value.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial instrument

The Group recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

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All amount in INR Lacs, unless otherwise stated

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Group uses derivative financial instruments primarily forward contract to mitigate its currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value and changes therein are recognised in Statement of profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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All amount in INR Lacs, unless otherwise stated

2.7 Cash and cash equivalents

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

2.8 Provisions and Contingent Liabilities

Provision

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities and commitments are reviewed at each balance sheet date.

2.9 Revenue recognition

The Group derives revenue primarily from content solutions, eLearning solutions, platform solutions and related services.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue related to fixed-price contracts is recognised using percentage-of-completion method ('POC method') of accounting with efforts incurred in determining the degree of completion of the performance obligation.
- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance is recognized based on time elapsed mode and revenue is straight lined over the period of performance.

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Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is a billing in excess of revenues.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers geography and nature of services.

Use of significant judgements in revenue recognition

- The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to

Notes forming part of the Consolidated Financial Statements

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payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

- Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the efforts incurred which is used to determine the degree of completion of the performance obligation.

2.10 Recognition of dividend income and interest income

Dividend income is accounted for when the right to receive it is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Rental income from operating leases is recognised on time proportionate basis over the period of rent.

2.11 Government Grants

Government grants that are awarded as incentives with no ongoing performance obligations are recognised when there is reasonable assurance that:

a) the Group will comply with the conditions attached to them; and

b) the grant will be received.

These are recorded at fair value where applicable. Government grants are recognised in the statement of profit and loss, either on a systematic basis when the Group recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred.

Government grants related to income are presented as an offset against the related expenditure.

2.12 Employee benefits

a) **Short-term employee benefits:** All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. measured on an undiscounted basis and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

b) **Post-employment benefits:** Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

- **Gratuity:** The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of Gratuity is recognised in the books of accounts based on actuarial valuation by an independent actuary. The gratuity liability for the employees of the Group is funded with an insurance company in the form of a qualifying insurance policy. The gratuity benefit obligation recognised in the balance sheet represents the present value of the obligations as reduced by fair value of assets held by the Insurance Group. Actuarial gain/losses are recognised immediately in the other comprehensive income.

- **Superannuation:** Certain employees of the Group are also participants in the superannuation plan ('the Plan'), a defined contribution plan. Contribution made by the Group to the plan is charged to Statement of Profit and Loss.

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- **Provident fund:** For employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan. Group's contribution to the provident fund is charged to Statement of Profit and Loss.
- **Employee State Insurance:** For employees in India, Employee State Insurance (ESI) is deposited with Employee State Insurance Corporation. This is treated as defined contribution plan. Group's contribution to the ESI is charged to Statement of Profit and Loss.
- **Social security plans:** For employees outside India, Employees contributions payable to the social security plan, which is a defined contribution scheme, is charged to the statement of profit and loss in the period in which the employee renders services.

c) **Other long-term employee benefits: Compensated absences:**

As per the Group's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized during the service, or encashed. Encashment can be made on early retirement, on separation, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Group's liability in respect of compensated absences is recognised in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

d) **Termination benefits:**

Termination benefits are recognised as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Actuarial valuation

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

2.13 Tax Expense

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

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a) **Current tax:**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously. Any adjustment to the tax payable or receivable in respect of previous year is shown separately.

b) **Deferred tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

2.14 Dividend Distributions

The Group recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Group. A corresponding amount is recognised directly in equity.

2.15 Foreign currency transactions and translations

a) **Functional and presentation currency**

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Parent Company's functional currency. Items included in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency'). All the amount have been rounded-off to the nearest lakhs, unless otherwise stated.

Notes forming part of the Consolidated Financial Statements

All amount in INR Lacs, unless otherwise stated

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction or at rates that closely approximate the rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Share capital and opening reserves and surplus are carried at historical cost.
- All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserves and surplus) are translated using closing rates at Balance Sheet date.
- Profit and Loss items are translated at the respective monthly average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction.
- Contingent liabilities are translated at the closing rates at Balance sheet date.
- All resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold, the associated cumulative exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

The items of Consolidated Cash Flow Statement are translated at the respective average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction. The impact of changes in exchange rate on cash and cash equivalent held in foreign currency is included in effect of exchange rate changes.

2.16 Leases

The Group's lease asset classes primarily consist of leases for offices. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 1 April 2019.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

Notes forming part of the Consolidated Financial Statements

All amount in INR Lacs, unless otherwise stated

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

The Group has applied the practical expedient to grandfather the definition of a lease on transition. This means that it has applied Ind AS 116 to all the contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17

2.17 Earnings per share

Basic earnings/ (loss) per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, except where the result would be anti-dilutive.

2.18 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.19 Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values. The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team

Notes forming part of the Consolidated Financial Statements

All amount in INR Lacs, unless otherwise stated

assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values used in preparing these consolidated financial statements is included in the respective notes.

2.20 New standards and interpretations not yet adopted

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. The Group is evaluating the effect of the amendments on its financial statements.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

3.1 Property, plant and equipment and Capital work-in-progress

INR in Lacs

Particulars	Freehold land (refer note 1 below)	Buildings (refer note 1 below)	Plant & equipment	Furniture & fixtures	Vehicles	Leasehold improvements	Capital Work-in-Progress	Total
Gross carrying value								
As at 1 April 2019	400.00	901.23	2,135.95	341.08	85.17	74.88	18.38	3,956.69
Additions	-	-	220.34	26.40	6.06	-	2.71	255.51
Disposals/adjustments	-	-	(4.30)	(12.83)	(6.06)	-	(18.03)	(41.22)
Foreign currency translation reserve	-	-	55.13	21.23	7.00	5.23	-	88.59
As at 31 March 2020	**400.00**	**901.23**	**2,407.12**	**375.88**	**92.17**	**80.11**	**3.06**	**4,259.57**
Acquisitions through business combinations (refer note 40)	-	-	170.56	52.44	-	6.98	-	229.98
Additions	-	-	575.79	14.42	-	-	-	590.21
Disposals/adjustments	-	-	(112.28)	(43.41)	(0.50)	(4.22)	(3.06)	(163.47)
Foreign currency translation reserve	-	-	10.57	5.30	1.66	0.33	-	17.86
As at 31 March 2021	**400.00**	**901.23**	**3,051.76**	**404.63**	**93.33**	**83.20**	**-**	**4,934.15**
Accumulated depreciation								
As at 1 April 2019	-	61.00	1,373.96	222.02	81.40	62.89	-	1,801.27
Depreciation charge for the year	-	20.39	324.40	36.69	1.88	9.52	-	392.88
Disposals/adjustments	-	-	(2.40)	(6.67)	(0.57)	(3.11)	-	(12.75)
Foreign currency translation reserve	-	-	47.11	17.69	7.00	5.08	-	76.88
As at 31 March 2020	**-**	**81.39**	**1,743.07**	**269.73**	**89.71**	**74.38**	**-**	**2,258.28**
Acquisitions through business combinations (refer note 40)	-	-	135.04	21.39	-	-	-	156.43
Depreciation charge for the year	-	20.31	417.10	47.69	0.22	6.31	-	491.63
Disposals/adjustments	-	-	(108.05)	(29.05)	-	(2.37)	-	(139.47)
Foreign currency translation reserve	-	-	5.63	3.23	1.66	0.58	-	11.10
As at 31 March 2021	**-**	**101.70**	**2,192.79**	**312.99**	**91.59**	**78.90**	**-**	**2,777.97**

Net carrying value	Freehold land (refer note 1 below)	Buildings (refer note 1 below)	Plant & equipment	Furniture & Fixtures	Vehicles	Leasehold improvements	Capital Work-in-Progress	Total
As at 31 March 2020	400.00	819.84	664.05	106.15	2.46	5.73	3.06	2,001.29
As at 31 March 2021	400.00	799.53	858.97	91.64	1.74	4.30	-	2,156.18

Net carrying value	31 March 2021	31 March 2020
Property, plant and equipment	2,156.18	1,998.23
Capital work in progress	-	3.06

1. Freehold land and Buildings include property located at Bengaluru (HMG Ambassador) at a cost of INR 400 Lacs and INR 901.23 Lacs respectively. The title to this property is in the name of HMG Ambassador Property Management Private Limited, represented by 1,47,50,000 equity shares of INR 10/- each representing the value of land and buildings with irrevocable right of permanent occupation.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

3.2 Investment property

INR in Lacs

Particulars	Freehold land	Buildings	Total
Gross carrying value			
As at 1 April 2019	4.36	114.93	119.29
Additions	-	-	-
Disposals/adjustments	-	-	-
As at 31 March 2020	**4.36**	**114.93**	**119.29**
Additions	-	-	-
Disposals/adjustments	-	-	-
As at 31 March 2021	**4.36**	**114.93**	**119.29**
Accumulated depreciation			
As at 1 April 2019	-	8.53	8.53
Depreciation charge for the year	-	3.18	3.18
Disposals/adjustments	-	-	-
As at 31 March 2020	**-**	**11.71**	**11.71**
Depreciation charge for the year	-	3.17	3.17
Disposals/adjustments	-	-	-
As at 31 March 2021	**-**	**14.88**	**14.88**

Net carrying value	Freehold land	Buildings	Total
As at 31 March 2020	4.36	103.22	107.58
As at 31 March 2021	4.36	100.05	104.41

Amount recognised in profit or loss for investment property	Year ended 31 March 2021	Year ended 31 March 2020
Rental income derived from investment properties	-	-
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(27.65)	(34.74)
Loss arising from investment properties before depreciation	**(27.65)**	**(34.74)**
Less: Depreciation for the year	(3.17)	(3.18)
Loss arising from investment properties	**(30.82)**	**(37.92)**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

3.2 Investment property *(contd...)*

INR in Lacs

Fair value of investment property	Freehold land and buildings
As at 31 March 2020	3,211.88
As at 31 March 2021	3,211.88

1. Investment property comprises land and building for basement, ground floor, first floor, eighth floor and parking areas situated in Bengaluru. The title deeds for land and building for basement, ground floor and first floor are in the name of Brigade Marketing Company Private Limited, erstwhile Company that was merged with Macmillan India Limited (now MPS Limited) in 2001 under section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court at Karnataka. The title deeds for land and building for remaining areas are in the name of the Company.

2. The Company has obtained an independent valuation for the fair value of its investment property based on the market value approach. The valuer has relied on the prevalent real estate rates and realisable price of similar property in the same vicinity.

4 Right-of-use asset*

INR in Lacs

Particulars	Buildings	Vehicles	Total
Gross carrying value			
As at 1 April 2019	-	-	-
Impact of Ind AS 116	1,966.72	35.73	2,002.45
Additions	54.51	-	54.51
Disposals/adjustments	-	-	-
Depreciation charge for the year	504.43	12.38	516.81
Foreign currency translation reserve	3.27	-	3.27
As at 31 March 2020	**1,520.07**	**23.35**	**1,543.42**
Acquisitions through business combinations (refer note 40)	428.53	-	428.53
Additions	-	-	-
Disposals/adjustments	(60.62)	-	(60.62)
Depreciation charge for the year	628.65	13.18	641.83
Foreign currency translation reserve	7.15	-	7.15
As at 31 March 2021	**1,266.48**	**10.17**	**1,276.65**

Net carrying value	Buildings	Vehicles	Total
As at 31 March 2020	1,520.07	23.35	1,543.42
As at 31 March 2021	1,266.48	10.17	1,276.65

* Refer note 31

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

5 Intangible assets

INR in Lacs

Particulars	Goodwill	Other intangible assets				Total
		Trademark	Customer relationship	Computer software	Order Book	
Gross carrying value						
As at 1 April 2019	6,006.87	113.73	868.31	2,792.87	151.62	9,933.40
Additions	-	-	-	220.37	-	220.37
Disposals/adjustments	-	-	-	-	-	-
Foreign currency translation reserve	170.37	3.53	-	151.28	-	325.18
As at 31 March 2020	**6,177.24**	**117.26**	**868.31**	**3,164.52**	**151.62**	**10,478.95**
Acquisitions through business combinations (refer note 40)	2,548.76	360.71	1,685.92	594.96	-	5,190.35
Additions	-	-	-	87.24	-	87.24
Disposals/adjustments	-	-	-	-	-	-
Foreign currency translation reserve	(196.94)	(13.37)	(36.49)	7.59	-	(239.21)
As at 31 March 2021	**8,529.06**	**464.60**	**2,517.74**	**3,854.31**	**151.62**	**15,517.33**
Accumulated depreciation/amortisation						
As at 1 April 2019	-	29.36	193.73	1,629.02	42.65	1,894.76
Amortisation charge for the year	-	11.73	177.49	384.59	49.98	623.79
Disposals/adjustments	-	-	-	-	-	-
Foreign currency translation reserve	-	1.24	-	108.77	-	110.01
As at 31 March 2020	**-**	**42.33**	**371.22**	**2,122.38**	**92.63**	**2,628.56**
Acquisitions through business combinations (refer note 40)	-	-	-	-	-	-
Amortisation expense for the year	-	38.29	426.52	469.61	50.54	984.96
Disposals/adjustments	-	-	-	-	-	-
Foreign currency translation reserve	-	(0.69)	(1.95)	8.12	-	5.48
As at 31 March 2021	**-**	**79.93**	**795.79**	**2,600.11**	**143.17**	**3,619.00**

Net carrying value	Goodwill	Trademark	Customer relationship	Computer software	Order Book	Total
As at 31 March 2020	6,177.24	74.93	497.09	1,042.14	58.99	7,850.39
As at 31 March 2021	8,529.06	384.67	1,721.95	1,254.20	8.45	11,898.33

Net carrying value	31 March 2021	31 March 2020
Goodwill	8,529.06	6,177.24
Other Intangible assets	3,369.27	1,673.15

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

5 **Intangible assets** *(contd...)*

5(a) Impairment testing of goodwill

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Units (CGU) which represents the lowest level at which the goodwill is monitored for internal management purposes, which is not higher than the Group's operating reportable segments.

The aggregate carrying amounts of goodwill allocated to content solution and platform solutions operating segments as follows:

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Content solutions	1,276.23	1,319.58
eLearning solutions	3,878.77	3,878.77
Platform solutions	3,374.06	978.89
	8,529.06	**6,177.24**

For the purpose of the impairment testing, goodwill is allocated to the Cash Generating Units (CGU) which represents the recoverable amount of the above CGU based on its value in use. The value in use of CGU is determined to be higher than the carrying amount post the sensitivity analysis towards change in the key assumptions including the cash flow projections consequent to the change in the estimated future economic conditions arising from the possible effects due to COVID-19. No probable scenario was identified where the CGU recoverable amount would fall below their carrying amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

i. The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.

ii. The terminal growth rate 1% to 4% for the year ended 31 March 2021 (31 March 2020: 1% to 4%) representing management view on the future long-term growth rate.

iii. Discount rate ranging from 13.5% to 19% for the year ended 31 March 2021 (31 March 2020: ranging from 12% to 19%) was applied in determining the recoverable amount of the CGUs. The discount rate was estimated based on past experience and historical industry average weighted-average cost of capital.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

6 (i) Non-current investments

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Lease Investment (carried at cost)	387.82	-
	387.82	**-**

(ii) Current investments

Particulars	As at 31 March 2021		As at 31 March 2020	
	Units in '000	INR in Lacs	Units in '000	INR in Lacs
Investment in mutual funds carried at fair value through profit or loss (unquoted, fully paid up)				
Axis Liquid Fund-Direct Plan-Growth	-	-	29.79	656.61
HDFC Overnight Fund-Direct Plan-Growth	-	-	84.36	2,504.73
ICICI Prudential Liquid Fund-Direct Plan Growth	49.88	151.99	0.10	0.29
Kotak Liquid Direct Plan Growth	-	-	10.40	417.54
Aditya Birla Sun Life Liquid Fund -Direct Growth	15.00	49.74	134.95	431.25
SBI Overnight Fund-Direct Plan-Growth	-	-	21.48	698.88
Kotak Liquid Fund- Direct Plan- Growth*	10.23	425.33	5.42	217.50
DSP Liquidity Fund-Direct Plan-Growth	-	-	7.11	202.04
ICICI Prudential Overnight Fund-Direct Plan - Growth	-	-	911.42	982.04
Axis Liquid Direct Plan Growth	-	-	16.88	372.01
ICICI Prudential Overnight Fund - Direct Plan - Growth	-	-	830.29	894.62
Kotak Overnight Direct Plan Growth	-	-	42.49	452.87
Aditya Birla Sun Life Overnight Fund-Direct Plan- Growth	-	-	113.15	741.89
Nippon India Liquid Fund -Direct Plan- Growth Plan- Growth Option	3.97	200.01	-	-
Total	**79.08**	**827.07**	**2,207.82**	**8,572.27**
Aggregate market value of unquoted investments		**827.07**		**8,572.27**

*Out of the same mutual fund units i.e., 5.20 (units in thousands) with an NAV of INR 0.04 Lacs as at 31 March 2021 (31 March 2020: Units 5.20 (units in thousands) as at NAV of INR 0.04 Lacs) have been pledged with Kotak Mahindra Bank Limited as a security towards hedging facilities availed by the Company.

7 Loans

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) **Non current (unsecured, considered good)**		
Security deposits (refer note below)	230.01	181.75
	230.01	**181.75**
Note: Includes INR 75.46 Lacs (31 March 2020: INR 70.34 Lacs) to holding company (ADI BPO Services Ltd.) as a deposit for premises and infrastructure facility taken on rent.		
(ii) **Current (unsecured, considered good)**		
Security deposits	187.15	111.30
Loan to employees	0.30	1.28
	187.45	**112.58**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

8 Other financial assets

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Non current (Unsecured, considered good)		
Bank deposits held as margin money or security against guarantees	18.06	51.43
Bank deposits due to mature after 12 months of the reporting date	6,966.91	-
	6,984.97	**51.43**
(ii) Current (Unsecured, considered good)		
Unrealised MTM gain receivable on forward covers	75.94	-
Unbilled revenue	210.23	118.01
Interest accrued on deposits	141.74	16.75
Other receivables	36.15	54.43
	464.06	**189.19**

9 Income tax assets

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Non current		
Advance income tax (net of provisions of INR 15,660.49 Lacs (31 March 2020: INR 13,566.15 Lacs))	326.19	973.15
	326.19	**973.15**
(ii) Current		
Advance income tax	18.35	-
	18.35	**-**

10 Other assets

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Other non-current assets (Unsecured, Considered Good)		
Security deposits carried at amortised cost	35.37	26.11
Prepaid expenses	152.45	64.66
Balances with government authorities		
-Service tax credit receivable	105.88	105.88
-Others	55.39	55.39
Prepayment rent (refer note below)	25.55	34.24
	374.64	**286.28**
Note: Includes INR 15.74 Lacs (31 March 2020: INR 20.98 Lacs) to holding company (ADI BPO Services Ltd.) as a deposit for premises and infrastructure facility taken on rent.		

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(ii) Other non-current assets (Unsecured, Considered Good)		
Security deposits		
Unsecured, considered good	0.47	-
Doubtful	1.13	1.13
	1.60	1.13
Less: Allowances for doubtful deposits	1.13	1.13
	0.47	-
Advances to employees		
Considered good	0.28	24.55
Doubtful	5.54	1.05
	5.82	25.60
Less: Allowances for doubtful advances to employees	5.54	1.05
	0.28	24.55
Government grant receivables*	487.83	487.83
Advance to Suppliers	12.10	12.73
Prepaid expenses	942.14	738.85
Contract assets (refer note 45(iii))	3,237.93	3,931.24
Balances with government authorities		
-GST receivable	1,206.96	1,232.30
-Others	24.28	178.26
Capital Advances	84.71	66.25
Others advances	66.77	86.69
Excess of plan asset over gratuity liability (refer note 30)	23.90	-
Prepayment rent (refer note 1 below)	21.01	17.59
	6,108.38	**6,776.29**

1) Includes INR 5.24 Lacs (31 March 2020: INR 5.24 Lacs) to holding company (ADI BPO Services Ltd.) as a deposit for premises and infrastructure facility taken on rent.

*represents grant receivable under Service Export from India Scheme

11 Trade receivables

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Current		
Trade receivables	9,054.15	6,227.65
	9,054.15	**6,227.65**
Break-up for details:		
Trade receivables (Unsecured)		
Considered good	9,414.06	6,397.33
Less: Expected credit loss allowance (refer note 33)	359.91	188.92
	9,054.15	**6,208.41**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

11 Trade receivables *(contd...)*

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Receivables which have significant increase in Credit Risk	-	19.24
Trade Receivables - credit impaired	112.29	-
Less: Expected credit loss allowance (refer note 33)	112.29	-
	-	-
Total	9,054.15	6,227.65

12 (i) Cash and cash equivalents

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(a) Cash and cash equivalents		
Balances with banks		
-In current accounts	6,423.07	5,316.31
-In EEFC accounts	234.62	902.75
-In demand deposit accounts (demand deposits and deposits having original maturity of 3 months and less)	-	1,949.00
Cash on hand	1.22	2.02
Total	6,658.91	8,170.08

12 (ii) Other bank balances

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(b) Other Balances with banks		
Term deposits with orinigal maturity for more than 3 months but less than 12 months	3,565.81	1,276.10
Earmarked Balances with Banks		
Unclaimed dividends	38.02	-
Total	3,603.83	1,276.10
Details of bank balances/deposits		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	-	1,949.00
Bank deposits due to mature within 12 months of the reporting date included under 'Other Balances with banks'	3,565.81	1,276.10
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current financial assets' (refer note 8 (i))	6,984.97	51.43
	10,550.78	3,276.53

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

13 Share capital

INR in Lacs

(i) Particulars	As at 31 March 2021	As at 31 March 2020
Authorised		
20,000,000 equity shares of INR 10 each	2,000.00	2,000.00
(31 March 2020: 20,000,000 equity shares of INR 10 each)		
	2,000.00	**2,000.00**
Issued, Subscribed & Paid-Up		
18,050,260 equity shares of INR 10 each fully paid up with voting rights	1,805.02	1,861.69
(31 March 2020: 18,616,926 equity shares of INR 10 each)		
	1,805.02	**1,861.69**

(ii) Reconciliation of the equity share outstanding at beginning and at end of the year

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	INR in Lacs	Number	INR in Lacs
Equity shares (with voting rights) outstanding at the beginning of the year	1,86,16,926	1,861.69	1,86,16,926	1,861.69
Shares extinguished on buy-back	(5,66,666)	(56.67)	-	-
Outstanding at the end of the year	**1,80,50,260**	**1,805.02**	**1,86,16,926**	**1,861.69**

(iii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The equity share holders are entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amount, if any. The distribution will be in proportion to number of equity shares held by the shareholders.

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	INR in Lacs	Number	INR in Lacs
Equity shares of INR 10 each fully paid up and held by				
ADI BPO Services Limited, the holding company	1,22,71,608	1,227.16	1,26,16,996	1,261.70

(v) Details of the shareholders holding more than 5% shares of the Company

Class of shares / Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	Number	% holding in that class of shares	Number	% holding in that class of shares
Equity shares of INR 10 each fully paid up and held by				
ADI BPO Services Limited, the holding company	1,22,71,608	67.99%	1,26,16,996	67.77%

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

13 Share capital *(contd...)*

(vi) Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

There are no bonus shares issued during the period of five years immediately preceding the reporting date.

(vii) The Board of Directors, at its meeting held on 11 August 2020, approved Buyback of fully paid-up equity shares of face value of INR 10 each from the eligible equity shareholders through the tender offer process, at a price not exceeding INR 600 per equity share, for an aggregate amount not exceeding INR 3,400 Lacs, payable in cash. The Company has bought back 5,66,666 fully paid up equity shares on 7 October 2020 and extinguished the equity shares bought back on 12 October 2020. The Company has utilised its Securities Premium of INR 4,157.57 Lacs for the buyback of its equity shares. Total transaction cost including tax of INR 814.24 Lacs incurred towards buyback was offset from Securities Premium. In accordance with Section 69 of the Companies Act 2013, the Company has created Capital Redemption Reserve of INR 56.67 Lacs equal to the nominal value of the shares bought back as an appropriation from the General Reserve.

14 Lease liabilities*

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Non current		
Lease liabilities	1,291.83	1,279.25
	1,291.83	**1,279.25**
(ii) Current		
Lease liabilities	543.14	604.86
	543.14	**604.86**
(ii) Reconciliation of liabilities from financing activities		
Opening	**1,884.11**	-
Acquisitions through business combinations (refer note 40)	997.73	-
Impact of Ind AS 116	-	2,318.85
Addition during the year	-	54.51
Interest on lease liabilities	185.73	206.55
Rent concession as a variable lease payment	(50.17)	-
Repayment of lease liabilities including interest expenses	(1,065.18)	(697.34)
Disposals/adjustments	(103.95)	-
Exchange difference on lease liabilities	(13.30)	1.54
Closing	**1,834.97**	**1,884.11**

* Refer note 31

15 Provisions

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) Non current		
Provision for compensated absences (refer note 30)	63.63	57.13
	63.63	**57.13**
(ii) Current		
Provision for service tax (refer note 42)	-	39.04
Provision for compensated absences (refer note 30)	224.67	18.18
Provision for gratuity (refer note 30)	76.92	108.44
	301.59	**165.66**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

16 Deferred tax

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of asset and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

Deferred tax assets:

INR in Lacs

	Expected credit loss allowance	Expenses allowable for tax purposes when paid	Gains on investment carried at fair value through profit or loss	Lease assets net of lease liabilities (refer note 31)	Unrealised MTM loss receivables on forward covers	Tax loss carry forward	Others	Total
As at 1 April 2019	**15.99**	**-**	**-**	**-**	**-**	**515.68**	**110.27**	**641.94**
Charged)/credited								
- impact of Ind AS 116	-	-	-	91.84	-	-	-	91.84
- to statement of profit and Loss	28.89	-	-	(6.73)	-	(62.73)	(23.17)	(63.74)
- transferred from provision for tax	-	-	-	-	-	-	(122.78)	(122.78)
- to foreign currency translation reserve	1.14	-	-	0.09	-	4.96	-	6.19
- transferred from deferred tax liabilities	-	5.65	5.37	-	18.85	-	35.68	65.55
As at 31 March 2020	**46.02**	**5.65**	**5.37**	**85.20**	**18.85**	**457.91**	**-**	**619.00**
(Charged)/credited								
- to statement of profit and Loss	38.40	13.89	(81.23)	54.08	(37.96)	(52.12)	-	(64.94)
- to other comprehensive income	-	(17.47)	-	-	-	-	-	(17.47)
- to foreign currency translation reserve	(0.43)	1.32	-	-	-	3.22	-	4.11
- transferred to deferred tax liabilities	-	-	75.86	-	19.11	-	-	94.97
As at 31 March 2021	**83.99**	**3.39**	**-**	**139.28**	**-**	**409.01**	**-**	**635.67**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

16 Deferred tax *(contd...)*

Deferred tax liabilities:

INR in Lacs

	Expenses allowable for tax purposes when paid	Lease liabilities net of lease assets (refer note 31)	Difference between book balance and tax balance of property, plant and equipment/ Investment property/ Other intangible assets	Unrealised MTM gain receivables on forward covers	Gains on investment carried at fair value through profit or loss	Others	Total
As at 1 April 2019	**(2.87)**	**-**	**(774.04)**	**(29.81)**	**(417.38)**	**-**	**(1,224.10)**
(Charged)/credited							
- to statement of profit and Loss	(1.63)	-	(146.88)	48.66	422.75	-	322.90
- to other comprehensive income	13.35	-	-	-	-	-	13.35
- to foreign currency translation reserve	(3.20)	-	(14.78)	-	-	-	(17.98)
- transferred to deferred tax assets	(5.65)	-	-	(18.85)	(5.37)	(35.68)	(65.55)
As at 31 March 2020	**-**	**-**	**(935.70)**	**-**	**-**	**(35.68)**	**(971.38)**
(Charged)/credited							
- addition due to business combination (refer note 40)	-	-	(57.42)	-	-	-	(57.42)
- to statement of profit and Loss	-	-	(522.08)	-	-	(26.44)	(548.52)
- to foreign currency translation reserve	-	-	(17.96)	-	-	-	(17.96)
- transferred from deferred tax assets	-	-	-	(19.11)	(75.86)	-	(94.97)
As at 31 March 2021	**-**	**-**	**(1,533.16)**	**(19.11)**	**(75.86)**	**(62.12)**	**(1,690.25)**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

16 **Deferred tax** *(contd...)*

Net deferred tax liabilities:

INR in Lacs

	As at 31 March 2021	As at 31 March 2020
Deferred tax assets	635.67	619.00
Deferred tax liabilities	(1,690.25)	(971.38)
Deferred tax liabilities (net)	**(1,054.58)**	**(352.38)**

Reflected in the Balance Sheet as follows:

INR in Lacs

	As at 31 March 2021	As at 31 March 2020
Deferred tax assets	55.94	39.48
Deferred tax liabilities	(1,110.52)	(391.86)
Deferred tax liabilities (net)	**(1,054.58)**	**(352.38)**

Reconciliation of deferred tax liabilities (net):

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Balance as at the commencement of the year	(352.38)	(582.16)
Addition due to business combination (refer note 40)	(57.42)	-
Impact of Ind AS 116 (refer note 31)	-	(91.84)
Expense/(credit) during the year recognised in Statement of profit and loss	613.46	(259.16)
Expense/(credit) during the year recognised in OCI	17.47	(13.35)
Transferred from provision for tax	-	122.78
Foreign currency translation reserve	13.85	11.79
Balance as at the end of the year	**(1,054.58)**	**(352.38)**

DTA has not been recognized on temporary differences in relation to indexation benefit of freehold land amounting to INR 812.76 Lacs (31 March 2020: INR 764.24 Lacs) respectively, as the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

17 Trade payables

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Trade payables		
Due to Micro and Small enterprises (refer note 29)	55.81	9.70
Due to Others	2,140.75	1,208.23
Trade payables to related parties (refer note 36)	0.02	1.61
	2,196.58	**1,219.54**

18 Other financial liabilities

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Current		
Security deposits carried at amortised cost	48.00	-
Employee payable	826.83	678.12
Unrealised MTM loss payable on forward covers	-	74.88
Unclaimed dividends	38.02	-
Payable to Invest Northern Ireland	180.07	-
	1,092.92	**753.00**

19 Other financial liabilities

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Prepayment rent	1.44	-
Income received in advance (contract liabilities) (refer note 45(iii))	4,388.79	2,298.85
Payables on purchase of fixed assets	-	15.34
Statutory remittances*	966.44	564.61
Others	229.08	54.84
	5,585.75	**2,933.64**

*includes goods and services tax, tax deducted at source, provident fund, employee state insurance, sales tax and others.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

20 Income tax liabilities (current)

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for tax (net of advance tax of INR 2,770.89 Lacs (31 March 2020: INR 2,157.21 Lacs))	419.54	263.27
	419.54	**263.27**

21 Revenue from operations

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Sale of services (refer note 45)		
Exports (earning in foreign currency)	41,487.90	31,922.62
Domestic	766.85	1,242.66
	42,254.75	**33,165.28**

22 Other income

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest income on:		
Financial assets-carried at amortised cost	304.08	165.73
Deposits with banks	268.37	196.65
Dividend received on current investment carried at fair value through profit or loss (Mutual funds units)	-	2.73
Net gain on sale of current investment carried at fair value through profit or loss	42.16	-
Gain on investment carried at fair value through profit or loss	93.29	1,005.95
MTM and net gain on foreign currency transactions	36.48	260.03
Other non-operating income (Refer note (i) below)	242.88	366.73
	987.26	**1,997.82**

Note (i) Other non-operating income comprises:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Rent concession as a variable lease payment	50.17	-
Liabilities/provisions no longer required written back	32.77	254.60
Reversal of allowances for expected credit loss	13.02	1.85
Bad debts and advances recovered	0.57	-
Gain on sale/disposal/discard of property, plant and equipment (net)	4.97	4.70
Miscellaneous income	141.38	105.58
	242.88	**366.73**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

23 Employee benefits expense

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries and wages (refer note 30)	18,919.85	15,204.21
Contribution to provident and other funds (refer note 30)	979.34	951.72
Staff welfare expenses	354.93	406.55
	20,254.12	**16,562.48**

24 Finance costs

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest on lease liabilities (refer note 31)	185.73	206.55
Interest expense on income tax, service tax & GST	18.04	8.32
	203.77	**214.87**

25 Depreciation and amortization expense

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on property, plant and equipment (refer note 3.1)	491.63	392.88
Depreciation on investment property (refer note 3.2)	3.17	3.18
Depreciation on right-of-use assets (refer note 4)	641.83	516.81
Amortization on intangible assets (refer note 5)	984.96	623.79
	2,121.59	**1,536.66**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

26 Other expenses

INR in Lacs

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
Consumables		6.66		10.13
Outsourcing cost		5,728.20		3,959.22
Power and fuel		426.47		538.68
Rent		253.08		153.98
Hire charges		16.85		8.10
Repairs and maintenance - buildings		282.38		401.06
Repairs and maintenance - plant and machinery		549.53		258.43
Repairs and maintenance - others		54.29		56.51
Insurance		52.29		47.52
Rates and taxes		111.28		169.10
Communication		1,570.96		527.04
Travelling and conveyance		36.46		799.49
Expenditure on corporate social responsibility (refer note 39)		163.00		186.00
Legal and professional		558.65		361.08
Directors sitting fees		31.20		26.40
Payments to auditors (refer note (i) below)		78.19		69.80
Bad debts written off	59.88		3.88	
Less: Allowances for expected credit loss utilised for the above	27.12	32.76	-	3.88
MTM and net loss on foreign currency translations		106.20		7.47
Advances written off		32.69		3.00
Allowances for expected credit loss and doubtful advances		182.87		124.93
Loss on sale/disposal/discard of property, plant and equipment (net)		17.37		-
Net loss on sale of current investment carried at fair value through profit or loss		-		13.43
Software expenses		620.07		304.24
Sales and marketing expenses		114.87		383.43
Miscellaneous expenses		296.82		294.31
		11,323.14		**8,707.23**

INR in Lacs

Payments to the auditors comprises (net of input credit, where applicable):	Year ended 31 March 2021	Year ended 31 March 2020
To Statutory auditors		
for statutory audit	46.50	37.00
for tax audit	3.50	3.50
for other services	26.57	25.00
for reimbursement of expenses	1.62	4.30
	78.19	**69.80**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

27 Income tax

The major components of income tax expense for the year ended 31 March 2021 and 31 March 2020 are:

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Current income tax:		
Current income tax charge for the year	2,371.71	2,379.51
Adjustments in respect of current income tax of previous year	498.26	35.67
	2,869.97	**2,415.18**
Deferred tax:		
Deferred tax on profits for the year	613.46	(259.16)
	613.46	**(259.16)**
Tax expense reported in the Statement of Profit and Loss	**3,483.43**	**2,156.02**
OCI section		
Tax related to items that will not be reclassified to Profit and Loss	(17.47)	13.35
Income tax charged to OCI	**(17.47)**	**13.35**

Reconciliation between average effective tax rate and applicable tax rate for the year ended 31 March 2021 and 31 March 2020:

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Accounting profit before income tax	9,339.39	8,141.86
At India's statutory income tax rate	25.168%	25.168%
Computed Tax Expense	**2,350.54**	**2,049.14**
Change in tax rate	(11.21)	(98.46)
Tax exempt income	-	(44.98)
Non-deductible expenses	56.06	84.91
Additional allowances for tax purpose	-	(8.91)
Others	589.78	138.65
Tax relating to earlier years	498.26	35.67
Income tax charged to Statement of Profit and Loss at effective rate of 37.30 % (31 March 2020: 26.48 %) (refer note below)	**3,483.43**	**2,156.02**

(a) Effective tax rate has been calculated on profit before tax.

(b) Income tax rates had reduced from 25% to 22% effective 1 April 2019 for the domestic companies. Consequential deferred tax income of INR 97.91 Lacs has been appropriately adjusted in the tax expense for the year ended 31 March 2020.

(c) The Company had opted for the Scheme by the Government under the Income Tax Law in respect of four Assessment Years to avoid protracted litigation and the attendant uncertainty on the issues covered in those years. Consequently, a tax provision of INR 585 Lacs had been made towards this purpose during the year ended 31 March 2021.

(d) 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.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

28 Earnings per equity share

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Profit for the year attributable to the owners of the Group	5,855.96	5,985.84
Weighted average number of equity shares outstanding	1,83,43,684	1,86,16,926
Face value per share (INR)	10.00	10.00
Earnings per share- basic & diluted (INR)	**31.92**	**32.15**

29 Micro, Small and Medium enterprises

There are no Micro, Small and Medium enterprises, to whom the Group owes dues, which are outstanding for more than 45 days as at the end of year except for the amount of INR Nil Lacs (31 March 2020: INR Nil Lacs) against which interest has been accrued (refer below(ii)). The information as required to be disclosed in relation to Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
(i) The principal amount remaining unpaid to any supplier as at the end of the year	55.50	9.39
(ii) The interest due on principal amount remaining unpaid to any supplier as at the end of the year	0.31	0.31
(iii) The amount of interest paid by the Group in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

30 Employee benefits in respect of the Group have been calculated as under:

(A) Defined contribution plans

The Group has certain defined contribution plan such as provident fund, 401(k) plan, superannuation fund, employee state insurance (ESI) and social security fund and pension scheme for qualifying employees, etc. Under the schemes, the Group is required specified percentage of payroll costs to fund the benefits. During the year, the Group has contributed following amounts to:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Employer's contribution to provident fund	607.82	573.62
Employer's contribution to 401(k) plan	85.04	28.03
Employer's contribution to superannuation fund	29.80	34.86
Employer's contribution to employee state insurance	61.08	70.29
Employer's contribution to labour welfare fund	0.02	0.02
Employer's contribution to social security fund and pension scheme	195.58	244.90
	979.34	**951.72**

(B) Defined benefit plans

Gratuity

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed for the Company is 6.26% p.a. (31 March 2020: 6.43% p.a.) and for subsidiariy is 6.06% p.a (31 March 2020: 6.24%% p.a) which is determined by reference to market yield at the Balance Sheet date on Government bonds.

The retirement age has been considered at 58 to 65 years (31 March 2020: 58 to 65 years) and mortality table is as per IALM (2006-08) (31 March 2019: IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 6% p.a. (31 March 2020: 6% p.a.), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for employees of the Group. The expected rate of return on plan assets for the Company is 6.26% p.a. (31 March 2020: 6.43% p.a.) and for subsidiary is 6.06% p.a (31 March 2020:6.24% p.a)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation at the beginning of the year	1,301.91	1,316.90
Current service cost	121.50	116.39
Interest cost	82.58	94.08
Liability transferred on acquisition	(0.45)	5.14
Actuarial (gain)/loss	(71.49)	33.33
Benefits paid	(208.02)	(263.93)
Present value of obligation at the end of the year	**1,226.03**	**1,301.91**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

30 **Employee benefits in respect of the Group have been calculated as under:** *(contd...)*

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation at the end of the year	1,226.03	1,301.91
Fair value of plan assets at the end of the year	(1,173.01)	(1,193.47)
Net liabilities recognised in the Balance Sheet (refer note below)	**53.02**	**108.44**

Note: Reflected in the Balance Sheet as follows:

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Excess of plan asset over gratuity liability (refer note 10 (ii))	(23.90)	-
Provision for gratuity (refer note 15(ii))	76.92	108.44
Net liabilities	**53.02**	**108.44**

Fair value of plan assets

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Plan assets at the beginning of the year	1,193.47	1,282.01
Expected return on plan assets	75.63	91.48
Contribution by employer	114.45	98.49
Assets transferred in on acquisition	(0.45)	5.14
Actual benefits paid	(208.02)	(263.93)
Actuarial loss	(2.07)	(19.72)
Plan assets at the end of the year	**1,173.01**	**1,193.47**

Group's best estimate of contribution during next year is INR 178.31 Lacs (31 March 2020: INR 229.94 Lacs)

Composition of the plan assets is as follows:

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Central government securities	19.09%	19.35%
State government securities	50.98%	56.02%
Debentures and bonds	23.85%	20.94%
Equity shares	6.08%	3.67%
Money market instruments	0.00%	0.02%

The above composition of plan assets are based on details received for 31 March 2020 (for previous year composition of plan assets are based on details received for 31 March 2019). Details for 31 March 2021 are awaited from LIC.

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	121.50	116.39
Interest cost	6.95	2.60
Expense recognised in the Statement of Profit and Loss	**128.45**	**118.99**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

30 Employee benefits in respect of the Group have been calculated as under: *(contd...)*

Amount recognised in the other comprehensive income:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial (gain)/loss due to financial assumption change	(59.03)	55.93
Actuarial (gain) due to experience adjustment	(12.46)	(22.60)
Actuarial loss on plan assets	2.07	19.72
Amount recognised in the other comprehensive income	**(69.42)**	**53.05**

Sensitivity analysis

INR in Lacs

Particulars	Year ended 31 March 2021		Year ended 31 March 2021	
Assumptions	Discount rate		Future salary	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(33.98)	35.91	35.82	(33.97)

INR in Lacs

Particulars	Year ended 31 March 2020		Year ended 31 March 2020	
Assumptions	Discount rate		Future salary	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(35.06)	37.03	36.99	(35.09)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

(C) Other long term benefits (compensated absences):

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of obligation at the end of the year	288.30	75.31

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

31 Leases

(i) The Group has adopted Ind AS 116 'Leases' with the date of initial application being 1 April 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Group has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. As a result, the comparative information has not been restated. In adopting Ind AS 116, the Group has applied the below practical expedients:

The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics

The Group has treated the leases with remaining lease term of less than 12 months as if they were "short term leases"

The Group has not applied the requirements of Ind AS 116 for leases of low value assets

The Group has applied the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

(ii) The Group has discounted lease payments using the applicable incremental borrowing rate, which is ranging from 1.50% to 9.50% for measuring the lease liability.

(iii) **Impact of adoption of Ind AS 116 on the retained earnings**

INR in Lacs

Particulars	As at 1 April 2019
Right-of-use assets (refer note 4)	2,002.45
Lease liabilities (refer note 14)	(2,318.85)
Deferred tax credit (refer note 16)	91.84
Impact on the retained earnings	**(224.56)**

(iv) **Impact of adoption of Ind AS 116 on the statement of profit and loss**

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest on lease liabilities (refer note 24)	185.73	206.55
Depreciation of Right-of-use assets (refer note 25)	641.83	516.81
Deferred tax credit (refer note 16)	(54.08)	(6.73)
Impact on the statement of profit and loss for the year	**773.48**	**716.63**

(v) **Bifurcation of lease expenses on which exemption is taken**

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Expense related to short-term leases	149.93	439.49
Expense related to leases of low value assets, excluding short team leases of low value	45.24	74.03
Total	**195.17**	**513.52**

(vi) **Amount recognised in the statement of cash flows**

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Repayment of lease liabilities including interest expenses	1,065.18	697.34
Impact on the statement of cash flows for the year	**1,065.18**	**697.34**

(vii) Refer note 33 (iii) for contractual maturities of lease liabilities.

(viii) The group does not foresee significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Group has entered with lessors towards properties used as offices are long term in nature and no changes in terms of those leases are expected due to the COVID-19.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

32 Fair value measurements

INR in Lacs

Particulars	Note	Level of hierarchy*	As at 31 March 2021			As at 31 March 2020		
			FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets								
Investments in mutual fund	(d)	1	827.07	-	-	8,572.27	-	-
Lease Investment	(a)		-	-	387.82			
Trade receivables	(a)		-	-	9,054.15	-	-	6,227.65
Loans	(a, b)		-	-	417.45	-	-	294.33
Cash and cash equivalents	(a)		-	-	6,658.91	-	-	8,170.08
Other bank balances	(a)		-	-	3,603.83	-	-	1,276.10
Derivative financial assets	(c)	2	75.94	-	-	-	-	-
Other financial assets	(a, b)		-	-	7,373.09	-	-	240.62
Total financial assets			**903.01**	**-**	**27,495.25**	**8,572.27**	**-**	**16,208.79**
Financial liabilities								
Lease liabilities	(a)		-	-	1,834.97	-	-	1,884.11
Trade payables	(a)		-	-	2,196.58	-	-	1,219.54
Derivative financial liabilities	(c)	2	-	-	-	74.88	-	-
Other financial liabilities	(a)		-	-	1,092.92	-	-	678.12
Total financial liabilities			**-**	**-**	**5,124.47**	**74.88**	**-**	**3,781.77**

Note:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturity of these instruments.

(b) Fair value of non-current financial assets has not been disclosed as there is no significant differences between carrying value and fair value.

(c) Derivatives are carried at fair value at each reporting date. The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

(d) The fair value of the mutual funds are based on net assets value of the funds as at reporting date.

(e) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair-value of the financial-instruments factor the uncertainties arising out of COVID-19, where applicable.

* Refer note 2.19 for Level of hierarchy

33 Financial risk management

Risk management framework

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

i Market risk

Market risk includes foreign exchange risk, pricing risk and interest risk that may affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenue and expense are denominated and the functional currency of the Group. The currencies in which the Group is exposed to risk are USD, EUR, GBP and Others. The Group takes adequate foreign exchange forward covers as per the guidelines approved by the Board to mitigate currency risk.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

33 Financial risk management *(contd...)*

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

INR in Lacs

	As at 31 March 2021				As at 31 March 2020			
	USD	EUR	GBP	Others	USD	EUR	GBP	Others
Cash and cash equivalents	353.95	77.14	9.64	0.43	844.42	36.26	68.28	156.54
Trade receivables	4,173.79	82.31	1,054.13	298.78	3,413.64	36.57	312.22	416.06
Other financial assets	50.18	-	80.92	156.53	7.02	-	-	18.18
Trade payables	(122.32)	(9.04)	(2,217.63)	(0.93)	(125.38)	(7.17)	(19.46)	(48.57)
Other financial liabilities	(115.16)	-	(182.54)	-	(186.12)	-	3.41	-
Net statement of financial position exposure	**4,340.44**	**150.41**	**(1,255.48)**	**454.81**	**3,953.58**	**65.66**	**364.45**	**542.21**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EUR and GBP against INR at 31 March would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast revenue and expenses.

INR in Lacs

	Profit or Loss (before tax)			
	Year ended 31 March 2021		Year ended 31 March 2020	
	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	43.40	(43.40)	39.54	(39.54)
EUR (1% movement)	1.50	(1.50)	0.66	(0.66)
GBP (1% movement)	(12.55)	12.55	3.64	(3.64)
Others (1% movement)	4.55	(4.55)	5.42	(5.42)

Forward covers

The Group takes adequate foreign exchange forward covers to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is bank. These forward covers are value based on quoted prices for similar assets and liabilities in active markets or input that are directly or indirectly observable in the marketplace.

The details in respect of outstanding foreign currency forward contract are as follows:

Forward exchange contract	Buy/Sell	As at 31 March 2021		As at 31 March 2020	
		FC in Lacs	INR in Lacs	FC in Lacs	INR in Lacs
USD	Sell	69.50	5,237.78	28.50	2,091.03
GBP	Sell	-	-	5.00	473.23

Pricing risk:

Pricing pressure is a constant risk due to increased competition. The Group strives to mitigate this risk with existing customers by a trade-off for volumes. Thereon, it is the Group's endeavor to reduce the impact by taking advantage of economies of scale and increasing productivity, as well increasing automation within these processes.

Interest rate risk

The Group is not exposed to interest rate risk.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

33 Financial risk management *(contd...)*

ii Credit risk

Trade receivables and other financial assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and if a customer fails to meet its contractual obligations. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Details of concentration of revenue are as follows:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from top 2 customers (more than 10% revenue individually)	9,240.03	7,696.06
Revenue from top 15 customers	23,810.46	21,704.70

Expanding the customer base is mitigating this risk. Within the current customers, the Group is looking to deepen the partnership by supporting publishers in new areas of outsourcing.

Expected credit loss for trade receivables:

Trade receivables of INR 9,054.15 Lacs as at 31 March 2021 (31 March 2020 : INR 6,227.65 Lacs) forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the nature of segment, impact immediately seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable.

The Group based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss.

Group's exposure to credit risk for trade receivables using provision matrix is as follows: INR in Lacs

Particulars	As at 31 March 2021			As at 31 March 2020		
	Gross carrying amount	Allowance for credit losses	Net carrying amount	Gross carrying amount	Allowance for credit losses	Net carrying amount
Less than 180 days	7,563.70	80.81	7,482.89	6,173.13	66.09	6,107.04
More than 180 days	1,962.65	391.39	1,571.26	243.44	122.83	120.61
	9,526.35	**472.20**	**9,054.15**	**6,416.57**	**188.92**	**6,227.65**

Movement in the expected credit loss allowance of trade receivables are as follows: INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	188.92	64.56
Add: Addition due to business combination	138.85	-
Add: Provided during the year (net of reversal)	165.32	119.01
Less: Amount written off	(27.12)	-
Less: Impact of foreign currency translation	6.23	5.35
Balance at the end of the year	**472.20**	**188.92**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

33 Financial risk management *(contd...)*

Expected credit loss on financial assets other than trade receivables:

With regard to other financial assets with contractual cash flows other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no material provision for excepted credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

Investments

The Group limits its exposure to credit risk by investing in liquid securities and short term bonds and only with counterparties that have a good credit rating. The Group invests as per the guidelines approved by the Board to mitigate this risk.

iii Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's treasury department is responsible for managing the short term and long term liquidity requirements. Liquidity situation is reviewed regularly by the management.

Exposure to liquidity risk

The following are the details of contractual maturities of financial liabilities at the reporting date:

INR in Lacs

Particulars	Contractual Cash flows					
	As at 31 March 2021			As at 31 March 2020		
	Carrying Amount	Within 1 year	More than 1 Year	Carrying Amount	Within 1 year	More than 1 Year
Non-derivative financial liabilities						
Lease liabilities	1,834.97	543.14	1,291.83	1,884.11	604.86	-
Trade payables	2,196.58	2,196.58	-	1,219.54	1,219.54	-
Other financial liabilities	1,092.92	1,092.92	-	678.12	678.12	-
Derivative financial liabilities						
Other financial liabilities (forward covers)	-	-	-	74.88	74.88	-

34 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital structure is as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Total equity attributable to the equity share holders of the Group	1,805.02	1,861.69
As percentage of total capital	100%	100%
Total lease liabilities	1,834.97	1,884.11
As a percentage of total capital	102%	101%
Total capital (lease liabilities and equity)	**3,639.99**	**3,745.81**

The Group is equity financed which is evident from the capital structure. Further, the Group has always been a net cash group with cash and bank balances along with investment which is predominantly investment in fixed deposits with bank, liquid and short term mutual funds.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

35 Segment information

Operating Segments

The CEO and Whole Time Director of the Group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Accordingly, the Group has determined reportable segment by nature of its product and service, accordingly following are the reportable segments:

(a) **Content solutions:** Content solutions mean creating and developing content for print and digital delivery. It includes content authoring/development, content production, content transformation, fulfillment and customer support services.

(b) **eLearning solutions:** offering custom technology-enabled learning services which included Web-based tutorials, Simulation- and Game-based learning, Augmented and Virtual Reality, Learning Nuggets and Motion Graphics, Learning Consulting to corporates, government agencies, universities etc.

(c) **Platform solutions:** Platform solutions means developing and implanting various software and technology services programs.

The Group has aggregated its operating segment into Content, eLearning and Platform operating reportable segment, which is consistent with aggregation criteria defined under Ind AS 108 i.e. similar economic characteristics, similar nature of the production process, similar type or class of customer for their products and services and similar method used to distribute their product or provide their services.

Accordingly, operating segment i.e. books, journals, customer fulfillment and others are aggregated into content operating segment and technology and software related services aggregated into platform operating segment.

The CODM has evaluated the segment wise allocation for the business of the new acquisition of HighWire Group into existing segment of Platform Solutions.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

35 **Segment information** *(contd...)*

(i) Revenue and expenses which relate to the Group as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses'. Details are as follows:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Segment revenue		
Content solutions	22,764.15	20,347.68
eLearning solutions	5,730.86	7,500.89
Platform solutions	13,759.74	5,316.71
Total revenue from operations	**42,254.75**	**33,165.28**
Segment results		
Content solutions	7,495.38	6,456.76
eLearning solutions	(242.39)	649.85
Platform solutions	3,473.79	1,599.27
Total	**10,726.78**	**8,705.88**
Add: Interest income	572.45	362.38
Less: Finance cost	203.77	214.87
Less: Un-allocable expenditure (net of un-allocable income)	1,756.07	711.53
Profit before tax	**9,339.39**	**8,141.86**
Tax expense	3,483.43	2,156.02
Profit for the year	**5,855.96**	**5,985.84**

(ii) 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.

(d) **Geographical informations:**

The geographical information analysis the Group's revenue and non-current assets by the holding Company's country of domicile (i.e. India) and other countries. In presenting the geographical information segment revenue has been based on the geographical location of customers and segment assets which have been based on the geographical location of the assets.

(i) **Revenue by geographical markets**

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
India (country of domicile)	766.85	1,242.66
Europe	11,600.61	11,470.82
USA	28,526.65	19,285.17
Rest of the World	1,360.64	1,166.63
Total	**42,254.75**	**33,165.28**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

35 Segment information *(contd...)*

(ii) Non-current assets (by geographical location of assets)

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
India (country of domicile)	8,513.44	9,523.97
Europe	285.40	839.94
USA	7,724.98	2,397.61
Rest of the World	0.42	0.59
Total	**16,524.24**	**12,762.11**

36 Related party transactions

The related parties as per the terms of Ind AS-24,"Related Party Disclosures", (specified under section 133 of the Companies Act, 2013) are disclosed below:-

A Names of related parties and description of relationship:

S.No.	Description of relationship	Names of related parties
1	Holding Company	ADI BPO Services Limited
2	Company Under Common Control	ADI Media Private Limited Nishith Arora Family Trust (w.e.f. 27 February 2020) Neha Family Trust (w.e.f. 27 February 2020)
3	Key management personnel (KMP)	Mr. Nishith Arora, Non-Executive Chairman
		Mr. Rahul Arora, Managing Director
		Ms. Yamini Tandon, Non- Executive Director
		Mr. Vijay Sood, Non-Executive Director (till 25 January 2020)
		Mr. Ambarish Raghuvanshi, Independent Director till 27 January 2020
		Mr. Sunil Shah, Non-Executive Director (Additional Director) till 31 July 2019
		Ms. Jayantika Dave, Independent Director w.e.f 30 October 2019
		Ms. Achal Khanna, Independent Director w.e.f 30 October 2019
		Mr. Ajay Mankotia, Independent Director w.e.f. 29 January 2020
		Dr. Piyush Kumar Rastogi, Independent Director w.e.f. 29 January 2020
		Mr. Sunit Malhotra, CFO & Company Secretary and Director of the holding company
		Ms. Gagan Sahni Tyagi, Director of holding company
		Ms. Pooja Singh, Director of the holding company till 1 August 2019
4	Sole Proprietorship firm of Director	M/s Ajay Mankotia Associates

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

36 Related party transactions *(contd...)*

B Transactions during the year

INR in Lacs

S. No.	Description of transactions:	Name of related party	Relationship	Year ended 31 March 2021	Year ended 31 March 2020
1	Rentals paid	ADI BPO Services Limited	Holding Company	168.88	184.23
		ADI Media Private Limited	Company Under Common Control	5.28	5.28
2	Infrastructure charges	ADI BPO Services Limited	Holding Company	51.60	51.60
3	Reimbursement of expenses	ADI BPO Services Limited	Holding Company	9.93	54.31
		ADI Media Private Limited	Company Under Common Control	1.94	3.67
4	Remuneration				
(i)	Short-term employee benefits	Mr. Rahul Arora	KMP	250.09	249.27
		Ms. Yamini Tandon	KMP	152.60	143.27
		Mr. Sunit Malhotra	KMP	66.56	63.57
		Ms. Gagan Sahni Tyagi	KMP	23.28	20.72
		Ms. Pooja Singh	KMP	-	6.53
(ii)	Post-employment benefits	Mr. Sunit Malhotra	KMP	0.52	1.33
		Ms. Gagan Sahni Tyagi	KMP	1.15	0.97
		Ms. Pooja Singh	KMP	-	0.32
5	Director sitting fees	Mr. Vijay Sood	KMP	-	10.40
		Mr. Ambarish Raghuvanshi	KMP	-	5.40
		Mr. Sunil Shah	KMP	-	1.60
		Ms. Jayantika Dave	KMP	6.40	2.60
		Ms. Achal Khanna	KMP	5.20	2.00
		Mr. Ajay Mankotia	KMP	11.80	2.20
		Dr. Piyush Kumar Rastogi	KMP	7.80	2.20
6	Buy back of Equity Share	ADI BPO Services Limited	Holding Company	2,072.33	-

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

36 Related party transactions *(contd...)*

C Balances at the year end

INR in Lacs

S. No.	Balances at the year end	Name of related party	Relationship	As at 31 March 2021	As at 31 March 2020
1	Security deposit placed	ADI BPO Services Limited	Holding Company	75.46	70.34
		ADI Media Private Limited	Company Under Common Control	0.81	0.77
2	Prepayment rent	ADI BPO Services Limited	Holding Company	20.98	26.22
		ADI Media Private Limited	Company Under Common Control	0.06	0.11
3	Trade payables	ADI BPO Services Limited	Holding Company	-	1.31
		ADI Media Private Limited	Company Under Common Control	0.02	0.30
4	Projected benefit obligation	Mr. Sunit Malhotra	KMP	11.98	11.08
		Ms. Gagan Sahni Tyagi	KMP	4.29	3.03

Notes:

1 No amount has been written off / written back during the year in respect of dues from / to related parties.

37 Contingent liabilities to the extent not provided for:

(i) Claims against Company, disputed by the Group, not acknowledged as debt:

INR in Lacs

	As at 31 March 2021	As at 31 March 2020
(a) Income tax	651.67	683.45
(b) Service tax	43.14	143.82

The above amounts are based on the notice of demand / Assessment Orders / claims by the relevant authorities / parties and the Group is contesting these claims. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Group's rights for future appeals before the judiciary. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

(ii) The Supreme Court on 28 February 2019 had provided its judgement regarding inclusion of other allowances such as travel allowances, special allowances, etc., within the expression 'basic wages' for the purpose of computation of contribution of provident fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). There are interpretive challenges on the application of the Supreme Court Judgement including the period from which judgement would apply, consequential implications on resigned employees, etc. Further, various stakeholders had also filed representations with PF authorities in this respect. All these factors raises significant uncertainty regarding the implementation of the Supreme Court Judgement. Owing to the aforesaid uncertainty and pending clarification from regulatory authorities in this regard, the Group had recognized provision for the PF contribution on the basis of above mentioned order with effect from the order date. Further, the management believes that impact of aforementioned uncertainties on the financial statements of the Group should not be material.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

38 Commitments as at year end

Estimated amount of contracts remaining to be executed on capital account (net of advances) INR 62.21 Lacs (31 March 2020: INR 119.54 Lacs).

39 Corporate Social Responsibility (CSR) Expense

As required by Section 135 of the Companies Act 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The areas for CSR activities include imparting primary education to under privileged girls, computer education to underprivileged children and building intellect and instill higher values of life through education and any other area the Board may find appropriate. Gross amount required to be spent by the Company during the year was INR 163 Lacs (for the year ended 31 March 2020; INR 186 Lacs).

Amount spent by the Group on its CSR activities are as follows:

INR in Lacs

Purpose	Year ended 31 March 2021	Year ended 31 March 2020
Promotion of education and skills	115.00	144.00
Health care	48.00	42.00
Total	**163.00**	**186.00**

40 Business Combination

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 the United Kingdom at a purchase consideration of INR 770 Lacs. The combined platforms of the Company and HighWire has significantly strengthen Company’s product ecosystem.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

40 Business Combination *(contd...)*

Following assets and liabilities have been recorded on fair value through business combination accounting by the Group:

INR in Lacs

Particulars	Notes	As at 1 July 2020
Property, plant and equipment	3.1	73.55
Right-of-use assets	4	428.53
Other intangible assets	5	2,641.59
Non-current investments		806.89
Other non-current assets		3.24
Trade receivables		2,062.41
Cash and cash equivalents		1,502.71
Other financial assets		51.00
Loans		170.48
Other current assets		689.46
Lease liabilities	14	(997.73)
Other financial liabilities-non current		(48.01)
Trade payables		(1,255.94)
Other financial liabilities-current		(400.77)
Income received in advance (contract liabilities)	45 (iii)	(1,471.31)
Other current liabilities		(269.45)
Provisions		(384.17)
Income tax liabilities (net)		(142.42)
Deferred tax liabilities (net)	16	(57.42)
Net assets		**3,402.64**
Purchase consideration		5,951.40
Goodwill	5	**2,548.76**

The goodwill of INR 2,548.75 Lacs comprises value of acquired workforce and expected synergies arising from the acquisition. Goodwill is deductible for income tax purposes at USA.

The group incurred acquisition related cost of INR 73.42 Lacs on legal fees and due diligence costs. These cost have been included in legal and professional fees under the head "other expenses".

If the acquisition had occurred on 1 April 2020, management estimates that total revenue for the Company would have been higher by INR 2,899.42 Lacs and the profit after taxes would have been higher by INR 245.71 Lacs. The pro-forma amounts are not necessarily indicative of the results that would have occurred if the acquisition had occurred on date indicated or that may result in the future.

41 There has been no delay in transferring amounts and shares, required to be transferred, to the Investor Education and Protection Fund by the Group.

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

42 Details of provisions

The Company has made provision for pending litigation matter based on its assessment of the amount it estimates to incur to meet such obligation, details of which are given below:

INR in Lacs

Provision for service tax matter	As at 31 March 2021	As at 31 March 2020
As at commencement of the year	39.04	159.10
Additions	-	4.84
Reversal/utilisation	(39.04)	(124.90)
As at end of the year	**-**	**39.04**
Out of the above following amount are expected to be incurred within year	-	39.04

43 Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans to subsidiary company (refer note 36):

INR in Lacs

MPS Interactive Systems Limited	Purpose/Term of loan	As at 31 March 2021	As at 31 March 2020
Outstanding as at the beginning of year	General business purpose for a tenure of 5 years	2,052.60	2,300.00
Given during the year		-	-
Repaid during the year		(2,052.60)	(247.40)
Maximum balance outstanding		2,052.60	2,300.00
Outstanding as at the end of year		**-**	**2,052.60**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

44 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

S. N.	Name of the Enterprise	Year ended	Net Assets (Total assets- Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	INR in Lacs	As % of consolidated profit/ (loss)	INR in Lacs	As % of Consolidated other comprehensive income	INR in Lacs	As % of Consolidated total comprehensive income	INR in Lacs
	Parent									
	MPS Limited	31-Mar-21	94.12%	35,871.41	103.37%	6,053.38	70.48%	(155.46)	104.66%	5,897.92
		31-Mar-20	93.18%	34,187.76	88.16%	5,276.87	(2.42%)	(15.67)	79.32%	5,261.20
	Wholly Owned Subsidiaries Indian									
	MPS Interactive Systems Limited	31-Mar-21	15.08%	5,747.55	(11.16%)	(653.69)	(22.66%)	49.99	(10.71%)	(603.70)
		31-Mar-20	18.05%	6,621.40	5.12%	306.49	(3.72%)	(24.02)	4.26%	282.47
	Foreign									
1	MPS North America LLC	31-Mar-21	18.27%	6,962.15	9.14%	535.34	104.01%	(229.44)	5.43%	305.90
		31-Mar-20	18.14%	6,656.26	9.77%	584.82	86.13%	556.97	17.22%	1,141.79
2	Topsim GmbH	31-Mar-21	0.13%	47.95	1.07%	62.38	7.34%	(16.19)	0.82%	46.19
		31-Mar-20	-	1.76	(5.24%)	(313.76)	1.89%	12.24	(4.55%)	(301.52)
3	Europa AG	31-Mar-21	2.03%	774.87	(5.18%)	(303.48)	2.46%	(5.44)	(5.48%)	(308.92)
		31-Mar-20	2.95%	1,083.79	1.20%	71.64	18.64%	120.53	2.90%	192.17
4	HighWire NA LLC (w.e.f 19 June 2020)	31-Mar-21	0.47%	178.24	(0.08%)	(4.56)	2.83%	(6.25)	(0.19%)	(10.81)
5	HighWire Press Limited (w.e.f 1 July 2020)	31-Mar-21	0.69%	263.63	0.77%	45.33	(8.77%)	19.36	1.14%	64.69
6	Semantico Limited (w.e.f 1 July 2020)	31-Mar-21	4.22%	1,609.47	3.08%	180.43	(60.35%)	133.13	5.56%	313.56
	Total elimination	31-Mar-21	(35.01%)	(13,343.42)	(1.01%)	(59.17)	4.66%	(10.29)	(1.23%)	(69.46)
		31-Mar-20	(32.32%)	(11,860.25)	0.99%	59.78	(0.52%)	(3.39)	0.85%	56.39
	Total (31 March 2021)		**100%**	**38,111.85**	**100%**	**5,855.96**	**100%**	**(220.59)**	**100%**	**5,635.37**
	Total (31 March 2020)		**100%**	**36,690.72**	**100%**	**5,985.84**	**100%**	**646.66**	**100%**	**6,632.50**

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

45 Revenue

(i) Revenue from contracts with customers

Revenues for the year ended 31 March 2021 and 31 March 2020 are as follows:

INR in Lacs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Content solutions	22,764.15	20,347.68
eLearning solutions	5,730.86	7,500.89
Platform solutions	13,759.74	5,316.71
	42,254.75	**33,165.28**

(ii) Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by primary geographical market and major products/service lines. The table also includes a reconciliation of the disaggregated revenue with the Group's three segments, which are its reportable segments (refer note 35)

INR in Lacs

Revenue by geographical markets	Year ended 31 March 2021				Year ended 31 March 2020			
	Content solutions	eLearning solutions	Platform solutions	Total	Content solutions	eLearning solutions	Platform solutions	Total
India (country of domicile)	172.49	532.93	61.43	**766.85**	76.97	1,003.65	162.04	**1,242.66**
Europe	3,940.36	1,215.78	6,444.47	**11,600.61**	6,636.11	1,390.82	3,443.89	**11,470.82**
USA	18,254.99	3,510.20	6,761.46	**28,526.65**	13,297.81	4,642.09	1,345.27	**19,285.17**
Rest of the World	396.31	471.95	492.38	**1,360.64**	336.79	464.33	365.51	**1,166.63**
Total	**22,764.15**	**5,730.86**	**13,759.74**	**42,254.75**	**20,347.68**	**7,500.89**	**5,316.71**	**33,165.28**

Refer note 33 (ii) on financial risk management for information on revenue from top customers.

(iii) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

INR in Lacs

Particulars	As at 31 March 2021	As at 31 March 2020
Receivables, which are included in 'Trade and other receivables' (refer note 11)	9,054.15	6,227.65
Unbilled revenue (refer note 8(ii))	210.23	118.01
Contract assets (refer note 10 (ii))	3,237.93	3,931.24
Contract liabilities (refer note 19)	4,388.79	2,298.85

Trade receivables are non-interest bearing and are generally on terms of 0 to 60 days.

The acquisition of a subsidiaries resulted in increase in trade receivables of INR 2,062.41 Lacs in year ended 31 March 2021 (refer note 40).

Notes forming part of Consolidated Financial Statements for the year ended 31 March 2021

(INR in Lacs, except share and per share data, unless otherwise stated)

45 Revenue *(contd...)*

Significant changes in the contract assets and the contract liabilities balances during the year are as follows

INR in Lacs

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Balance as at beginning of the year	**3,931.24**	**2,298.85**	**3,040.90**	**2,760.86**
Business combination (refer note no 40)	-	1,471.31	-	-
Revenue recognised that was included in the unearned balance at the beginning of the year	-	(3,536.34)	-	(2,417.67)
Increases due to cash received, excluding amounts recognised as revenue during the year	54.61	3,665.66	-	1,951.20
Reversal of contract assets/contract liabilities	(164.07)	(16.93)	-	-
Transfers from contract assets recognised at the beginning of the year to receivables	(3,692.71)	-	(2,603.16)	-
Increases as a result of changes in the measure of progress	3,108.86	479.55	3,493.89	-
Exchange Impact	-	26.69	(0.39)	4.46
Balance at the end of the year	**3,237.93**	**4,388.79**	**3,931.24**	**2,298.85**

(iv) The amount of revenue recognised from performance obligations satisfied (or partially satisfied) in previous years, mainly due to the changes in the transaction price is Nil (31 March 2020 : INR Nil Lacs)

(v) **Reconciliation of revenue recognized with the contracted price is as follows:**

INR in Lacs

	Year ended 31 March 2021	Year ended 31 March 2020
Contracted price	**42,487.38**	**33,235.71**
Reductions towards variable consideration components	(232.63)	(70.43)
Revenue recognised	**42,254.75**	**33,165.28**

(vi) **Transaction price allocated to the remaining performance obligations**

The Group applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

(vii) The Group has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Group has concluded that the impact of COVID – 19 is not material based on such evaluation. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022

Shashank Agarwal
Partner
Membership Number: 095109

Place: Gurugram
Date: 26 May 2021

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
Managing Director
DIN: 05353333

Ajay Mankotia
Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date: 26 May 2021

Form AOC – 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

INR in lakhs

Name of the Subsidiary	MPS North America LLC	MPS Interactive Systems Limited	MPS Europa AG	TOPSIM GmbH	HighWire North America LLC
Reporting period for the subsidiary concerned	Financial Year 2020-21	Financial Year 2020-21	Financial Year 2020-21	Financial Year 2020-21	Financial Year 2020-21
Reporting currency and exchange rate as on the Financial Year ended on March 31, 2021	INR 73.11 = USD 1	INR	INR 77.56 = CHF 1	INR 85.76 = Euro 1	INR 73.11 = USD 1
Share capital	4,213.59	6200.00	68.34	182.27	189.05
Reserves & surplus	2,748.58	(452.45)	706.53	(134.32)	(10.80)
Total assets	8,945.76	8366.08	1,034.61	1,016.00	182.78
Total Liabilities	8,945.76	8366.08	1,034.61	1,016.00	`182.78
Investments	731.10	-	-	-	-
Turnover	8,416.28	4,737.89	1,106.92	1,558.76	-
Profit/(loss) before taxation	725.10	(79.06)	(316.63)	22.69	(4.56)
Provision for taxation	189.75	574.64	(13.15)	(39.69)	-
Profit/(loss) after taxation	535.35	(653.70)	(303.48)	62.38	(4.56)
Other Comprehensive Income/(loss)	(229.44)	49.99	(5.44)	(16.19)	(6.24)
Total Comprehensive Income	305.91	(603.71)	(308.92)	46.19	(10.80)
Proposed Dividend	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%

For and on behalf of the Board of Directors of **MPS Limited**

Rahul Arora
CEO and Managing Director
DIN: 05353333

Ajay Mankotia
Independent Director
DIN: 03123827

Sunit Malhotra
Chief Financial Officer & Company Secretary

Place: Gurugram
Date: May 26, 2021

NOTICE

Notice is hereby given that the 51st Annual General Meeting ("AGM") of MPS LIMITED ("the **Company**") will be held on **Wednesday, June 30, 2021 at 05:30 P.M.** IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt

    a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and

    b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon.

2. To convey assent or dissent to the following as an Ordinary Resolution for the appointment of the Statutory Auditors of the Company:

    "**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), based on the recommendation of the Audit Committee and the Board of Directors, M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration Number-001076N/N500013), be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 56th Annual General Meeting of the Company to be held in the year 2026, on such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

3. To consider the retirement of Mr. Nishith Arora (DIN: 00227593), Non–Executive Director, who retires by rotation, and, has not offered himself for re-appointment and the vacancy so caused be not filled up

    To convey assent or dissent to the following as an Ordinary Resolution:

    "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Nishith Arora (DIN: 00227593), who retires by rotation and has not offered himself for re-appointment, be and is hereby not re-appointed as a Director of the Company and the vacancy so caused on the Board be not filled up."

4. To convey assent or dissent to the following as Special Resolution:

    "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, Dr. Piyush Kumar Rastogi (DIN: 02407908), Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term, be and is hereby re-appointed as an Independent Director of the Company for a term of three years with effect from January 29, 2021, to January 28, 2024 and the term shall not be subject to retirement by rotation."

By Order of the Board of Directors

Place: Gurugram
Date: May 26, 2021

Sunit Malhotra
Chief Financial Officer &
Company Secretary

Registered Office:
RR Towers IV, Super A,
16/17, T V K Industrial Estate,
Guindy, Chennai - 600 032, Tamil Nadu
CIN: L22122TN1970PLC005795
E-mail: investors@mpslimited.com
Website-www.mpslimited.com

IMPORTANT NOTES:

A. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 2, 3 and 4 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this Annual General Meeting ("AGM") are also annexed.

B. General instructions for accessing and participating in the 51st AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID-19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed to this Notice.

3. Pursuant to the provisions of the Companies Act, 2013 ("Act") a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

5. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served

basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

7. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and circular no. 20/2020 dated May 5, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.mpslimited.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

9. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

10. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13,2021.

C. THE INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on Sunday, June 27, 2021 at 09:00 AM (IST) and ends on Tuesday, June 29, 2021 at 05:00 PM (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Wednesday, June 23, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

PURSUANT TO ABOVE SAID SEBI CIRCULAR, LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETINGS FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE IS GIVEN BELOW:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1. Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/ EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with NSDL	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click on the following NSDL website link- https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders & physical shareholders.**

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. #ensure the communication of sequence number.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant MPS Limited-210520002 on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) **Facility for Non – Individual Shareholders and Custodians – Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a certified copy of the Board Resolution to the Company, authozising them to attend and vote on their behalf at the AGM. The said resolution/authorization shall be sent to the Scrutinizer by email through its registered email address to rsaevoting@gmail.com with a copy marked to investors@mpslimited.com.

D. <u>INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:</u>

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request at least **3(Three) days** in advance **prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investors@mpslimited.com and agm@cameoindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries **3(Three) days** in advance **prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investors@mpslimited.com and agm@cameoindia.com. These queries will be replied to by the company suitably by

email. Those members who have registered themselves as a speaker shall be allowed to ask questions during the 51st AGM, depending upon the availability of time.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

E. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

i. For Physical shareholders-please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id i.e. agm@cameoindia.com.

ii. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).

iii. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meeting through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

OTHER GUIDELINES FOR MEMBERS:

a. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evotingindia.com to reset the password.

b. The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on the **cut-off date, i.e., Wednesday, June 23, 2021.**

c. The Register of Members and Share Transfer Books of the Company shall remain closed from **Thursday, June 24, 2021 to Wednesday, June 30, 2021 (both days inclusive)** for the purpose of the Annual General Meeting.

d. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or casting vote through e-voting system during the meeting.

e. Any person, who acquires shares of the Company and becomes the member of the Company after the Company sends the Notice of the AGM and would be holding shares of the Company as on the cut-off date i.e. Wednesday, June 23, 2021 may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com or agm@cameoindia.com.. Alternatively, the shareholder can create their user name and password by entering the valid credentials, as mentioned in point no (viii) mentioned above in the remote e-voting instructions.

f. Mr. R Sridharan, Practicing Company Secretary (Membership No. FCS 4775) of M/s. R Sridharan & Associates, Company Secretaries, Chennai, has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.

g. During the 51st AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 51st AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 51st AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-voting will be closed with the formal announcement of closure of the 51st AGM.

h. The Scrutinizer shall after the conclusion of e-Voting at the 51st AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 51st AGM, who shall then countersign and declare the result of the voting forthwith.

i. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website, www.mpslimited.com and on the website of CDSL immediately after the results are declared and communicated to the Stock Exchanges, where the shares of the Company are listed, viz. BSE Limited and National Stock Exchange of India Limited.

j. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM, i.e., Wednesday, June 30, 2021.

EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to businesses mentioned under Item No. 2, 3 and 4 of the accompanying Notice:

Item No. 2

As per the provisions of Section 139 of the Companies Act, 2013 and Rule 6 of the Companies (Audit and Auditors) Rules, 2014, listed company shall appoint or re- appoint an audit firm as auditor for maximum 2 terms of 5 consecutive years.

The shareholders in its Annual General Meeting held on July 19, 2016 had approved the appointment of M/s BSR & Co. LLP (Firm Registration No.: 101248W/W-100022), Chartered Accountants, as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of its 46th Annual General Meeting till the conclusion of 51st Annual General Meeting to be held in the year 2021. As their office as Statutory Auditors of the Company will be completed at the conclusion of the forthcoming AGM, it is proposed to seek the shareholder's approval for appointment of a new auditor at the meeting.

The Audit Committee in its meeting held on May 26, 2021 have recommended to the Board of Directors and the Board in its meeting held on May 26, 2021, subject to the approval of the shareholders of the Company, has approved the appointment of M/s. Walker Chandiok & Co LLP, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 56th Annual General Meeting of the Company to be held in the year 2026.

M/s. Walker Chandiok & Co LLP ("WCC LLP") have given their consent to act as the Statutory Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

WCC LLP was established in 1935 and is registered with the Institute of Chartered Accountants of India as well as the PCAOB (US Public Company Accountancy Oversight Board). WCC LLP licenses audit software as well as audit methodology from Grant Thornton. For multinational companies and other organisations with international operations or interests, WCC LLP has access to Grant Thornton member firms in other countries that adopt the same rigorous standards and utilise the same tools and methodologies. WCC LLP is an independent Indian partnership firm that provides audit, tax and advisory services. WCC LLP was the Internal Auditor of the Company from FY 2012-2019.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution as set out at item no. 2 for approval as an Ordinary Resolution.

Item no. 3

Mr. Nishith Arora ("Mr. Arora") was appointed as an Additional Director of the Company on 7th December, 2011. He was thereafter appointed as the Chairman and Managing Director of the Company for a period of three years from 19th April, 2012.

In terms of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Mr. Arora is due to retire by rotation at this Annual General Meeting. Mr. Arora has not offered himself for re-appointment, resulting in a vacancy on the Board; and, the Board has resolved, subject to approval of shareholders, that the vacancy in the Board so created shall not be filled.

The Board in its meeting held on 26th May, 2021 placed on record its appreciation of the services rendered and contributions made by Mr. Arora during his tenure of office as a Chairman and Director of the Company and his advice and directions from time to time.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, except Mr. Rahul Arora, son of Mr. Arora and Ms. Yamini Tandon, Daughter in Law of Mr. Arora, is interested in this Resolution.

The Board recommends this Resolution as set out at item no. 3 for approval as an Ordinary Resolution.

Item no. 4

Dr. Piyush Kumar Rastogi ("Dr. Rastogi") is an Independent Director of the Company and the Member of the Audit Committee of the Board of Directors of the Company. He joined the Board of Directors of the Company on January 29, 2020. Pursuant to the Act, Dr. Rastogi, was appointed as an Independent Director to hold office for a term of one year commencing from January 29, 2020 upto January 28, 2021.

As per Section 149(10) of the Act, an Independent Director shall be eligible for re-appointment on passing a special resolution by the Company.

The Board of the Directors, based on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the shareholders of the Company, has approved the re-appointment of Dr. Rastogi as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of Three (3) consecutive years, with effect from January 29, 2021, to January 28, 2024.

Dr. Rastogi is a Senior Partner with Rastogi and Donald, a leading Chartered Accountants' firm with offices in New Delhi and Noida, UP that was established in 1986. The firm is registered with the Comptroller and Auditor General of India and leads public sector audits. The firm is on the panel of nationalized banks and financial institutions and leads statutory audits of banks and provides consultancy services to financial institutions. Additionally, the firm provides financial consultancy services to public and private limited companies.

Dr. Rastogi is a Fellow Member of Institute of Chartered Accountants of India and holds a Doctorate Degree in Commerce (Banking) from Rohilkhand University. Dr. Rastogi also completed his LLB and his Masters in Commerce from the same University, while he completed his Bachelor's Degree in Commerce from Agra University. Dr. Rastogi does not hold any shares in the Company.

In the opinion of the Board, Dr. Rastogi fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his re-appointment as an Independent Director of the Company and is independent of the management.

The Board of Directors is of also of the opinion that, with the expertise & experience of Dr. Rastogi in accounting, taxation, legal and financial management, the Company would continue to get his advice in the growth of the Company, best accounting practices and regulatory compliances.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. Rastogi as an Independent Director.

Accordingly, the Board recommends Special Resolution in relation to the re-appointment of Dr. Rastogi as an Independent Director for another term of three consecutive years, with effect from January 29, 2021 to January 28, 2024 for the approval by the shareholders of the Company.

None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No. 4 of the Notice. The Board recommends the Special Resolution as set out at item no. 4 for approval by the Members.

Additional Information, required under Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India, is given in Annexure to this Notice.

By Order of the Board

Place: Gurugram
Date: May 26, 2021

Sunit Malhotra
CFO & Company Secretary

Registered Office:
RR Towers IV, Super A,
16/17, T V K Industrial Estate,
Guindy, Chennai - 600 032, Tamil Nadu
CIN: L22122TN1970PLC005795
E-mail: investors@mpslimited.com

Annexure to the Notice

(For Items No. 4)

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Particulars	Dr. Piyush Kumar Rastogi
Date of Re-Appointment	January 29, 2021
Age	63 Years
Qualifications	Chartered Accountancy and a Doctorate Degree in Commerce (Banking) from Rohilkhand University and LLB and Masters in Commerce.
Expertise in specific functional area	Specialization and wide experience in Audit, Financial Accounting, and Corporate Law.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil
Number of Meetings of the Board attended during the year	5 Meetings
Directorships held in other Public Limited Companies in India	MPS LIMITED
*Chairmanships / Memberships of Committees in other Public Limited Companies in India	Nil
Shareholding in the Company (No. of shares)	Nil

*Committees considered for the purpose are those prescribed in Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, viz. Audit Committee and Stakeholders' Relationship Committee.

MPS Limited

REGISTERED OFFICE

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