

27th April, 2011

To

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra East
Mumbai - 400 051
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Bombay Stock Exchange Limited
Listing Department
P J Tower, 1st Floor, Dalal Street
Mumbai – 400001
Ph: 22655656 / 0525
Fax: 022 22673677 / 22721072
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The Madras Stock Exchange
Exchange Building
Post Box No. 183, 11, Second Line Beach,
Chennai – 600 001
Ph: 25224382/92/93
Fax: 044-25244897
E.Mail: mseed@md3.vsnl.net.in

Dear Sir,

Sub: Quarterly Result

Pursuant to clause 41 of the Listing Agreement, we enclose the unaudited financial result for the quarter ended 31st March, 2011, as approved by the Board of Directors today, for your kind perusal.

Yours faithfully

MPS Limited



S K Guha

Company Secretary

MPS Limited

(Formerly Macmillan India Limited)

Registered Office: # 27 G.N. Chetty Road, T. Nagar, Chennai 600 017

Un-Audited Consolidated Financial Results for the Quarter Ended 31-Mar-2011



A Macmillan Company

Rs. In Lacs

Sl No	Particulars	Ref	STANDALONE			CONSOLIDATED		
			Three month Ended 31-03-2011 (Un-Audited)	Corresponding Three months ended in the previous year 31-03-2010 (Un-Audited)	Previous accounting Year Ended 31-12-2010 (Un-Audited)	Three month Ended 31-03-2011 (Un-Audited)	Corresponding three months in the previous year 31-03-2010 (Un-Audited)	Previous accounting Year Ended 31-12-2010 (Un-Audited)
1.	a) Net Sales b) Other Operating Income		2,919	2,991	12,742	3,354.00	3,516.00	14,813.00
2.	Expenditure a) (Increase)/Decrease in stock in trade and Work in Progress b) Consumption of Raw Materials c) Employees cost d) Depreciation e) Other Expenditure		(62) 299 1,921 155 904	126 351 2,030 133 991	97 1,351 8,403 667 4,017	(62.00) 15.00 2,254.00 201.00 1,136.00	126.00 25.00 2,437.00 191.00 1,253.00	97.00 92.00 9,974.00 891.00 5,137.00
	Total Expenditure		3,217	3,631	14,535	3,544.00	4,032.00	16,191.00
3.	(Loss)/ Profit from operations before Other Income, Interest &	(1-2)	(297)	(640)	(1,713)	(190.00)	(516.00)	(1,298.00)
4.	Other Income		178	52	821	201.00	16.00	781.00
5.	(Loss)/ Profit before Interest & Exceptional Items	(3+4)	(119)	(588)	(892)	11.00	(500.00)	(517.00)
6.	Interest		15	2	53	19.00	5.00	66.00
7.	(Loss) / Profit after Interest but before Exceptional Items	(5-6)	(134)	(590)	(945)	(8.00)	(505.00)	(583.00)
8.	Exceptional Items		(134)	(590)	(945)	(8.00)	(505.00)	(583.00)
9.	(Loss)/ Profit from Ordinary activities before tax	(7+8)	(134)	(590)	(945)	(8.00)	(505.00)	(583.00)
10.	Tax Expenses		1		(88)	10.00	1.00	(113.00)
11.	Net (Loss)/ Profit from ordinary activities after tax	(9-10)	(135)	(590)	(857)	(18.00)	(506.00)	(470.00)
12.	Extraordinary item (net of tax expense)					-		-
13.	Net (Loss)/ Profit for the period		(135)	(590)	(857)	(18.00)	(506.00)	(470.00)
14.	Paid-Up Equity Share Capital (face value - Rs 10 per Equity Share)		1,682	1,682	1,682	1,682.27	1,682.27	1,682.27
15.	Reserves excluding Revaluation Reserve as per the Balance Sheet of previous accounting year		-	-	8,310			6,392.00

16	Earning per Share - Basic & diluted - not annualised)	(0.80)	(3.51)	(5.09)	(0.11)	(3.01)	(2.79)
17	Public Shareholding: - Number of shares - Percentage of holding to total shares Promoters and promoter group shareholding	6482688 39%	6482688 39%	6482688 39%	6,482,688 39%	6,482,688 39%	6,482,688 39%
18	(a) Pledged / Encumbered - Number of shares - % of Promoter & Promoter Group holding - % of Total Share Capital of the Company (b) Non-Encumbered - Number of shares - % of Promoter & Promoter Group holding - % of Total Share Capital of the Company	10339980 100% 61%	10339980 100% 61%	10339980 100% 61%	10,339,980 100% 61%	10,339,980 100% 61%	10,339,980 100% 61%

Notes:

The above statement of unaudited Consolidated Financial Results for the quarter ended 31st Mar, 2011 was reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors at their meeting held on 27th April 2011. The results have been subjected to limited review by the statutory auditors of the company.

The Company had opted to publish financial results on a consolidated basis.

A Scheme of Amalgamation (Scheme) of the wholly owned subsidiaries of the Company, namely, MPS Technologies Ltd. and MPS Content Services Inc. and its wholly owned subsidiary MPS Content Services (India) Pvt. Ltd. with the parent company, MPS Limited, with effect from 31-December-2010, (the Appointed Date under the Scheme) was approved by their respective Board of Directors in January 2011. As required under the Listing Agreements between the Company and the Madras Stock Exchange, the Bombay Stock Exchange and the National Stock Exchange, the requisite approvals of the Stock Exchanges to the Scheme was obtained. Legal proceedings were thereafter initiated in the High Court at Madras, pursuant to the applicable provisions of the Companies Act, 1956 towards seeking its sanction to the Scheme. The Madras High Court granted dispensation from holding Shareholders meetings in view of the fact that the amalgamation contemplated by the Scheme was of two Wholly owned subsidiaries and one indirect wholly owned subsidiary and directed the Companies, namely MPS Content Services India Private Limited and MPS Technologies Limited (petitioner Companies) to file the Company petitions. The Company petitions were filed and admitted by the Madras High Court and directions have been issued to the Official Liquidator to appoint an Auditor to scrutinize the books of accounts of the petitioner Companies and to submit his report on 28th April, 2011. Should the Scheme be sanctioned by the Madras High Court, material changes arising from the sanctioned Scheme, with effect from the Appointed Date, on the financial results will be reflected in the financial statements of MPS Limited for the full year ended 31-December-2010 by way of an adjustment of Rs. 1326.58 lakhs, representing the excess of carrying value of the investment in MPS Content Services Inc over its Share Capital, with the Free Reserves of Rs. 6,392.39 lakhs of MPS Limited as at 31-December-2010 resulting in the restatement of the Free Reserves as on 31-December-2010 to a figure of Rs. 5,065.81. In the last financial year 2010, the Company had commissioned a study to review the possible impairment of the carrying value of the investment in its wholly owned subsidiary company, namely, MPS Content Services Inc., which reported partial impairment of the carrying value of the investment in this subsidiary Company. In view of the aforesaid proposed amalgamation and the fact that (a) the presence of the US subsidiary company and its list of customers have contributed significantly to the increase of revenues from North America for the parent company since 2008 and (b) investments made in technology and automation projects to boost productivity are reasonably expected to better profitability, the requirement to make a provision in the books of MPS Limited for the carrying value of the investment in MPS Content Services Inc. and any risk associated with the loan provided to this Company are not considered in these financial statements

~~As per legal opinion obtained, the~~ provision has been made for Minimum Alternate Tax (MAT) in respect of losses incurred at the company's Special Economic Zone (SEZ) operation as the company has obtained legal opinion to the effect that the income accrued or arising at a unit in the SEZ, do not fall within the ambit of Section 115JB of the Income Tax Act, 1961.

In accordance with the recommendations on "Derivative Positions of Companies" given by the Institute of Chartered Accountants of India, the Mark-to-Market gains as at 31-Mar-2011 is Rs.176.71 lakhs, which has not been recognised, as a matter of prudence.

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- 6.(a) No provision has been considered for Service Tax amounting to Rs.227.77 lakhs on overseas commission for the period from 1-July-2003 to 31-December-2006 as, in the opinion of the management, the demand is not sustainable. An appeal has been filed by the Company in the Appellate Tribunal against the said demand.
- 6.(b) The Company has appealed against a disallowance of service tax claim of Rs.198.54 lakhs. The management is of the opinion that this disallowance is not sustainable.
- 7 The Company has provided in its books Rs. 13 lacs as Bonus to the Managing Director for the year 2010, as recommended by the Remuneration Committee and approved by the Board of Directors at its meeting held on 17th February 2011, which is subject to the approval of the Central Government.
- 8 In view of the losses incurred during the current period, no tax provision has been made in respect of MPS Limited. The tax provision will be computed on an annualised basis and provided in the books depending on the profits of the company in the subsequent quarters.
- 9 In response to the auditor's observations in the Limited Review report for the Quarter ended 31-Mar-2011, the footnotes above are self explanatory.
- 10 The number of investor complaints pending at the beginning of the quarter, received and disposed off during the quarter and lying unresolved at the end of the quarter is Nil.
- 11 The Company operates in a single segment, "Publishing Services"
- 12 Previous period figures have been regrouped wherever necessary to conform to current period's classification.

Mumbai
Dated: 27th April 2011

By Order of the Board

RAJIV K SETHI
Managing Director & CEO