

NOTICE OF 5th ANNUAL GENERAL MEETING

Notice is hereby given that the 5th (Fifth) Annual General Meeting of the members of **MPS Interactive Systems Limited** will be held on Tuesday, 13 June 2023 at 11:30 AM (IST) at Windsor IT Park, Tower-A, 4th Floor, Sector-125, Noida- Uttar Pradesh-201303 to transact the following business(es):

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March, 2023 including Balance Sheet as at 31 March, 2023, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, along with the notes to Financial Statements, reports of the Board of Directors and Auditors thereon.
2. To consider the re-appointment of Ms. Yamini Tandon (DIN:06937633), Non-Executive Director, who retires by rotation, and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. **RE-APPOINTMENT OF MR. RAHUL ARORA (DIN: 05353333) AS THE CHIEF EXECUTIVE OFFICER AND WHOLE-TIME DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (“Act”) and the rules framed thereunder read with Schedule V of the Act, and applicable provisions (including any modification or re-enactment thereof for the time being in force), and in accordance with the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Rahul Arora (DIN:05353333) as Chief Executive Officer & Whole Time Director of the Company for a period of 5 (five) years effective from 28 May 2023 to 27 May 2028 and at the remuneration as decided by the MPS Limited (Holding Company) as per the limit specified under Section 197 read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Any Director or Chief Financial Officer or Company Secretary of the Company be and are hereby severally authorized to do all necessary acts, deeds and things as may be considered necessary, proper or desirable in the said regard including the filing of returns with any authority.”

By Order of the Board
For MPS Interactive Systems Limited


Raman Sapra
Company Secretary
FCS: 9233

Place: Noida
Date: 15 May, 2023

Registered Office:
RR Towers IV, Super A,
16/17, T V K Industrial Estate,
Guindy, Chennai - 600 032, Tamil Nadu
CIN: U74999TN2018PLC122594
E-mail:secretarial@mpslimited.com

IMPORTANT NOTES:-

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), setting out the material facts concerning the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.
2. A Member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on poll instead of himself / herself and the proxy need not be a Member of the Company.
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
A blank proxy form is enclosed herewith. The instrument of proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, not less than 48 hours before the commencement of the AGM.
Proxies submitted on behalf of corporates (limited companies, societies etc.), must be supported by appropriate resolutions / authority, as applicable.
3. Corporate members intending to send their duly authorised representatives to attend the AGM are requested to send a certified copy of the board resolution together with their specimen signatures to the Company, authorising their representative to attend and vote on their behalf at the AGM.
4. Members / Proxies / Authorised Representatives should bring and handover the duly signed attendance slips at the entrance of the AGM venue to record their attendance. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
5. In terms of Section 152 of the Act, Ms. Yamini Tandon (DIN: 06937633) retires by rotation at the AGM and being eligible, offers herself for re-appointment. The Board of Directors commends her re-appointment.
Brief resume of Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, name of the companies in which they hold Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Secretarial Standard on General Meetings, are provided in the Annexure to this Notice.
6. All relevant documents referred to in the accompanying Notice and statement under Section 102 of the Act shall be available for inspection at the Registered Office of the Company on all working days during business hours (10:00 a.m. to 5:00 p.m.) up to the date of the AGM and at the AGM venue during the meeting.
7. Members desiring any information regarding the Financial Statements are requested to write to the Company at least 7 days before the AGM, so as to enable the management to keep the information ready.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday 07 June 2023 to Tuesday 13 June 2023 (both days inclusive) for the purpose of the Annual General Meeting.

**By Order of the Board
For MPS Interactive Systems Limited**


**Raman Sapra
Company Secretary
FCS: 9233**

Place: Noida
Date: 15 May, 2023

Registered Office:
RR Towers IV, Super A,
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Annexure to the Notice
(For Item No. 2)

Details of the Director seeking Re-appointment as required under Secretarial Standard on General Meetings (SS-2) issued by ICSI are furnished below:

Name of Director	Ms. Yamini Tandon
DIN	06937633
Date of Birth	27 January 1986
Educational Qualifications	Graduation in Political Science and Post Graduate Program in Management from Indian School of Business, Hyderabad.
Date of first appointment on the Board	24/05/2021
Nature of Expertise	Expert in post-merger integration and turnaround management, driving profitability through seamless business integration.
Directorships held in other companies in India #	MPS Interactive Systems Limited MPS Limited
Shareholding in the Company	Nil
Disclosure of relationships between directors inter-se	Mr. Rahul Arora, Chairman, CEO and Wholetime Director is the spouse of Ms. Yamini Tandon
Number of Board meetings attended during the year	5
* Chairpersonship / Membership of committees in other companies in India	MPS Limited <ul style="list-style-type: none"> • Stakeholders Relationship Committee - Chairperson • Nomination and Remuneration Committee-Member • Corporate Social Responsibility Committee- Member • Risk Management Committee- Member

Directorship indicates directorship in Indian Public Companies including MPS Interactive Systems Limited.

* Chairpersonship/ Membership of committees indicates Chairpersonship/ Membership of committees in Indian Public Companies including MPS Interactive Systems Limited.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
(the Act)**

Item No. 3

Mr. Rahul Arora is the CEO and Whole-Time Director of the Company since 28 May 2018. His current tenure expired on 27 May 2023. The Board of Directors, subject to the approval of Members of the Company, re-appointed Mr. Rahul Arora as the CEO and Whole -Time Director ("designated as Chairman & CEO") of the Company for a further period of 5 (five) years commencing from 28 May 2023 to 27 May 2028 (both days inclusive) and at the remuneration as decided by the MPS Limited (Holding Company) as per the limit specified under Section 197 read with Schedule V of the Companies Act, 2013.

Pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Act, and taking into consideration the roles, responsibilities and rich experience of Mr. Rahul Arora as CEO and Whole Time Director of the Company, as mentioned in the Annexure to the Notice, the Board is of the view that his continued association with the Company would be of immense benefit to the Company and it is desirable to continue Mr. Rahul Arora as the CEO and Whole Time Director of the Company.

The Company shall be entitled to depute Mr. Rahul Arora at any office of the Company within or outside India, where the Company has operations at the same remuneration in the equivalent local currency effective from the date of such deputation.

Except Mr. Rahul Arora and Ms. Yamini Tandon, no other Director(s) and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financial or otherwise, in the Resolution set out at Item No. 3 of this Notice.

The Board of Directors of the Company recommends the resolution at Item No. 3 of the accompanying Notice for the approval of the Members as an Ordinary Resolution.

**By Order of the Board
For MPS Interactive Systems Limited**

Place: Noida
Date: 15 May, 2023

**Raman Sapra
Company Secretary
FCS: 9233**

Registered Office:
RR Towers IV, Super A,
16/17, T V K Industrial Estate,
Guindy, Chennai - 600 032, Tamil Nadu
CIN: U74999TN2018PLC122594
E-mail:secretarial@mpslimited.com

Annexure to the Notice dated 15 May 2023 (For Item No. 3)
Details of Director seeking Re-appointment as required under Secretarial Standard on
General Meetings (SS-2) issued by ICSI are furnished below:

Name of Director	Mr. Rahul Arora
DIN	05353333
Date of Birth	02/10/1984
Qualifications	Mr. Rahul Arora holds a Bachelor of Science in Business Management with concentrations in Economics and Entrepreneurship from Babson College (Class of 2007). Mr. Arora completed his full-time residential Post Graduate Program in Management with majors in Marketing and Strategy from the Indian School of Business, Hyderabad, India, in 2011. In 2017, he completed the Advanced Management Program at the Wharton School at the University of Pennsylvania. Mr. Arora is pursuing the Owner/President Program from Harvard Business School and is expected to complete the program as part of its 60 th class in November 2023.
Experience and Expertise	<p>Mr. Rahul Arora is the Chairman, CEO, and Managing Director of MPS Limited. Mr. Arora is an authentic leader who takes pride in shaping MPS' agility toward swiftly adapting to rapidly evolving market dynamics. Under his leadership, the Company has significantly diversified its business interests, transitioning from being an India-based content services provider to a global market leader in content, learning, and platform solutions. Today, the Company is powered by more than 2,500 professionals across seven delivery centers in India, three European subsidiaries, and multiple North American client offices.</p> <p>Mr. Arora joined the Company in Noida, India, in August 2012 as Chief Marketing Officer and has managed the significant diversification and growth of the Company. Much of the Company's growth story during this period was inorganic, and each acquisition was unlocked for tremendous synergies enhancing the long-term competitive advantage of the Company. Mr. Arora relocated to the U.S. in early 2013 to jump-start the first wave of US-based acquisitions (2013-15) via a newly established subsidiary, MPS North America LLC. After a successful QIP process in 2015, Mr. Arora was promoted by the Board of Directors to lead the diversification agenda as CEO and Managing Director of the Company. The acquisitions of Magplus and THINK in 2016 and 2017 supported the growth of the Platforms business launched in 2015. The acquisition of Tata Interactive Systems in 2018 marked MPS' definitive entry into the Corporate Learning Solutions marketplace and formed a third business segment- eLearning solutions. In 2020, when most companies were limiting themselves to business continuity, under Mr. Arora's leadership, the Company acquired HighWire Press at a competitive price to grow its platform business to an unprecedented scale. In 2021, Mr. Arora refined MPS' acquisition strategy to focus on growth to accelerate momentum, and subsequently, in 2022, the Company acquired E.I. Design Private Limited. E.I. Design is an award-winning eLearning company witnessing double-digit growth and at higher margins than MPS' standalone eLearning. A successful integration followed under his</p>

	<p>leadership and led to the transformation of MPS' eLearning Practice.</p> <p>Mr. Arora now leads the building scale agenda of MPS. Five levers power MPS' growth strategy in the coming years, including leading with a market-based approach, scaling STAR accounts, acquiring new customer logos via compelling marketing, developing new capabilities, and acquiring growing assets that further add to the momentum.</p> <p>With over a decade of dedicated leadership, Mr. Arora has played a pivotal role in scaling the Company to new heights and fostering its agility in adapting to dynamic market conditions to deliver exceptional value to clients worldwide. Mr. Arora's vision for 2027 is to establish a compelling learning company of a significant scale that will offer more innovative learning solutions accessible to all. His unwavering commitment to transforming global learning methodologies has helped MPS gain exponential growth and widespread recognition in the international markets.</p>
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Terms and Conditions of the re-appointment and the remuneration is decided by the MPS Limited (Holding Company)
Date of first appointment on the Board	10/05/2018
Directorships held in other companies in India#	MPS Interactive Systems Limited MPS Limited ADI BPO Services Limited
Shareholding in the Company	Nil
Disclosure of relationships between directors inter-se	Ms. Yamini Tandon, Director, is the wife of Mr. Rahul Arora.
Number of Board meetings attended during the year	5
*Chairmanship / Membership of committees in other companies in India	MPS Limited <ul style="list-style-type: none"> • Audit Committee- Member • Corporate Social Responsibility Committee- Chairman • Risk Management Committee- Chairman • Stakeholders Relationship Committee- Member

Directorship indicates directorship in Indian Public Companies including MPS Interactive Systems Limited.

* Chairmanship / Membership of committees indicates Chairmanship / Membership of committees in Indian Public Companies including MPS Interactive Systems Limited.

MPS INTERACTIVE SYSTEMS LIMITED
Registered Office: RR Towers IV, Super A, 16/17 Thiru-VI-KA Industrial Estate,
Guindy, Chennai - 600 032, Tamil Nadu
Phone: +91- 44-49162222, Fax: +91-44-49162225
Corporate Office: A-1, Tower A, 4th Floor, Windsor IT Park, Sector-125, Noida- 201303
Phone: +91-120-4599754; CIN:U74999TN2018PLC122594
Email ID:secretarial@mpslimited.com Website:www.mpsinteractive.com

ATTENDANCE SLIP

1. Name and Address:
2. Joint Holders:
3. E-mail ID:
4. FOLIO / DP ID. / CLIENT ID:

I/We hereby certify that I/We am/are registered Member/Proxy for the registered Member of the Company and hereby record my/our presence at the 5th Annual General Meeting of the Company to be held on Tuesday, 13 June 2023 at 11:30 A.M. (IST) at Windsor IT Park, Tower-A, 4th Floor, Sector-125, Noida- Uttar Pradesh-201303 or at any adjournment thereof in respect of such resolutions as mentioned in the Notice.

Name of the Registered Holder/Proxy / Authorized Representative (IN BLOCK LETTERS)	Signature of the Registered Holder/Proxy / Authorized Representative

NOTE: Members/Proxies to Members are requested to fill in the details, sign and handover this slip at the entrance of the venue of the 5th Annual General Meeting.

MPS INTERACTIVE SYSTEMS LIMITED

Registered Office: RR Towers IV, Super A, 16/17 Thiru-VI-KA Industrial Estate,
Guindy, Chennai - 600 032, Tamil Nadu

Phone: +91- 44-49162222, Fax: +91-44-49162225

Corporate Office:A-1, Tower A, 4th Floor, Windsor IT Park, Sector-125, Noida- 201303

Phone: +91-120-4599754; CIN:U74999TN2018PLC122594

Email ID:secretarial@mpslimited.comWebsite:www.mpsinteractive.com

Form No. MGT-11 PROXYFORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

1. Name and Address of the Member:
2. Joint Holder(s):
3. E-mail ID:
4. FOLIO / DP ID. / CLIENT ID. :

I/We, being the Member(s), holding shares of the above named Company, hereby appoint:

1. Name: Address:

E-mail Id:Signature:, or failing him/ her

2. Name: Address:

E-mail Id: Signature:, or failing him/her

3. Name: Address:

E-mail ID..... Signature:

And whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5thAnnual General Meeting of the Company to be held on Tuesday, 13 June 2023 at 11:30 A.M. (IST) at Windsor IT Park, Tower-A, 4th Floor, Sector-125, Noida- Uttar Pradesh-201303and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr No.	Resolution	*Optional	
		For	Against
1	Receive, consider and adopt the Standalone Audited Financial Statement, Reports of the Board of Directors and Auditors thereon.		
2	Re-appointment of Ms. Yamini Tandon (DIN:06937633), Non-Executive Director, who retires by rotation, and being eligible, offers herself for re-appointment.		
3	Re-appointment of Mr. Rahul Arora (DIN:05353333) as the Chief Executive Officer and Whole- Time Director of the Company.		

Signed this..... day of..... 2023.

Signature of shareholder:

Affix Re.1 Revenue Stamp

Signature of Proxy holder(s):.....

Notes:

1. This form of proxy in order to be effective should be duly completed, signed, stamped and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 5th Annual General Meeting.

*It is optional to put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.

Route Map to the AGM Venue of MPS Interactive Systems Limited



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 5th Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended 31 March 2023.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

Key highlights of the financial performance of your Company for the financial year 2022-23 are provided below:

(INR in lacs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Revenue from operations	6949.71	5387.14
Other income	156.35	179.21
Total income	7106.06	5,566.35
Earnings before interest, tax, depreciation and amortization (EBITDA)	2317.40	1,392.44
Finance Charges	125.96	27.26
Provision for Depreciation and amortisation expense	233.25	336.31
Profit Before Tax (PBT)	1958.19	1028.87
Provision for Tax	521.13	261.06
Net Profit After Tax	1437.06	767.81
Total other comprehensive income for the year , net of tax	(17.99)	24.73
Total comprehensive income for the year	1419.07	792.54
Earning per share (Face Value of Rs. 1 each)		
- Basic (In Rs.)	2.32	1.24
- Diluted (In Rs.)	2.32	1.24

2. OPERATIONAL HIGHLIGHTS

Your Company is engaged in the business of creating, developing and providing multi-media eLearning software services and related solutions on various hardware platforms and operating systems to clients worldwide.

Revenue from Operations for the year ended 31 March 2023 is INR 6949.71 lacs. The Profit after Tax for the financial year ended on 31 March 2023 is INR 1437.06 lacs and EPS is INR 2.32 Per Share.

3. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company for the year under review.

4. DIVIDEND

No final dividend has been recommended by the Board for the year under review.

5. TRANSFER TO RESERVES

During the year, the Company has not transferred any amount to the General Reserves.

6. SUBSIDIARY COMPANIES

E.I. Design Private Limited is a wholly-owned subsidiary of MPS Interactive Systems Limited, which was acquired on 30 May 2022. E.I. Design Private Limited is focused on Learning and Performance Support Solutions provider.

The revenue of E.I. Design Private Limited for the year ended 31 March 2023 was INR 36.62 crores compared to INR 37.96 crores during the previous year. The profit before tax for the year was INR 6.58 crores and the profit after tax and before other comprehensive income was INR 4.85 crores as compared to the previous year's Profit before tax of INR 8.07 crores and Profit after tax and before other comprehensive income of INR 5.99 crores respectively. Please refer (Form No. AOC-1) annexed to the Financial Statements in the Annual Report.

7. MERGER

The Board of Directors ("**Board**") of E.I. Design Private Limited ("**Transferor Company**") and MPS Interactive Systems Limited ("**Transferee Company**") in their respective meetings held on 21 February 2023, considered and approved the scheme of merger of the Transferor Company into and with the Transferee Company ("**Scheme**") and recommended the same to shareholders, which was approved by the shareholders of the Transferor Company and the Transferee Company at their respective Extra- Ordinary General Meeting held on 31 March 2023. Pursuant to the aforesaid approvals, the Transferee Company filed the Scheme with Regional Director, Southern Region, Chennai, Tamil Nadu ("**Regional Director**") for approval on 06 April 2023. The Transferor Company and the Transferee Company have determined the Appointed Date as 31 May 2022. However, the Scheme will become operative only from the effective date.

8. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

There is no dividend which is due for transfer to the Investor Education and Protection Fund and hence, the provisions of this section are not applicable.

9. SHARE CAPITAL

During the year, there has been no change in the paid-up equity share capital of the Company which stood at INR 62,00,00,000 (Rupees Sixty-Two Crores only). During the year, the Company has neither introduced any Stock Option Scheme, nor issued any shares with differential voting rights.

10. 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, Ms. Yamini Tandon, retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. Accordingly, a resolution is included in the Notice of the forthcoming 5th Annual General Meeting of the Company for seeking approval of members for her appointment as a director of the Company.

Changes in the Board

During the year, there was no change in Directors in the composition of the Board of Directors of MPS Interactive Systems Limited.

Board Composition

As on 31 March 2023, the Board has strength of 3 (Three) Directors including 1 (One) Woman Director. The Chairman of the Board is an Executive Director. The composition of the Board is as below:

Category	Number of Directors
Executive Director	1
Non-Executive Director	1
Non-Independent Non-Executive Director	1

Key Managerial Personnel

The details of Key Managerial Personnels (KMPs) of the Company in accordance with the provisions of Section 2(51) and Section 203 of the Companies Act, 2013, read with rules framed thereunder are on 31 March 2023:

S.No.	Name of KMPs	Designation
1.	Mr. Rahul Arora	Chairman, CEO & Whole Time Director
2.	Mr. Sunit Malhotra	Chief Financial Officer
3.	Mr. Raman Sapra	Company Secretary

During the year, the Board in its meeting held on 16 May 2022 had accepted the resignation of Mr. Ratish Mohan Sharma, from the position of Chief Financial Officer with effect from the close of business hours on 18 May 2022 and considered and approved the appointment of Mr. Sunit Malhotra, as the Chief Financial Officer of the Company with effect from 19 May, 2022. Subsequently, the Board in its meeting held on 24 January 2023 had appointed Mr. Raman Sapra, as Company Secretary of the Company with effect from 25 January 2023 in place of Mr. Sunit Malhotra, who relinquished from the position of Company Secretary of the Company with effect from the closure business hours of 24 January 2023.

11. BOARD MEETINGS

The Board of the Company met 5 (Five) times during financial year 2022-23, i.e. on 16 May 2022, 27 July 2022, 03 November, 2022, 24 January 2023 and 21 February 2023 to transact the business of the Company. The time gap between any two consecutive Board Meetings did not exceed 120 days.

Name of the Director	Number of Meetings entitled to attend	Number of the Board Meetings attended
Mr. Rahul Arora	5	5
Mr. Ajay Mankotia	5	5
Ms. Yamini Tandon	5	5

12. ANNUAL RETURN

As per the requirements of Section 92(3) and 134(3) of the Act, an extract of the Annual Return in Form MGT-9 shall place a copy of the annual return on the website of the Company. A copy of the Annual Return is available on the website of the Company and can be accessed at www.mpsinteractive.com.

13. DEPOSITS

During the year, your Company has not accepted any deposits under Chapter V of the Act and hence no amount of principal and interest thereon was outstanding.

14. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

All the investments of the Company are as per the provisions of Section 186 of the Companies Act, 2013 and the rules made thereunder. Details of the investments made by the Company are disclosed in the Notes to Financial Statements.

During the year, the Company has received the loan of INR 1,500 lacs from MPS Limited, Holding Company, towards the acquisition of 100% equity shares of E.I. Design Private Limited. Accordingly, the funds were utilised towards the acquisition of 100% outstanding equity shares of E.I. Design Private Limited.

15. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the Annual Accounts, 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 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 the Annual Accounts on a going concern basis;
- e. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and generally operating effectively.

16. INTERNAL FINANCIAL CONTROLS

The Company has well-equipped and effective internal control systems in place that match the scale of its sector and the complexity of the market it works in. Internal controls are commensurate with its size and the nature of its operations. These have been

designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

The Board of the Company is undertaking a comprehensive system of internal audits and periodic assessments to ensure compliance with best practices. The Company has laid down Internal Financial Controls as detailed in the Companies Act, 2013.

For the Financial year 2022-2023, Company availed services of PricewaterhouseCoopers Private Limited ('PWC'), the Internal Auditors of the Company to verify and report on the operational and financial controls of the Company and M/s. Walker Chandiook & Co., the Statutory Auditors of the Company to report on the financial statements of the Company.

Internal Audit team of PricewaterhouseCoopers Private Limited ('PWC'), conducts quarterly internal audits across the Company, which includes review of operating effectiveness of internal controls.

17. AUDITORS AND AUDIT REPORTS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), were appointed as the Statutory Auditors of the Company by the Shareholders in the 3rd Annual General Meeting ("AGM") of the Company for a period of 5 years i.e. to hold office till the conclusion of the 8th AGM to be held in the calendar year 2026.

The Audit Report on the Financial Statements of the Company for the financial year ended 31 March 2023 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.

18. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, M/s R Sridharan and Associates, Company Secretaries, carried out the Secretarial Audit of the Company for the financial year ended on 31 March 2023.

The Secretarial Auditors have not expressed any qualification or reservation in their report and their report is self-explanatory. The Secretarial Audit Report in Form MR-3 is annexed as **Annexure A**.

Secretarial Auditors have also 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.

19. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 every listed company and every other public company having a paid up share capital of Rupees Twenty Five Crores or more calculated at the end of the preceding financial year shall include, in the report by its

Board of Directors, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and Individual Directors.

The Directors in the Holding Company (i.e. MPS Limited) and in the Company are common; the performance evaluation of the Directors and the individual directors has already been carried out by the Holding Company.

20. HOLDING COMPANY

MPS Limited is the Holding Company and holds 100% shares of the Company.

21. CORPORATE SOCIAL RESPONSIBILITY

MPS Interactive Systems Limited has been an early adopter of Corporate Social Responsibility ("CSR") initiatives. In terms of the provisions of Section 135 of the Act, the Company has not constituted a CSR Committee as the CSR amount spent by the Company did not exceed fifty lakh rupees. The Company has also formulated a CSR Policy which is available on the website of the Company viz www.mpsinteractive.com

During the year under review, your Company spent INR 7.03 Lacs on CSR activities i.e. 2% of the average of the net profits of the Company during 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 Policy) Rules, 2014, a report on Corporate Social Responsibility covering a brief extract of the CSR policy of the Company and the CSR projects undertaken during the financial year 2022-23, is annexed as **Annexure - B** to this Report.

22. AUDIT COMMITTEE

In terms of section 2 (87) of the Companies Act 2013, MPS Interactive Systems Limited is a wholly owned subsidiary of MPS Limited and being a wholly owned subsidiary, it is exempted to constitute Audit Committee under sub-rule 2 of rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014.

23. NOMINATION AND REMUNERATION COMMITTEE

In terms of section 2 (87) of the Companies Act 2013, MPS Interactive Systems Limited is a wholly owned subsidiary of MPS Limited and being a wholly owned subsidiary, it is exempted to constitute Nomination and Remuneration Committee under sub-rule 2 of rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014, the following information is provided:

A. Conservation of Energy:

Your Company is not an energy intensive unit and thus disclosure requirements with respect to Conservation of Energy are not applicable. However, continuous efforts are made to conserve energy in the operations of the Company.

B. Technology Absorption

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

C. Foreign Exchange earnings and Outgo

During the year under review, foreign exchange earned through exports was INR 5620.66 Lacs as against Rs. 4,789.34 Lacs for the previous period ended 31 March 2022. Foreign exchange outgo was 1051.94 Lacs as against Rs. 873.77 Lacs for the previous period ended on 31 March 2022. Thus, the net foreign exchange earned by the Company during the year ended 31 March 2023 was Rs.4568.72 Lacs.

25. RELATED PARTY TRANSACTIONS

All related party transactions, if any, that were entered into during the year were on arm's length basis and in the ordinary course of business of the Company. The Board 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, 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. Details of all the related party transactions of the Company are disclosed in Notes to Financial Statements for the financial year ended on 31 March 2023.

26. RISK MANAGEMENT POLICY

Your Company has a robust mechanism to review business risks and has been taking steps to mitigate such risks. The Company's management systems, organizational structure, processes, standards, and behavior together form a system that governs how the Company conducts its business and manages the associated risks.

27. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

28. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a Policy on Prevention and Prohibition of Sexual Harassment at the Workplace and has also put in place a redressal mechanism for resolving complaints received with respect to sexual harassment. Internal Complaints Committee 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, one complaint was received from Noida Branch during the year and same was disposed of.

29. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the year under review, no application made or any proceeding pending under the insolvency and bankruptcy code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year.

30. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Clause is not applicable to the Company.

31. 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.

32. 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.

33. ACKNOWLEDGMENTS

The Company is dependent for its success on the support of its members, its customers, its vendors, bankers and above all its management and staff, and the Directors wish to place on record their deep appreciation of this support during the year.

For and on behalf of the Board of Directors

Place: New York, USA

Date: 15 May 2023



Rahul Arora
Chairman & CEO
DIN: 05353333

CSR Annual Report

1. Brief outline of the 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 society.

2. Composition of CSR Committee: Not Applicable

3. Provide the web link where the Composition of the 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 -NA

Web - link for CSR Policy - www.mpsinteractive.com

Web - link for CSR projects - www.mpsinteractive.com

4. Provide the details of the 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 the 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 3,51,24,573/-

7. (a) Two percent of the average net profit of the company as per section 135(5) - INR 7,02,500/-

(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 2022-23 (7a+7b-7c) - INR 7,02,500/-

8. (a) CSR amount spent or unspent for the financial year 2022-23: -

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

(b) Details of CSR amount spent against ongoing projects for the financial year 2022-23: 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
NOT APPLICABLE												

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2022-23:

(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 (INR)	Mode of Implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				District, State	Name			CSR registration number	
1.	KHUSHII-Kinship for Humanitarian Social and Holistic Intervention in India	Promoting Education, including Special Education	No	PAN India	6,37,000	No	KHUSHII-Kinship for Humanitarian Social and Holistic Intervention in India	CSR00001135	
2.	Vedanta Institute Delhi	Promoting Education, including Special Education	Yes	PAN India	65,500	No	Vedanta Institute Delhi	CSR00012578	
Total					7,02,500				

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment - Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - INR 7.03 Lacs

(g) Excess amount for set off - Nil

Sl. No.	Particular	Amount (in INR)
(i)	Two percent of the 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)	Balance Amount in 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	
NIL								

(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
NIL								

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 the creation or acquisition of capital assets. Not Applicable

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

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

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

For and on behalf of the Board of Directors



Rahul Arora
Chairman and CEO

Date: 15 May 2023
Place: New York, USA

Annexure - C

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

<p>1. Specific areas in which R & D was carried out by the Company</p>	<ul style="list-style-type: none"> • Exploring 3rd party platform special to build avatars in virtual space and creating experiential learning using readymade components and templates • Innovative games using 3D to create anaglyphic effect with the help of 3D shaders • LearnX 3.0 rapid authoring framework upgrade to support JSON format in components • R&D on 3rd party tool HP5 for building interactive screens for Canvas LMS to improving the authoring capability • Experience center framework enhancement to support JSON based asset loading to reduce the complexity involved in asset management • Multi-player platform for collaborative games • Integration of BrightSign player (a small form factor device that's used across the globe) to power digital signage projects on large display screens • Using Flutter open source UI software development kit for Progressive Web Applications (PWA) • Exploring WordPress CMS capabilities and customizations to create learning site/portal solutions for customers • Exploring Kinect with movement gestures for interactive with ambient loop and selection of videos • Exploring with WATCHOUT software and hardware for playing videos and motion graphics on multi-display and large-for-life LED display screens. • Exploring multiple screens or PC interactive to send and receive data.
<p>2. Benefits derived from the above R & D</p>	<ul style="list-style-type: none"> • Improved productivity • New offerings • Shorter Go-Live timeframe • Creating differentiator • Enhanced user engagement and retention
<p>3. Future plan of action</p>	<ul style="list-style-type: none"> • Use of AI and ML in the training and development industry - research and adoption • Analysis of analytics tools for incorporation in MPSi products to provide recommendations, and insights based on data • Research to move to touch free interactions such as voice recognition (to cater to post Covid requirements) • VR based platform for multi-player game experience • Leverage cloud based services to maximize on extensibility and scalability, and reducing effort and rework. • A VR-based platform for multi-player game experience with Alteruna Multiplayer is a platform. • Working with Ultraleap motion controller for VR-based platform. • Used event management in XC framework to define events from JSON • Need to R&D on IOT devices for interaction with Unity for tracking and invoice content. • Research to define new experience offerings like iPad and wall application and flip book.
<p>4. Expenditure on R & D result</p>	<p>No expenditure on R&D this year</p>

Technology Absorption, Adaptation and Innovation

Efforts in brief made towards technology absorption, adaptation, and innovation.	<ul style="list-style-type: none">• Upgrading the platform to latest technology/libraries for longevity, scalability and extensibility• Use of cloud technologies such as server side caching to improve performance• Adopting industry standard (JSON) for metadata (moving from XML)• Technology exploration for adoption of platform for advance nursing training• Use of latest JavaScript framework (ReactJS) to creating interactive. Intuitive and rich user interfaces with flexibility and extensibility for future updates• Upgrading the AMS platform from SQL database to JSON database to reduce the complexity involved in asset management.
Benefits derived from the above	<ul style="list-style-type: none">• Smarter learning• Scalable, platform-independent, and secured solutions• Improved end-user experience
Imported Technology	No technologies were imported

For and on behalf of the Board of Directors



Rahul Arora
Chairman & CEO

Date: 15 May 2023
Place: New York, USA

Walker Chandiook & Co LLP
L 41 Connaught Circus
New Delhi 110001
India

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Independent Auditor's Report

To the Members of MPS Interactive Systems Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of MPS Interactive Systems Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the 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.

Information other than the Financial Statements and Auditor's Report thereon

3. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

4. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the financial statements, the 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.
8. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the 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 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 made by management;
 - Conclude on the appropriateness of 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.

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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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
9. 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.

Report on Other Legal and Regulatory Requirements

10. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
11. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying financial statements;
 - 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 financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position as at 31 March 2023 as disclosed in Note 34;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;



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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.
- iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 43 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 39 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For Walker Chandlok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora

Rohit Arora
Partner
Membership No.: 504774
UDIN: 23504774BGTGQK4507



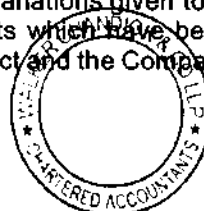
Place: New Delhi
Date: 15 May 2023

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Annexure I referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of MPS Interactive Systems Limited on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment, right of use assets, and investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clauses 3(iii)(a) of the Order is not applicable to the Company.
- (b) The Company has not provided any guarantee or given any security or granted any loans or advances in the nature of loans during the year. However, the Company has made investment in one entity amounting to Rs. 4,208.67 lakhs and in our opinion, and according to the information and explanations given to us, such investments made are, prima facie, not prejudicial to the interest of the Company.
- (c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance



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Annexure I referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of MPS Interactive Systems Limited on the financial statements for the year ended 31 March 2023

- of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end 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 statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations 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, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

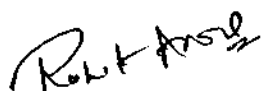


Walker ChandioK & Co LLP

Annexure I referred to in Paragraph 11 of the Independent Auditor's Report of even date to the members of MPS Interactive Systems Limited on the financial statements for the year ended 31 March 2023

- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker ChandioK & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Rohit Arora
Partner
Membership No.: 504774
UDIN: 23504774BGTGQK4507



Place: New Delhi
Date: 15 May 2023

Walker Chandiook & Co LLP

Annexure II

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

1. In conjunction with our audit of the financial statements of MPS Interactive Systems Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to 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 ("the Guidance note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 the Company's business, including adherence to the 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes 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 financial statements, whether due to fraud or error.
5. 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 financial statements .

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,



Walker ChandioK & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of MPS Interactive Systems Limited on the financial statements for the year ended 31 March 2023

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 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 financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

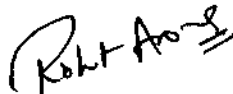
Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker ChandioK & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Rohit Arora

Partner

Membership No.: 504774

UDIN: 23504774BGTGQK4507



Place: New Delhi

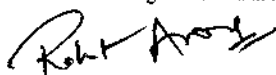
Date: 15 May 2023

MPS Interactive Systems Limited
Balance Sheet as at 31 March 2023
(INR in Laacs, except share and per share data, unless otherwise stated)
CIN: U74999TN2018PLC122594

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	223.94	174.18
Goodwill	4	3,959.72	3,959.72
Other intangible assets	4	27.47	191.79
Financial assets			
Investments	5 (i)	4,208.67	-
Other financial assets	6 (i)	336.67	103.57
Non current tax assets (net)	7	31.90	122.49
Other non-current assets	8 (i)	105.88	107.48
Total non-current assets		8,894.25	4,659.23
Current assets			
Financial assets			
Investments	5 (ii)	1,435.15	160.90
Trade receivables	9	1,165.06	1,056.83
Cash and cash equivalents	10 (i)	215.75	564.14
Bank balances other than cash and cash equivalents above	10 (ii)	431.00	2,116.12
Other financial assets	6 (ii)	93.12	62.05
Other current assets	8 (ii)	915.92	813.91
Total current assets		4,256.00	4,773.95
TOTAL ASSETS		13,150.25	9,433.18
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	6,200.00	6,200.00
Other equity		1,759.16	340.07
Total equity		7,959.16	6,540.07
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13 (i)	1,071.15	-
Provisions	17 (i)	46.69	45.67
Deferred tax liabilities (net)	12	924.18	922.49
Total non-current liabilities		2,042.02	968.16
Current liabilities			
Financial liabilities			
Borrowings	13 (ii)	292.82	-
Trade payables	14	-	-
Total outstanding dues of micro enterprises and small enterprises		14.17	9.02
Total outstanding dues of creditors other than micro enterprises and small enterprises		408.66	214.85
Other financial liabilities	15	170.97	52.60
Other current liabilities	16	2,228.78	1,637.98
Provisions	17 (ii)	33.67	10.50
Total current liabilities		3,149.07	1,924.95
TOTAL EQUITY AND LIABILITIES		13,150.25	9,433.18
Significant accounting policies	2		
Notes to financial statements	3-43		
The accompanying notes form an integral part of financial statements.			

This is balance sheet referred to in our report of even date

For **Walker Chandiook & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 001076N/N500013



Rohit Arora
Partner
Membership Number: 504774
Place : New Delhi
Date : 15 May 2023



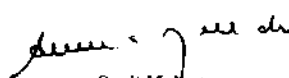
For and on behalf of the Board of Directors of
MPS Interactive Systems Limited



Rahul Arora
Chairman, Chief Executive Officer
& Whole Time Director
DIN: 05353333
Place : New York, USA
Date : 15 May 2023

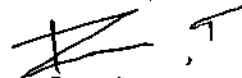


Ajay Mankotia
Director
DIN: 03123827
Place : New Delhi
Date : 15 May 2023



Sunit Malhotra
Chief Financial Officer
Membership No : A7808

Place : Noida, Uttar Pradesh
Date : 15 May 2023



Raman Sapra
Company Secretary
Membership No : F9233

Place : Noida, Uttar Pradesh
Date : 15 May 2023

MPS Interactive Systems Limited
Statement of Profit & Loss for the year ended 31 March 2023
(INR in Lacs, except share and per share data, unless otherwise stated)

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	18	6,949.71	5,387.14
Other income	19	156.35	179.21
Total income		7,106.06	5,566.35
Expenses			
Employee benefits expense	20	2,952.45	2,944.17
Finance costs	21	125.96	27.26
Depreciation and amortization expense	22	233.24	336.32
Other expenses	23	1,836.21	1,229.74
Total expenses		5,147.86	4,537.49
Profit before tax		1,958.20	1,028.86
Tax expense:			
Current tax	24	516.67	25.05
Adjustment of tax relating to earlier years		2.76	-
Deferred tax		1.69	236.01
Total tax expenses		521.12	261.06
Profit for the year		1,437.08	767.80
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of gain/(losses) net defined benefit plans		(24.04)	33.05
Income tax relating to items that will not be reclassified to profit or loss		6.05	(8.32)
Total other comprehensive income/(loss) for the year, net of tax		(17.99)	24.73
Total comprehensive income for the year		1,419.09	792.53
Earnings per equity share (nominal value of share INR 10)			
- Basic and diluted (earnings per equity share expressed in absolute amount in Indian Rupees)	25	2.32	1.24
Significant accounting policies	2		
Notes to financial statements	3-43		
The accompanying notes form an integral part of financial statements.			

This is statement of Profit and Loss referred to in our report of even date
For **Walker Chandiook & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 001076N/N500013

For and on behalf of the Board of Directors of
MPS Interactive Systems Limited

Rohit Arora

Rohit Arora
Partner
Membership Number: 504774
Place : New Delhi
Date : 15 May 2023



Rahul Arora

Rahul Arora
Chairman, Chief Executive Officer
& Whole Time Director
DIN: 05353333
Place : New York, USA
Date : 15 May 2023

Ajay Mankotia

Ajay Mankotia
Director
DIN: 03123827
Place : New Delhi
Date : 15 May 2023



Sunit Malhotra

Sunit Malhotra
Chief Financial Officer
Membership No : A7808

Place : Noida, Uttar Pradesh
Date : 15 May 2023

Raman Sapra

Raman Sapra
Company Secretary
Membership No : F9233

Place : Noida, Uttar Pradesh
Date : 15 May 2023

MPS Interactive Systems Limited
Statement of change in equity for the period ended 31 March 2023
(INR in Lacs, except share and per share data, unless otherwise stated)

A. Equity share capital

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Balance as at the beginning of the period	6,200.00	6,200.00
Changes in equity share capital during the period	-	-
Balance as at the end of the period	6,200.00	6,200.00

B. Other equity

Particulars	Capital Reserve	Reserve and Surplus Retained earnings	Total
Balance as at 1 April 2020	492.46	(71.07)	421.39
Loss for the year	-	(653.70)	(653.70)
Other comprehensive income	-	49.99	49.99
Total comprehensive income/(loss) for the year	492.46	(674.78)	(182.32)
Loss on redemption of 8% cumulative redeemable preference shares being a transaction with the MPS Limited (Parent company)	(270.14)	-	(270.14)
Balance as at 31 March 2021	222.32	(674.78)	(452.46)
Profit for the year	-	767.80	767.80
Other comprehensive income	-	24.73	24.73
Total comprehensive income for the year	-	792.53	792.53
Balance as at 31 March 2022	222.32	117.75	340.07
Profit for the period	-	1,437.08	1,437.08
Other comprehensive loss	-	(17.99)	(17.99)
Total comprehensive income for the period	-	1,419.09	1,419.09
Balance as at 31 March 2023	222.32	1,536.84	1,759.16

Notes:

1 Nature and purpose of other equity:

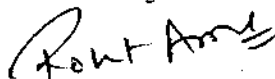
Reserve and Surplus: This represents the cumulative profit of the Company.

Capital Reserve: Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently. It represents following:

- Equity portion of 8% cumulative redeemable preference shares issued to MPS Limited (Parent company).
- Loss on redemption of preference shares on transaction with the shareholder.
- The Company had issued 2,20,00,000, 8% cumulative redeemable preference shares of face value of INR.10/- (INR Ten Only) per share as on 15 June 2018 aggregating to INR 2,200 Lacs. As per the terms of preference shares revised vide AGM dated 23 July 2019 by way of special resolution, the 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. Loss on redemption of 8% cumulative redeemable preference shares being a transaction with the MPS Limited (parent company) has been transferred to Capital Reserve of Rs. 270.14 lacs.

Significant accounting policies 2
Notes to financial statements 3-43
The accompanying notes form an integral part of financial statements.

This is statement of change in equity referred to in our report of even date
For Walker Chandio & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 001076N/N500013


Rohit Arora

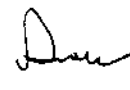
Partner
Membership Number: 504774
Place : New Delhi
Date : 15 May 2023



For and on behalf of the Board of Directors of
MPS Interactive Systems Limited


Rahul Arora

Chairman, Chief Executive Officer
& Whole Time Director
DIN: 05353333
Place : New York, USA
Date : 15 May 2023


Ajay Mankotia

Director
DIN: 03123827
Place : New Delhi
Date : 15 May 2023


Sunit Malhotra

Chief Financial Officer
Membership No : A7808

Place : Noida, Uttar Pradesh
Date : 15 May 2023


Raman Sapra

Company Secretary
Membership No : F9233

Place : Noida, Uttar Pradesh
Date : 15 May 2023

MPS Interactive Systems Limited
Cash Flows Statement for the period ended 31 March 2023
(INR in Lacs, except share and per share data, unless otherwise stated)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
A. Cash flows from operating activities		
Profit / (loss) before tax	1,958.20	1,028.86
Adjustments:		
Depreciation and amortisation expense	233.24	336.32
Interest income	(28.35)	(79.47)
Gain on lease termination	-	(78.05)
Interest on Income tax refund	(6.14)	(8.88)
Net gain on sale of current investment	(1.89)	(1.48)
Finance costs	125.96	27.26
Loss / (gain) on sale/disposal/discard of property, plant and equipment (net)	-	(1.37)
Gain on investment carried at fair value through profit or loss	(20.07)	(2.54)
Allowances for expected credit loss and doubtful advances	20.79	83.43
PPE write off	0.71	-
Unrealised foreign exchange loss (net)	4.94	(17.42)
Operating cash flows before working capital changes	2,287.39	1,286.66
Increase in trade receivables	(111.93)	(366.26)
(Increase)/Decrease in non current financial assets	(5.42)	53.76
(Increase)/Decrease in other financial assets	(52.59)	24.67
Increase in other current assets	(124.73)	(340.07)
(Increase)/Decrease in other non current assets	1.60	7.92
Increase in trade payables	199.63	26.47
Increase / (Decrease) in other financial liabilities	118.37	(59.87)
Increase in other current liabilities	568.41	500.45
Increase in provisions	0.15	10.70
Cash generated from operations	2,880.89	1,144.43
Income tax paid (net of refunds)	(416.65)	40.73
Net cash generated from operating activities (A)	2,464.24	1,185.16
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capex creditors)	(97.25)	(28.80)
Proceeds from sale of property, plant and equipment	0.29	10.69
Purchase of non current investments	(4,208.67)	-
Proceeds from sale of current investments	567.70	649.85
Purchase of current investments	(1,820.00)	(605.00)
Investment in term Deposit	(1,015.07)	(1,675.00)
Redemption of term Deposit	2,472.51	742.45
Interest received	49.86	43.81
Net cash used in investing activities (B)	(4,050.63)	(862.00)
C. Cash flows from financing activities		
Repayment of lease liabilities including interest expenses	-	(119.38)
Proceeds from intercompany borrowings	1,500.00	-
Repayment of intercorporate borrowings	(136.04)	-
Interest paid	(125.96)	(0.00)
Net cash generate / (used in) from financing activities (C)	1,238.00	(119.38)
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	(348.39)	203.78
Cash and cash equivalents at the beginning of the year	564.14	360.36
Cash and cash equivalents at the end of year (see below)	215.75	564.14
Components of cash and cash equivalents:		
Cash & cheque on hand	0.01	-
Balances with banks		
- Current accounts	162.78	168.68
- EEFC accounts	52.96	395.46
- Demand deposit accounts (demand deposits and deposits having original maturity of 3 months or less)	-	-
	215.75	564.14

Notes:

Statement of Cash Flow has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

Significant accounting policies 2

Notes to financial statements 3-43

The accompanying notes form an integral part of financial statements.

This is cash flow statement referred to in our report of even date

For Walker Chandiook & Co LLP

Chartered Accountants

ICAI Firm Registration Number: 001076N/N500013

Rohit Arora
Rohit Arora
Partner

Membership Number: 504774
Place : New Delhi
Date : 15 May 2023



For and on behalf of the Board of Directors of MPS Interactive Systems Limited

Rahul Arora
Rahul Arora

Chairman, Chief Executive Officer
& Whole Time Director
DIN: 05353333
Place : New York, USA
Date : 15 May 2023

Sunit Malhotra
Sunit Malhotra

Chief Financial Officer
Membership No : A7808

Place : Noida, Uttar Pradesh
Date : 15 May 2023

Ajay Mankotia
Ajay Mankotia

Director

DIN: 03123827
Place : New Delhi
Date : 15 May 2023

Raman Sapra
Raman Sapra

Company Secretary
Membership No : F92233

Place : Noida, Uttar Pradesh
Date : 15 May 2023

MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

1. Corporate Information

MPS Interactive Systems Limited (“the Company”) is a public limited Company domiciled in India and incorporated on 10 May 2018 under the provisions of Companies Act, 2013 having its registered office located at RR Towers IV, Super A, 16/17, Thiru-vi-ka Industrial State, Guindy, Chennai-600032. The Company provides eLearning and platforms services through technology-enabled, futuristic, and highly scalable learning solutions. Our offerings span gamification, simulations, custom eLearning, augmented and virtual reality, animations, videos, and micro-learning.

The Company offers a diverse geographic spread with production facilities in Mumbai, Kolkata and Chennai. The Company also operates with marketing offices in United States and Canada. The Company’s multi-location presence helps it in executing various customer requirements efficiently.

On 30 May 2022, the Company has acquired E.I. Design Private Limited based in India.

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 the current period presented, unless otherwise stated.

2.1 Basis of preparation of financial statements

a) Statement of compliance

These 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 financial statements of the Company for the year ended 31 March 2023 were approved for issue in accordance with the resolution of the Board of Directors dated 15 May 2023.

b) 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

- Certain financial assets and liabilities
- The net defined benefit asset/(liability) is recognized at the present value of defined benefit obligation less fair value of plan assets.

c) Critical estimates and judgements

The preparation of Financial Statements requires management to make judgments, 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 judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes.



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

- Assessment of useful life of property, plant and equipment and intangible asset – refer note 2.3
- Estimated impairment of financial assets and non-financial assets – refer note 2.5 and 2.6
- Recognition and estimation of tax expense including deferred tax– refer note 2.11 and 12
- Estimation of obligations relating to employee benefits – refer note 27
- Fair value measurement – refer note 28
- Provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – refer note 33
- 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 2.8

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 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 the 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.



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

2.3 Property, plant and equipment (PPE) and Intangible assets

a) Property, plant and equipment

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The cost 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) 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.

c) Depreciation and amortisation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on a pro-rata basis on the straight-line method based on useful life which coincides with useful life specified in Part C of Schedule II to the Companies Act.

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
- 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 property, plant and equipment, furniture & fixture and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

d) Derecognition

A 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, other than those incurred in relation to the issue of debt or equity securities. 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 exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

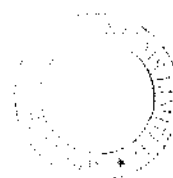
For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups 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 the Company 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 exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

2.6 Financial instrument

A 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 except trade receivables 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 marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Trade receivables are recognised initially at the transaction price (as determined basis revenue recognition policy as mentioned in Note 2.8) unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

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.



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

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 categorization as an 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.

Impairment of financial instruments

The Company recognizes loss allowance using the expected credit loss (ECL) model for 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.

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



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

involvement. In that case, the Company also recognises an associated liability. The transferred assets 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 the 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 the Statement of Profit and Loss. Any gain or loss from derecognition is also recognised in Statement of Profit and Loss.

Derecognition

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.

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 Provisions and Contingent Liabilities

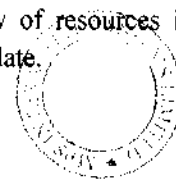
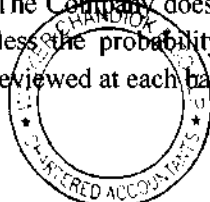
Provision

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 the 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. 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 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.



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

2.8 Revenue recognition

The Company derives revenue primarily from eLearning, platform solutions and related services. The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and collectability is reasonably assured. The method for recognizing revenues and costs depends on the nature of the services rendered:

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 the percentage-of-completion method ('POC method') of accounting with efforts incurred determining the degree of completion of the performance obligation.
- Revenue from time and material and job contracts is recognised on an 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.

Contract assets are recognised when there is excess 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 a contractually agreed credit period.

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 the transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Company disaggregates revenue from contracts with customer's 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 the 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



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

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 ss 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 contracts 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.

2.9 Recognition of dividend income and interest income

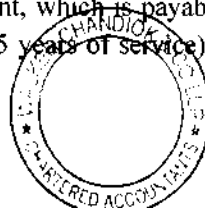
Dividend income is accounted for when the right to receive it is established.

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.

2.10 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. 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, which is payable upon completion of 5 consecutive years of service or retirement (with minimum 5 years of service) whichever is earlier. The liability in



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

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 during the period 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 a 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:

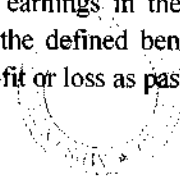
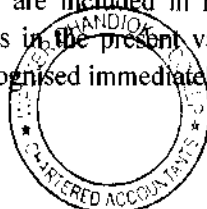
As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized during the service, or encashed. Encashment can be made on early retirement, on separation, at resignation and upon death of the employee. Accumulated compensated 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.

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.



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

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).

2.11 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;
- 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.

The Company applies probability in assessing whether and how an uncertain tax position affects the taxable profits, tax bases and unused tax credits. Based on the technical merits, if the uncertain tax position is not probable to be sustained upon examination, the same is recognized as a tax expense. The Company includes interest and penalties related to uncertain tax position within income tax expenses.



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

2.12 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.

2.13 Foreign currency transactions and translations

a) Functional and presentation currency

The financial statements are presented in 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 amounts 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.

2.14 Leases

The Company's lease asset classes primarily consist of cancellable 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.

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 earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

As a lessee, the Company determines the lease term as the noncancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

Lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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.

2.15 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 year 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.

2.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year 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.

2.17 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 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,



MPS Interactive Systems Limited

Notes forming part of the Financial Statements for the year ended 31 March 2023

(All amount in INR Lacs except share and per share data, unless otherwise stated)

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.

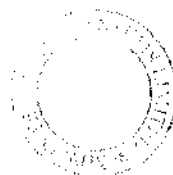
When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety 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 year 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.

2.18 Recent Pronouncement

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 2023, as below:

- a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.
- b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and there is no impact on its standalone financial statements.
- c) Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and there is no impact on its standalone financial statement.



MPS Interactive Systems Limited

Notes forming part of Financial Statements for the period ended 31 March 2023

(INR in Lacs, except share and per share data, unless otherwise stated)

3.1 Property, plant and equipment

Particulars	Plant and equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value				
As at 1 April 2021	342.46	92.92	4.81	440.19
Additions	28.80	-	-	28.80
Disposals/adjustments	(95.92)	(11.59)	(4.81)	(112.32)
As at 31 March 2022	275.34	81.33	-	356.67
Additions	119.66	-	-	119.66
Disposals/adjustments	(4.30)	(2.44)	-	(6.74)
As at 31 March 2023	390.70	78.89	-	469.59
Accumulated depreciation				
As at 1 April 2021	172.42	47.29	3.09	222.80
Depreciation charge for the year	48.00	13.63	1.06	62.69
Disposals/adjustments	(90.44)	(8.41)	(4.15)	(103.00)
As at 31 March 2022	129.98	52.51	-	182.49
Depreciation charge for the year	58.90	10.01	-	68.91
Disposals/adjustments	(3.86)	(1.88)	-	(5.74)
As at 31 March 2023	185.02	60.63	-	245.65
Net carrying value				
As at 31 March 2023	205.67	18.26	-	223.94
As at 31 March 2022	145.36	28.82	-	174.18

Net carrying value	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	223.94	174.18



MPS Interactive Systems Limited
Notes forming part of Financial Statements for the period ended 31 March 2023
(INR in Lacs, except share and per share data, unless otherwise stated)

4. Goodwill and other intangible assets

Particulars	Goodwill	Other intangible assets			Total
		Customer relationship	Order Book	Computer software	
Gross carrying value					
As at 1 April 2021	3,959.72	671.60	151.62	230.70	5,013.64
Additions	-	-	-	-	-
Disposals/adjustments	-	-	-	-	-
As at 31 March 2022	3,959.72	671.60	151.62	230.70	5,013.64
Additions	-	-	-	-	-
Disposals/adjustments	-	-	-	-	-
As at 31 March 2023	3,959.72	671.60	151.62	230.70	5,013.64
Amortisation					
As at 1 April 2021	-	380.51	143.17	164.56	688.24
Amortisation expense for the year	-	134.32	8.45	31.11	173.88
Disposals/adjustments	-	-	-	-	-
As at 31 March 2022	-	514.83	151.62	195.67	862.12
Amortisation expense for the year	-	134.32	-	30.01	164.33
Disposals/adjustments	-	-	-	-	-
As at 31 March 2023	-	649.15	151.62	225.68	1,026.46
Net carrying value					
As at 31 March 2023	3,959.72	22.45	-	5.02	3,987.18
As at 31 March 2022	3,959.72	156.77	(0.01)	35.04	4,151.51

	As at 31 March 2023	As at 31 March 2022
Net carrying value		
Goodwill	3,959.72	3,959.72
Other intangible assets	27.47	191.79

4(a) Impairment testing of goodwill

For the purpose of impairment testing, goodwill is allocated to the Cash Generating Units (CGUs) 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 eLearning and platform segment is as follows:

Particulars	As at	As at
	31 March 2023	31 March 2022
eLearning	3,869.64	3,869.64
Platform	90.08	90.08
	3,959.72	3,959.72

For the purpose of impairment testing, goodwill is allocated to the Cash Generating Units (CGU) which represents the recoverable amount of the above cash generating units based on its value in use. The value in use of this unit was determined to be higher than the carrying amount and an analysis of the calculation's sensitivity towards change in key assumptions including the cash flow projections. 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:

- The anticipated annual revenue growth and margin included in the cash flow projections, actual operating results and the 5 year approved business plan in all periods presented.
- The terminal growth rate 4% for the year ended 31 March 2023 (31 March 2022: 4%) representing management view on the future long-term growth rate.
- Discount rate of 18.5% for the year ended 31 March 2023 (31 March 2022: 18%) was applied in determining the recoverable amount of the CGUs. The discount rate was estimated based on historical industry average and 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.



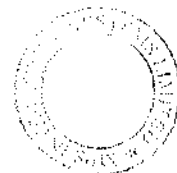
5 Non current investments	Particulars	As at 31 March 2023		As at 31 March 2022	
		Units in '000	INR in Lacs	Units in '000	INR in Lacs
(i)	Investments carried at cost :				
	Equity instruments of subsidiaries (unquoted)				
	209,103 Units (31 March 2022: Nil) each fully paid up of E.I. Design Private Limited	209.10	4,208.67	-	-
		209.10	4,208.67	-	-

The Company has acquired E.I. Design Private Limited, India on 30 May 2022. E.I. Design Private Limited provides digital learning solutions for medium to large enterprises. It creates innovative and engaging training processes that realign courses to new and changing workplace dynamics. Consequent to this acquisition, E.I. Design Private Limited, is a wholly owned subsidiary of our company.

5 Current investments	Particulars	As at 31 March 2023		As at 31 March 2022	
		Units in '000	INR in Lacs	Units in '000	INR in Lacs
(ii)	Investment in mutual funds carried at fair value through profit or loss (unquoted, fully paid up)				
	Axis Liquid Direct Plan Growth	5.16	128.98	-	-
	ABSL Liquid Fund - Direct Plan - Growth Option	39.74	144.27	46.89	160.90
	HDFC Money Market Fund - Direct Plan - Growth	13.38	658.75	-	-
	SBI Savings Fund-Direct Plan Growth	536.47	201.56	-	-
	Tata Money Market Fund-Direct Plan Growth	7.44	301.59	-	-
		602.19	1,435.15	46.89	160.90

6 Other financial assets	Particulars	As at 31 March 2023		As at 31 March 2022	
(i)	Non Current (unsecured, considered good)				
	Security deposits			6.42	1.00
	Bank deposits held as margin money or security against guarantees			209.45	102.57
	Bank deposits due to mature after 12 months of the reporting date			120.80	-
				336.67	103.57
(ii)	Current (unsecured, considered good)				
	Security deposits			1.32	1.27
	Interest accrued on deposits			27.78	49.30
	Other advances				
	- Recoverable from related party			8.56	-
	- Other recoverable			55.46	11.48
				93.12	62.05

7 Non-current tax assets (net)	Particulars	As at 31 March 2023		As at 31 March 2022	
	Advance income tax (net of provisions of INR 525.76 Lacs (31 March 2022: INR 24.89 Lacs))			31.90	122.49
				31.90	122.49



MPS Interactive Systems Limited
Notes forming part of Financial Statements for the period ended 31 March 2023
(INR in Laacs, except share and per share data, unless otherwise stated)

8 Other assets			
Particulars	As at		As at
	31 March 2023		31 March 2022
(i) Other non-current assets (unsecured, considered good)			
Security deposits	-	-	1.60
Balances with government authorities	-	-	-
-Service tax credit receivable	105.88	-	105.88
	105.88		107.48
(ii) Other current assets (unsecured, considered good)			
Contract assets			
Considered good	567.17	-	470.12
Advance to suppliers	39.98	-	3.92
Prepaid expenses	65.45	-	65.35
Balances with government authorities	-	-	-
-Goods and Services Tax, Credit	238.91	-	242.36
-Others	4.41	-	6.59
Gratuity fund	-	-	25.57
	915.92		813.91

9 Trade receivables			
Particulars	As at		As at
	31 March 2023		31 March 2022
Current			
Trade receivables	1,165.06	-	1,056.83
	1,165.06		1,056.83
Break-up for details:			
Trade receivables (unsecured)			
Considered good	1,167.72	-	1,065.81
Less: Expected credit loss allowance (refer note 29 (i))	2.66	-	8.98
	1,165.06		1,056.83
Trade receivables which have significant increase in credit risk			
Trade receivables - credit impaired	-	-	-
Less: expected credit loss allowance (refer note 29 (ii))	-	-	-
	-		-
Total trade receivables	1,165.06		1,056.83

Trade Receivable ageing for year ended 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable-considered good	675.66	489.40	-	-	-	-	1,165.06
(ii) Undisputed Trade Receivable-which have significant increase in credit risk	-	1.76	0.89	-	-	-	2.66
(iii) Undisputed Trade Receivable-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable-considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivable-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable-credit impaired	-	-	-	-	-	-	-
Total	675.66	491.16	0.89	-	-	-	1,167.72
Less: expected credit loss allowance (refer note 29 (ii))	-	-	-	-	-	-	2.66
Total	-	-	-	-	-	-	1,165.06

Trade Receivable ageing for year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable-considered good	422.69	622.94	11.20	-	-	-	1,056.83
(ii) Undisputed Trade Receivable-which have significant increase in credit risk	-	2.32	5.50	1.16	-	-	8.98
(iii) Undisputed Trade Receivable-credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable-considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivable-which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable-credit impaired	-	-	-	-	-	-	-
Total	422.69	625.26	16.70	1.16	-	-	1,065.81
Less: expected credit loss allowance (refer note 29 (ii))	-	-	-	-	-	-	8.98
Total	-	-	-	-	-	-	1,056.83



10 Cash and Bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Cash and cash equivalents		
Balances with banks		
-In Current accounts	162.78	168.68
-In EEFC accounts	52.96	395.46
Cash on hand	0.01	-
	215.75	564.14
(ii) Bank balances other than cash and cash equivalents above		
Bank deposits with original maturity for more than 3 months but less than 12 months	431.00	2,116.12
	431.00	2,116.12
Details of bank balances/deposits		
Bank deposits with original maturity for more than 3 months but less than 12 months included under 'Other balances with banks' (refer note 10 (ii))	431.00	2,116.12
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current financial assets' (refer note 6 (i))	120.80	-
Bank deposits held as margin money or security against guarantees included under 'Other non-current financial assets' (refer note 6 (i))	209.45	102.57
	761.25	2,218.69



MPS Interactive Systems Limited
Notes forming part of Financial Statements for the period ended 31 March 2023
(INR in Lacs, except share and per share data, unless otherwise stated)

11 Share capital

(i) Particulars	As at		As at	
	31 March 2023		31 March 2022	
Authorised				
6,50,00,000 equity shares of INR 10 each fully paid up with voting rights		6,500.00		6,500.00
2,50,00,000 preference shares of INR 10 each fully paid up with voting rights as per Section 47(2) of the Companies Act, 2013		2,500.00		2,500.00
		<u>9,000.00</u>		<u>9,000.00</u>
Issued, Subscribed & Paid-Up				
6,20,00,000 equity shares of INR 10 each fully paid up with voting rights		6,200.00		6,200.00
		<u>6,200.00</u>		<u>6,200.00</u>

(ii) Reconciliation of the equity share outstanding at beginning and for the period ended 31 March 2023

Particulars	As at		As at	
	31 March 2023		31 March 2022	
	Number	INR in Lacs	Number	INR in Lacs
Equity shares (with voting rights) outstanding at the beginning of the period	62,000,000	6,200.00	62,000,000	6,200.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>62,000,000</u>	<u>6,200.00</u>	<u>62,000,000</u>	<u>6,200.00</u>

(iii) Rights, preferences and restrictions attached to equity shares and preference shares

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 shareholders 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 shareholders.

(iv) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at		As at	
	31 March 2023		31 March 2022	
	Number	INR in Lacs	Number	INR in Lacs
Equity shares of INR 10 each fully paid up and held by MPS Limited (Holding Company)	61,999,994	6,200	61,999,994	6,200

(v) Details of the promoters shareholders holding in the Company

Promoter Name	No. of Shares as at		No. of Shares as at		% change during the year	
	31/Mar/2023	% of total shares	31/Mar/2022	% of total shares	31/Mar/2023	31/Mar/2022
MPS Limited (Holding Company)*	62,000,000	100.00%	62,000,000	100.00%	-	-
Total	62,000,000		62,000,000			

*This include 6 shares held by the nominees on behalf of the Company which as at 31 March 2023, represents 0.00% of total shareholding (31 March 2022: 0.00%)

(vi) Details of the shareholders holding more than 5% shares of the Company

Class of shares / Name of shareholder	As at		As at	
	31 March 2023		31 March 2022	
	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 MPS Limited (Holding Company)	61,999,994	99.99%	61,999,994	99.99%

(vii) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

There are no bonus shares issued and shares bought back since incorporation of the Company.



12 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 tax are as follows:

Deferred tax assets:

	Expected credit loss allowance	Expenses allowable for tax purposes when paid	Tax losses carry forward	Lease assets net of lease liabilities	Others	Total
As at 31 March 2020	20.38	27.26	293.49	14.29	0.12	355.53
(Charged)/credited						
- to statement of profit and Loss	12.35	22.32	(65.27)	3.42	0.03	(27.17)
- to other comprehensive income		(16.81)				(16.81)
As at 31 Mar 2021	32.71	32.77	228.22	17.71	0.15	311.55
(Charged)/credited						
- to statement of profit and Loss	(7.83)	0.54	(228.22)	(17.71)	(0.15)	(253.37)
- to other comprehensive income		(8.32)				(8.32)
As at 31 Mar 2022	24.88	24.99	-	-	-	49.86
(Charged)/credited						
- to statement of profit and Loss	(14.34)	(0.29)				(14.62)
- to other comprehensive income						
As at 31 Mar 2023	10.54	24.70	-	-	-	35.24

Deferred tax liabilities:

	Difference between book balance and tax balance of property, plant and equipment/ Other intangible assets	Gains on investment carried at fair value through profit or loss	Total
As at 31 March 2020	(444.28)	(20.94)	(465.21)
(Charged)/credited			
- to statement of profit and Loss	(544.87)	20.37	(524.50)
- to other comprehensive income			
As at 31 Mar 2021	(989.15)	(0.57)	(989.71)
(Charged)/credited			
- to statement of profit and Loss	17.02	0.35	17.36
- to other comprehensive income			
As at 31 Mar 2022	(972.13)	(0.22)	(972.35)
(Charged)/credited			
- to statement of profit and Loss	17.15	(4.22)	12.93
- to other comprehensive income			
As at 31 Mar 2023	(954.98)	(4.44)	(959.42)

Reflected in the Balance Sheet as follows:

	As at 31 March 2023	As at 31 March 2022
Deferred tax assets	35.24	49.86
Deferred tax liabilities	(959.42)	(972.35)
Deferred tax liability (net)	(924.18)	(922.49)

Reconciliation of deferred tax (liability)/asset -net:

	As at 31 March 2023	As at 31 March 2022
Balance as at the commencement of the year	(922.49)	(678.16)
Credit during the year recognised in Statement of profit and loss	1.69	236.01
Expense during the year recognised in other comprehensive income	-	8.32
Balance as at 31 March 2023	(924.18)	(922.49)



13 Borrowings		As at	As at
Particulars		31 March 2023	31 March 2022
(i) Non-current liabilities			
Loan from Holding Company (refer note 39)		1,071.15	-
		<u>1,071.15</u>	<u>-</u>
(ii) Current liabilities			
Loan from Holding Company (refer note 39)		292.82	-
		<u>292.82</u>	<u>-</u>

14 Trade payables		As at	As at
Particulars		31 March 2023	31 March 2022
Trade payables			
Total outstanding dues of micro enterprises and small enterprises (refer note 26)		14.17	9.02
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 31)		405.22	186.98
Trade payables to related parties (refer note 31)		3.44	27.87
		<u>422.83</u>	<u>223.87</u>

Trade Payable ageing for year ended 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Micro enterprises and small enterprises - MSME	5.90	2.76	5.51	-	-	-	14.17
(ii) Others	72.64	65.45	262.78	2.23	5.56	-	408.66
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	78.54	68.21	268.29	2.23	5.56	-	422.83

Trade Payable ageing for year ended 31 March 2022

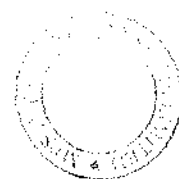
Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Micro enterprises and small enterprises - MSME	4.04	1.63	3.35	-	-	-	9.02
(ii) Others	112.71	6.91	92.73	2.50	-	-	214.85
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	116.75	8.54	96.08	2.50	-	-	223.87

15 Other financial liabilities (Current)		As at	As at
Particulars		31 March 2023	31 March 2022
Employee payable		110.46	52.60
Others payable		60.51	-
		<u>170.97</u>	<u>52.60</u>

16 Other current liabilities		As at	As at
Particulars		31 March 2023	31 March 2022
Income received in advance (contract liabilities) (refer note 32 (iii))		2,092.20	1,582.07
Advances from customers		41.60	-
Capital Creditors		22.39	-
Statutory dues payable*		72.59	55.91
		<u>2,228.78</u>	<u>1,637.98</u>

*includes goods and services tax, tax deducted at source, provident fund and employee state insurance, etc.

17 Provisions		As at	As at
Particulars		31 March 2023	31 March 2022
(i) Non Current			
Provision for compensated absences		46.69	45.67
		<u>46.69</u>	<u>45.67</u>
(ii) Current			
Provision for compensated absences		11.19	10.50
Provision for gratuity		22.48	-
		<u>33.67</u>	<u>10.50</u>



MPS Interactive Systems Limited

Notes forming part of Financial Statements for the period ended 31 March 2023

(INR in Lacs, except share and per share data, unless otherwise stated)

18 Revenue from operations			
Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of services			
Exports		5,620.66	4,789.34
Domestic		1,329.05	597.80
		6,949.71	5,387.14

19 Other income			
Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on:			
- Deposits with banks		28.35	79.47
Interest on income tax refund		6.14	8.88
Net gain on sale of current investment carried at fair value through profit		1.89	1.48
Net gain on foreign currency transactions		88.64	34.33
Other non-operating income (refer note (i) below)		31.33	55.05
		156.35	179.21

Note (i) Other non-operating income comprises:

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
Gain on sale of property, plant and equipment (net)		-	1.37
Gain on investment carried at fair value through profit and loss		20.07	2.54
Miscellaneous income		11.26	51.14
		31.33	55.05



MPS Interactive Systems Limited

Notes forming part of Financial Statements for the period ended 31 March 2023

(INR in Lacs, except share and per share data, unless otherwise stated)

20 Employee benefits expenses

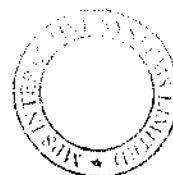
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages (refer note 27)	2,807.50	2,783.07
Contribution to provident and other funds (refer note 27)	110.85	126.31
Staff welfare expenses	34.10	34.79
	2,952.45	2,944.17

21 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liabilities (refer note 35)	-	27.26
Interest expense on inter corporate deposits	125.96	-
	125.96	27.26

22 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment (refer note 3.1)	68.91	62.69
Depreciation on right of use assets	-	99.75
Amortization on intangible assets (refer note 4)	164.33	173.88
	233.24	336.32

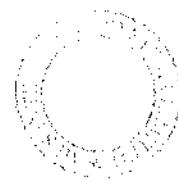


MPS Interactive Systems Limited**Notes forming part of Financial Statements for the period ended 31 March 2023**
(INR in Lacs, except share and per share data, unless otherwise stated)**23 Other expenses**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Outsourcing cost	1,351.13	740.05
Power and fuel	-	28.32
Rent	11.62	15.94
Repairs and maintenance - buildings	4.86	21.88
Repairs and maintenance - others	26.89	27.22
Insurance	-	1.17
Rates and taxes	0.83	2.34
Communication	10.74	29.50
Travelling and conveyance	66.38	7.49
Legal and professional	79.46	59.83
Sales and marketing expense	84.38	52.13
Software expense	124.97	102.94
Directors sitting fees	10.00	5.00
Payments to auditors (refer note (i) below)	17.36	12.00
Bad debts written off	4.39	5.22
Less: Allowances for expected credit loss utilised for the above	<u>4.39</u>	<u>5.22</u>
Allowances for expected credit loss and doubtful advances	20.79	83.43
Lease expense (refer note (ii) below)	-	14.61
Expenditure on corporate social responsibility (refer note 37)	7.02	2.00
Miscellaneous expenses	19.78	23.89
	<u>1,836.21</u>	<u>1,229.74</u>

**(i) Payments to the auditors comprises
(net of GST credit, where applicable):**

	For the year ended 31 March 2023	For the year ended 31 March 2022
To statutory auditors		
for statutory audit	8.50	10.50
for transfer pricing	2.00	-
for tax audit	2.00	1.50
for other services	4.25	-
for out of pocket expenses	0.61	-



MPS Interactive Systems Limited
Notes forming part of Financial Statements for the period ended 31 March 2023
(INR in Lacs, except share and per share data, unless otherwise stated)

24 Income tax

The major components of income tax expense for the year ended 31 March 2023 and 31 March 2022 are:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current income tax:		
Current income tax charge for the year	516.67	25.05
Adjustments in respect of current income tax of previous period	2.76	
	<u>519.43</u>	<u>25.05</u>
Deferred tax:		
Deferred tax on profits for the year	1.69	236.01
Adjustments in respect of deferred tax of previous period	-	-
	<u>1.69</u>	<u>236.01</u>
Income tax expense reported in the Statement of Profit and Loss	<u>521.12</u>	<u>261.06</u>
Other comprehensive income section		
Tax related to items that will not be reclassified to Profit and Loss	6.05	(8.32)
Income tax charged to Other comprehensive income	<u>6.05</u>	<u>(8.32)</u>

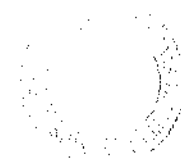
Reconciliation between average effective tax rate and applicable tax rate for the year ended 31 March 2023 and 31 March 2022:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Accounting profit before income tax	1,958.20	1,028.86
At India's statutory income tax rate	25.17%	25.17%
Computed Tax Expense	492.87	258.94
Non-deductible expenses	1.77	0.64
Additional allowances for tax purpose	-	(2.75)
Others	23.76	4.23
Tax relating to earlier years	2.76	-
Income tax charged to Statement of Profit and Loss	<u>521.12</u>	<u>261.06</u>

Effective tax rate has been calculated on profit before tax.

25 Earnings per equity share

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit for the year attributable to the equity holders of the Company	1,437.08	767.80
Weighted average number of equity shares outstanding	62,000,000	62,000,000
Face value per share (INR)	10	10
Earnings per share- basic & diluted (INR)	2.32	1.24



MPS Interactive Systems Limited

Notes forming part of Financial Statements for the period ended 31 March 2023

(INR in Lacs, except share and per share data, unless otherwise stated)

26 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 period of the year. 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.

Particulars	As at 31 March 2023	As at 31 March 2022
(i) The principal amount remaining unpaid to any supplier as at Balance Sheet date	14.17	9.02
(ii) The interest due on principal amount remaining unpaid to any supplier as at Balance Sheet date	-	-
(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 period	-	-
(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 as at Balance Sheet date	-	-
(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	-	-



27 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, superannuation fund, employee state insurance (ESI) and labour welfare fund, scheme for qualifying employees. Under the schemes, the Company is required to fund specified percentage of payroll costs to the benefits. During the year, the Company has contributed following amounts to:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Employer's contribution to provident fund	95.97	106.03
Employer's contribution to superannuation fund	14.45	18.99
Employer's contribution to employee state insurance	0.41	1.27
Employer's contribution to labour welfare fund	0.02	0.02
	110.85	126.31

(B) Defined Benefit Plans

i. 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 7.30% (Previous year: 6.41%) 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 60 years and mortality table is as per IALM (2012-14).

The estimates of future salary increases, considered in actuarial valuation is 6% (Previous year: 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 7.30% (Previous year: 6.41%) p.a.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the beginning of the year	377.44	472.17
Current service cost	25.65	32.83
Interest cost	22.91	28.61
Liability transferred-in acquisition	(0.98)	-
Actuarial gain	24.35	(32.92)
Benefits paid	(146.08)	(123.25)
Present value of obligation	303.29	377.44

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of obligation	303.29	377.44
Fair value of plan assets	(280.81)	(403.01)
Net (Assets) / liabilities recognised in the Balance Sheet	22.48	(25.57)

The following pay-outs are expected in future years:

Particulars	As at 31 March 2023	As at 31 March 2022
Within 1 year	40.89	68.06
1-2 year	38.24	44.10
2-3 year	35.87	41.08
3-4 year	33.68	38.48
4-5 year	35.17	35.75
5-10 years	154.09	163.50
More than 10 years	117.00	138.61

Fair Value of Plan Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Plan assets at the beginning of the year	403.01	496.07
Expected return on plan assets	24.86	30.19
Assets transferred on acquisitions	(0.98)	-
Actual benefits paid	(146.08)	(123.25)
Contributions by the employer	-	-
Plan assets	280.81	403.01

Company's best estimate of contribution during next year is INR 22.48 Lacs.



27 Employee benefits in respect of the Company have been calculated as under:

Composition of the plan assets is as follows:

Particulars	As at	As at
	31 March 2022	31 March 2021
Central government securities	23.57%	20.63%
Other approved securities	0.01%	0.01%
State government securities	45.67%	46.91%
Government guaranteed securities	0.00%	0.00%
Debentures and bonds	17.57%	18.74%
Equity Shares	9.89%	9.68%
Others, MF, Bank balance, etc	3.29%	4.02%

The above composition of plan assets are based on details received for 31 March 2022 (for previous year composition of plan assets are based on details received for 31 March 2021). Details for 31 March 2023 are awaited from LIC.

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Current service cost	25.65	32.83
Interest cost (Net of return on plan assets)	(1.64)	(1.45)
Expense recognised in the Statement of Profit and Loss	24.01	31.38

Amount recognised in the other comprehensive income:

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Actuarial loss/(gain) due to demographic assumption change	-	-
Actuarial loss/(gain) due to financial assumption change	24.35	(32.92)
Actuarial loss/(gain) due to experience adjustment	-	-
Actuarial (gain)/loss on plan assets	(0.31)	(0.13)
Amount recognised in the other comprehensive income	24.04	(33.05)

Sensitivity analysis

	As at	As at
	31 March 2023	31 March 2022
Assumptions -discount rate		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.50%	0.50%
Impact on defined benefit obligation -increase of sensitivity level	(6.99)	(8.33)
Impact on defined benefit obligation -decrease of sensitivity level	7.31	8.72
Assumptions -Future salary rate		
Sensitivity level (a hypothetical increase / (decrease) by)	0.50%	0.50%
Impact on defined benefit obligation-increase of sensitivity level	7.37	8.73
Impact on defined benefit obligation-decrease of sensitivity level	(7.10)	(8.41)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the period 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.

Other long term benefits (compensated absences):

Particulars	As at	As at
	31 March 2023	31 March 2022
(C) Present value of obligation	57.88	56.17



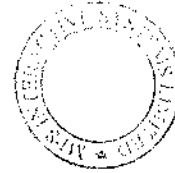
MPS Interactive Systems Limited
Notes forming part of Financial Statements for the period ended 31 March 2023
(InR in Lacs, except share and per share data, unless otherwise stated)

28 Fair value measurements

Particulars	Note	Level of hierarchy	As at 31 March 2023			As at 31 March 2022		
			FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets								
Investments in mutual fund	(c)	1	1,435.15	-	-	160.90	-	-
Trade receivables	(a)		-	-	1,165.06	-	-	1,056.83
Cash and bank balances	(a)		-	-	646.75	-	-	2,680.26
Other financial assets	(a, b)		-	-	429.79	-	-	165.62
Total financial assets			1,435.15	-	2,241.60	160.90	-	3,902.71
Financial liabilities								
Trade payables	(a)		-	-	422.83	-	-	223.87
Borrowings	(d)	3	-	-	1,363.97	-	-	-
Other financial liabilities	(a)		-	-	170.97	-	-	52.60
Total financial liabilities			-	-	1,957.77	-	-	276.47

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) The fair value of the mutual funds are based on net assets value of the funds as at reporting date.
- (d) The fair value of borrowings is INR 1,363.96 Lakhs based upon a discounted cash flow analysis that uses the aggregate cash flow from principal and finance costs over life of debt and current market interest rates.



29 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, CAD, GBP and others.

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:

	As at 31 March 2023				As at 31 March 2022			
	USD	CAD	GBP	Others	USD	CAD	GBP	Others
Cash and cash equivalents	159.28	3.98	-	7.73	432.25	13.72	28.89	0.16
Trade receivables	832.65	112.18	47.84	7.51	667.88	26.25	9.64	197.20
Other financial assets	0.97	-	-	-	0.85	-	-	-
Trade payables	(25.79)	-	(1.12)	-	(93.09)	-	(2.59)	-
Other financial liabilities	(71.43)	-	-	-	(17.67)	-	-	-
Net statement of financial position exposure	915.68	116.16	46.71	15.24	990.22	39.97	35.94	197.36

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, CAD 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.

	Profit or Loss (before tax)		Profit or Loss (before tax)	
	For the year ended		For the year ended	
	31 March 2023		31 March 2022	
	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	9.16	(9.16)	-9.90	(9.90)
CAD (1% movement)	1.16	(1.16)	0.40	(0.40)
GBP (1% movement)	0.47	(0.47)	0.36	(0.36)
Others (1% movement)	0.15	(0.15)	1.97	(1.97)

Pricing risk:

Pricing pressure is a constant risk due to increased competition. The Company strives to mitigate this risk with existing and customers by a trade-off for volumes. Thereon, it is the Company's endeavor to reduce the impact by taking advantage of economies of scale and increasing productivity, as well increasing automation within all the processes.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no borrowings at fixed rate of interest. Hence the Company is not significantly exposed to interest rate risk.

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:

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Revenue from top customers (more than 10% revenue individually)	3,195.34	775.97
Revenue from top 15 customers	5,608.47	3,484.60

Expanding the customer base is mitigating this risk. Within the current customers, the Company is looking to deepen the partnership by supporting enterprises through the entire value chain of customer eLearning.

Expected credit loss for trade receivables, unbilled revenues and contract assets (customer balances):

Customer balances forms a significant part of the financial assets carried at amortised cost and contract assets, which is valued considering provision for allowance using expected credit loss method. 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.



29 Financial risk management

Company's exposure to credit risk for trade receivables using provision matrix is as follows:

Particulars	As at 31 March 2023			As at 31 March 2022		
	Gross carrying amount	Allowance for credit losses	Net carrying amount	Gross carrying amount	Allowance for credit losses	Net carrying amount
Less than 180 days	1,734.00	2.21	1,731.79	1,518.07	2.32	1,515.76
More than 180 days	0.89	0.45	0.45	17.86	6.66	11.20
	1,734.89	2.66	1,732.24	1,535.93	8.98	1,526.95

Movement in the expected credit loss allowance of trade receivables are as follows:

Particulars	As at	As at
	31 March 2023	31 March 2022
Balance at the beginning of the year	8.98	129.95
Add: Provided during the year (net of reversal)	(1.93)	(115.75)
Less: Amount written off	(4.39)	(5.22)
Balance for the year ended 31 March 2023	2.66	8.98

Expected credit loss on financial assets other and contract assets 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 expected 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 and balances with banks

The Company limits its exposure to credit risk by investing in liquid securities and maintain balances with banks 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:

Particulars	Contractual Cash flows			Contractual Cash flows		
	As at 31 March 2023			As at 31 March 2022		
	Carrying Amount	Within 1 year	More than 1 Year	Carrying Amount	Within 1 year	More than 1 Year
Non-derivative financial liabilities						
Trade payables	422.83	417.27	5.56	223.87	223.87	-
Other financial liabilities	170.97	170.97	-	52.60	52.60	-

30 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	As at
	31 March 2023	31 March 2022
Total equity attributable to the equity shareholders of the Company	7,959.16	6,540.07
As percentage of total capital	85%	100%
Total borrowings	1,363.96	-
As a percentage of total capital	15%	0%
Total capital (equity and borrowings)	9,323.12	6,540.07

The Company is equity as well as debt financed which is evident from the capital structure. Further, the Company has been a net cash company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds.

The Company monitored its capital gearing ratio, which is net debt divided to total equity. Net Debt includes, interest bearing loans and borrowings net of cash equivalents:-

Particulars	As at	As at
	31 March 2023	31 March 2022
Long term borrowing	1,071.15	-
Current portion of long term borrowing	292.82	-
Total borrowing	1,363.97	-
Less:		
Cash and cash equivalents	215.75	564.14
Other bank balance	431.00	2,116.12
Net debt	717.22	(2,680.26)
Total equity	7,959.16	6,540.07
Gearing ratio	0.09	(0.41)



MPS Interactive Systems Limited
Notes forming part of Financial Statements for the period ended 31 March 2023
(INR in Laacs, except share and per share data, unless otherwise stated)

31 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) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time), are disclosed below:-

A Names of related parties and description of relationship:

S.No.	Description of relationship	Names of related parties
1. Related parties exercising control:		
	Holding company	MPS Limited, India (Holding Company) ADI BPO Services Limited, India (Holding Company of MPS Limited, India and Ultimate Holding Company)
2. Related parties where control exist:		
	Direct subsidiary	E.I Design Private Limited, India (w.e.f. 30 May 2022)
3. Related parties where control exist via Holding Company:		
	Fellow Subsidiary Company	MPS North America LLC, USA MPS Europa AG, Switzerland TOPSIM GmbH, Germany Semantico Limited, UK HighWire Press Limited, USA (Under process of Strike-off) High Wire North America LLC, USA (dissolved w.e.f. 21st December, 2021)
4. Other related parties:		
	Key management personnel (KMP)	Nishith Arora-Chairman and Non- Executive Director (Till 29 June 2021) Rahul Arora- Chairman (w.e.f. 30 June 2021), CEO and Whole-time Director Sunit Malhotra- CFO & Company Secretary (CFO till 31 October 2021 and further re-designated as CFO w.e.f. 19 May 2022 and Company Secretary till 24 January 2023) Raman Sapra- Company Secretary (w.e.f. 25 January 2023) Ratish Mohan Sharma- Chief Financial Officer (w.e.f. 01 November 2021 till 18 May 2022) Non-Executive Directors Ajay Mankotia- Independent Non-Executive Director Yamini Tandon- Non-Independent Non-Executive Director (w.e.f. 24 May 2021)

B Transactions during the year

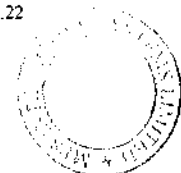
Description of transactions	Name of related party	Relationship	For the year ended 31 March 2023	For the year ended 31 March 2022
1 Finance costs	MPS Limited	Holding Company	125.96	-
2 Outsourcing cost	E.I Design Private Limited	Subsidiary Company	30.32	-
3 Outsourcing cost	TOPSIM GmbH	Fellow Subsidiary Company	-	62.07
4 Fixed assets sale	MPS Limited	Holding Company	0.29	-
5 Loan received	MPS Limited	Holding Company	1,500.00	-
6 Repayment of loan	MPS Limited	Holding Company	136.04	-
7 Expenses incurred during the year on behalf of the Company	MPS Limited	Holding Company	10.78	0.77
	E.I Design Private Limited	Subsidiary Company	8.22	-
	MPS North America LLC	Fellow Subsidiary Company	57.60	10.90
8 Expenses incurred during the year by the Company	MPS North America LLC	Fellow Subsidiary Company	14.84	-
9 Director sitting fees	Mr. Ajay Mankotia	KMP	5.00	5.00
	Mrs. Yamini Tandon	KMP	5.00	-

C Outstanding balance as at 31 March 2023

Particulars	Name of related party	Relationship	As at 31 March 2023	As at 31 March 2022
1 Intercorporate loan	MPS Limited	Holding Company	1,363.97	-
2 Trade payables	TOPSIM GmbH	Fellow Subsidiary Company	-	27.10
	MPS North America LLC	Fellow Subsidiary Company	3.44	-
	MPS Limited	Holding Company	-	0.77
3 Other Financial assets	MPS Limited	Holding Company	0.34	-
	E.I Design Private Limited	Subsidiary Company	8.22	-

Notes:

- 1 No amount has been written off / written back during the year in respect of dues from / to related parties.



32 Revenue

(i) Revenue from contracts with customers

Revenues for the year ended 31 March 2023 & 31 March 2022 are as follows:

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
eLearning	6,949.71	5,387.14
	6,949.71	5,387.14

(ii) Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by primary geographical market, major products/service lines and timing of revenue recognition.

Particulars	For the year ended	For the year ended
	31 March 2023	31 March 2022
Revenue by geographical markets	eLearning	eLearning
India (country of domicile)	1,329.05	597.81
Europe	205.51	154.01
United State of America	4,331.23	3,809.18
Rest of the World	1,083.92	826.14
Total	6,949.71	5,387.14

Refer note 29 (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

Particulars	As at	As at
	31 March 2023	31 March 2022
Receivables, which are included in 'Trade and other receivables' (refer note no. 9)	1,165.06	1,056.83
Contract assets (refer note no. 8 (ii))	567.17	470.12
Contract liabilities (refer note no. 16)	2,092.20	1,582.07

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

Revenues in excess of invoicing are classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Significant changes in the contract assets and the contract liabilities balances for the year ended 31 March 2023 and 31 March 2022 are as follows

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Balance as at beginning of the year	470.12	1,582.07	187.73	1,074.50
Increases due to cash received, excluding amounts recognised as revenue during the period	-	2,372.03	-	1,153.48
Revenue recognised that was included in the contract liability balance	-	(1,861.89)	-	(645.91)
Advance received from customer	-	41.60	-	-
Transfers from contract assets recognised at the time of business combination to receivables	-	-	-	-
Increases as a result of changes in the measure of progress	567.17	-	470.12	-
Transfers from contract assets to receivables	(470.12)	-	(187.73)	-
Balance at the end of the year	567.17	2,133.81	470.12	1,582.07

(iv) 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.

33 Subsequent Event

The board of directors ("Board") of E.I. Design Private Limited ("Transferor Company") and MPS Interactive Systems Limited ("Transferee Company") in their respective meetings held on 21 February 2023, considered and approved the scheme of merger of the Transferor Company into and with the Transferee Company ("Scheme") and recommended the same to shareholders, which was approved by the shareholders of the Transferor Company and the Transferee Company at their respective extra ordinary general meeting held on 31 March 2023. Pursuant to the aforesaid approvals, the Transferee Company filed the Scheme with Regional Director, Southern Region, Chennai, Tamil Nadu ("Regional Director") for approval on 06 April 2023. The Transferor Company and the Transferee Company have determined the Appointed Date as 31 May 2022. However, the Scheme will become operative only from the effective date subject to the necessary approval and such other permissions, sanctions and statutory approvals, as may be required.



MPS Interactive Systems Limited

Notes forming part of Financial Statements for the year ended 31 March 2023

(INR in Lacs, except share and per share data, unless otherwise stated)

34 Contingent liabilities to the extent not provided for:

Claims against Company, disputed by the Company, not acknowledged as debt:

	As at 31 March 2023	As at 31 March 2022
(a) Taxes	-	-
(b) Other (refer note below)	-	-

Note:

The Honorable Supreme Court on 28 February 2019 had provided its judgment 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 Judgment including the period from which judgment would apply, consequential implications on resigned employees, etc. Further, various stakeholders have also filed representations with PF authorities in this respect. All these factors raises significant uncertainty regarding the implementation of the Supreme Court Judgment. Owing to the aforesaid uncertainty and pending clarification from regulatory authorities in this regard, the Company has 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.

35 Leases

(i) 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 had 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 as at 1 April 2019, which is 9.5% for measuring the lease liability.

(iii) Reconciliation of lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at beginning of the year	-	414.96
Interest on lease liabilities (refer note 21)	-	27.26
Repayment of lease liabilities including interest expenses	-	119.38
Impact on Mumbai lease termination(Office Closure)	-	322.85
Balance at the end of the year	-	-

(iv) Following amount has been recognised in the statement of profit and loss

Particulars	As at 31 March 2023	As at 31 March 2022
Interest on lease liabilities (refer note 21)	-	27.26
Depreciation on Right-of-use assets (refer note 22)	-	99.75
Deferred tax (credit) (refer note 12)	-	17.71
Impact on the statement of profit and loss for the year	-	144.72

(v) Bifurcation of lease expenses on which exemption is taken

Particulars	As at 31 March 2023	As at 31 March 2022
Expense related to short-term leases	11.62	9.40
Expense related to leases of low value assets, excluding short team leases of low value	-	25.93
Total	11.62	35.33

(vi) Amount recognised in the statement of cash flow

Particulars	As at 31 March 2023	As at 31 March 2022
Repayment of lease liabilities including interest expenses	-	119.38
Impact on the statement of cash flows for the year	-	119.38



MPS Interactive Systems Limited
Notes forming part of Financial Statements for the period ended 31 March 2023
(INR in Lacs, except share and per share data, unless otherwise stated)

36 Business Combination

On 30 May 2022, the Company had completed the acquisition of 100% outstanding share capital of E.I. Design Private Limited, thereby obtaining control, for a total purchase consideration of INR 4,208.67 Lacs. Given the rapid growth in e-Learning industry, acquisition of E.I. Design Private Limited will enable the Company to have global access to the e-Learning market.

Following assets and liabilities have been recorded on fair value based on the report of external independent expert through business combination accounting by the company:

Particulars	Notes	As at	
		30 May 2022	
Property, plant and equipment			56.23
Right-of-use assets			82.70
Other intangible assets			1,375.73
Other financial assets			34.63
Income tax assets			113.56
Contract assets			283.28
Other current assets			97.31
Trade receivables			354.42
Cash and cash equivalents			826.21
Other Bank Balance			17.31
Lease liabilities			(85.90)
Trade payables			(172.51)
Other financial liabilities-current			(205.61)
Other current liabilities			(413.18)
Provisions			(150.80)
Deferred tax liabilities (net)			(282.78)
Net assets			1,930.60
Purchase consideration			4,208.67
Goodwill			2,278.07

The determination of fair value is based on discounted cash flow method. Key assumptions on which management has based fair valuation includes estimated annual and terminal growth rate, weighted average cost of capital, weighted average return on assets and estimated operating margin. The cash flow projections take into account past experience and represent the management's best estimate about future developments.

The goodwill of INR 2,278.07 Lacs comprises value of acquired workforce with substantial skill and expertise, growth expectations, expected future profitability and expected cost synergies arising from the acquisition. Goodwill is not expected to be deductible for tax purposes.

E.I. Design Private Limited had generated profit after tax of INR 532.70 lacs from 31 May 2022 to 31 March 2023. Revenue for the same period is INR Rs. 3,112.68 lacs. If E.I. Design had been acquired on 1 April 2022, revenue of the company for FY 2022-23 would have been higher by INR 549.68 Lacs, and profit for the year would have decreased by INR 47.25 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.

The Consolidated Financials Statement is prepared by the Holding Company i.e. MPS Limited.

37 Corporate social responsibility (CSR) expense

Provision of Section 135 of the Companies Act 2013 is applicable on the entity as threshold limits are triggered during the year. Therefore, 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 education to under privileged childrens and girls, building intellect and instill higher values of life through education, promoting health care and any other area the Board may find appropriate. Gross amount required to be spent by the Company during the year was INR 7.03 Lacs.

Particulars	Year ended		
	31 March 2023	31 March 2022	
a) Details of amount required, spent and shortfall in CSR Expense during the year			
Amount required to be spent by the company	7.03	-	
Amount incurred during the year (Refer "b" below)	7.03	-	
Shortfall at the end of the year	-	-	
Total of previous years shortfall	-	-	
Amount of provision made with respect to a liability incurred by entering into a contractual obligation	-	-	
b) Amount spent by the Group on its CSR activities are as follows:			
Purpose	Year ended		
	31 March 2023	31 March 2022	
	Paid in cash	Yet to be paid in cash	
		Paid in cash	Yet to be paid in cash
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above			
Promoting education and skills	7.03	-	-
Total	7.03	-	-

c) There was no shortfall as at 31 March 2023 (31 March 2022: Nil).

d) No contribution was made to any trust controlled by the Company or any related parties in relation to CSR expenditure.

e) No amount was spent on any on-going project.

38 Code on Social Security:

The Code on Social Security, 2020 relating to employee benefits during employment and post-employment benefits has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and rules are yet to be framed. The Company will assess the impact and will give appropriated impact in its financial results in the period in which, the Code becomes effective and the related rules are published.



MPS Interactive Systems Limited

Notes forming part of Financial Statements for the period ended 31 March 2023

(INR in Lacs, except share and per share data, unless otherwise stated)

39 Loan

The Company has received a loan of INR 1,500 Lacs from MPS Limited, its holding company for the acquisition of 100% Equity Shares of E.I. Design Private Limited. Details of which are as follows :-

Name of lender	Date of loan	Amount	Purpose	Utilisation of funds	Date of investment
MPS Limited	30 May 2022	1,500	Investment	Acquisition of 100% Equity Shares of E.I. Design Private Limited	30 May 2022

The above transaction is not in violation of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

40 Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans from holding company (refer note 31)

MPS Limited	As at 31 March 2023	As at 31 March 2022
Outstanding as at the beginning of year	-	-
Received during the year	1,500.00	-
Repaid during the year	136.04	-
Maximum balance outstanding	1,500.00	-
Outstanding as at the end of year	1,363.96	-

The loan is received from the holding company for further investment in 100% equity shares of E.I. Design Private Limited at 10% per annum interest rate which is repayable as per stipulated schedule over a period of 5 years.

41 Segment information

Operating Segments

The CEO and Whole Time Director of the Company have 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 Company has determined reportable segment by nature of its product and service, accordingly following is the reportable segments:

- (a) **eLearning:** eLearning means development of client eLearning requirements through technology-enabled, futuristic, and highly scalable learning solutions which includes gamification, simulations, custom eLearning, augmented and virtual reality, animations, videos, micro-learning etc.

No Operating Segment have been aggregated to form the above reportable segment.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements.

Revenue and expenses which relate to the Company not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses'. Details are as follows.

(i) Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Segment revenue		
eLearning	6,949.71	5,387.14
Total revenue from operations	6,949.71	5,387.14
Segment results		
eLearning	1,927.81	876.91
Total	1,927.81	876.91
Less: Finance cost	125.96	27.26
Less: Un-allocable expenditure (net of un-allocable income)	(136.35)	(179.21)
Profit before tax	1,958.20	1,028.86
Tax expense	521.12	261.06
Profit for the year	1,437.08	767.80

(b) **Geographical information's:**

The geographical information analysis the Company's revenue and non-current assets by the 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**

Particular	For the year ended 31 March 2023	For the year ended 31 March 2022
India (country of domicile)	1,329.05	597.81
Europe	205.51	154.01
United State of America	4,331.23	3,809.18
Rest of the World	1,083.92	826.14
Total	6,949.71	5,387.14

(ii) **Non-current assets (by geographical location of assets)***

Particular	INR in Lacs	
	As at 31 March 2023	As at 31 March 2022
India (country of domicile)	8,555.20	4,553.71
Europe	-	-
United State of America	2.07	1.65
Rest of the World	0.31	0.31
Total	8,557.58	4,555.66

*Non-current assets are excluding financial instruments and deferred tax assets.



42 Additional regulatory informations
Ratios

Ratios	Formulas for Computation	Measures (Times / Percentage)	As at 31 March 2023	As at 31 March 2022	Variation	Remarks
Current Ratio	Current Assets / Current Liabilities	Times	1.35	2.48	-45.50%	Decreased on account of decrease in current assets as on 31 March 2023.
Debt-Equity Ratio	Total Debts / Net Worth	Times	-	-	-	As there is no debt in the company, hence Debt-equity ratio is not calculated
Debt Service Coverage Ratio	EBITDA / Debt Service	Times	-	-	-	As there is no debt in the company, hence Debt Service Coverage ratio is not calculated.
Return on Equity Ratio	Profit after Tax / Average Total Equity	Percentage	19.82%	12.50%	58.62%	Improved due to business recovery and better margins during the year ended 31 March, 2023.
Inventory turnover Ratio	COGS/Average Inventory	Times	-	-	-	As there is no trading and Manufacturing in company, hence Inventory turnover ratio is not calculated
Trade Receivable turnover Ratio	Revenue from Operations / Average Debtors	Times	6.22	5.52	12.73%	Not applicable as variation is within 25%
Trade Payable turnover Ratio	Other expenses net off non cash expenses and CSR/ Average accounts payable	Times	5.59	5.44	2.82%	Not applicable as variation is within 25%
Net Capital turnover Ratio	Revenue from Operations/ Average Working Capital (i.e Total Current Assets Less Total Current Liabilities)	Times	3.51	2.93	19.75%	Not applicable as variation is within 25%
Net Profit Ratio	PAT/ Revenue from Operations	Percentage	20.68%	14.25%	45.09%	Improved due to business recovery and better margins during the year ended 31 March, 2023.
Return on Capital Employed	EBIT/Capital Employed ((Net Worth +Lease Liabilities+Deferred Tax Liabilities)	Percentage	20.34%	14.15%	43.71%	Improved due to business recovery and better margins during the year ended 31 March, 2023.
Return on Investments	Profit before Tax / Total Assets	Percentage	14.89%	10.91%	36.53%	Improved due to business recovery and better margins during the year ended 31 March, 2023.

43 Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the period/year
- The Company has not advanced or loaned or invested funds, to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has received any fund, other than those disclosed in Note No. 39, from any other person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

For Walker Chandiook & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 001076N/N500013

Rohit Arora

Rohit Arora
Partner
Membership Number: 504774
Place: New Delhi
Date: 15 May 2023



For and on behalf of the Board of Directors of
MPS Interactive Systems Limited

Rahul Arora

Rahul Arora
Chairman, Chief Executive Officer
& Whole Time Director
DIN: 05353333
Place: New York, USA
Date: 15 May 2023



Ajay Mankotia

Ajay Mankotia
Director

DIN: 03125827
Place: New Delhi
Date: 15 May 2023

Sunit Malhotra

Sunit Malhotra
Chief Financial Officer
Membership No: A7808

Place: Noida, Uttar Pradesh
Date: 15 May 2023

Raman Sapra

Raman Sapra
Company Secretary
Membership No: F9233

Place: Noida, Uttar Pradesh
Date: 15 May 2023

Form AOC - 1

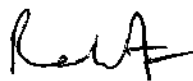
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF
SUBSIDIARIES

(INR in lacs)

Name of the Subsidiary	E.I. Design Private Limited
Reporting period for the subsidiary concerned	Financial Year 2022-23
Share capital	20.91
Reserves & surplus	-
Total assets	2282.73
Total Liabilities	2282.73
Investments	-
Turnover	3662.36
Profit/(loss) before taxation	657.51
Provision for taxation	172.05
Profit/(loss) after taxation	485.46
Other Comprehensive Income/ (loss)	10.51
Total Comprehensive Income	495.97
Proposed Dividend	NIL
% of shareholding	100%

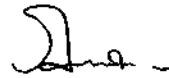
For and on behalf of the Board of Directors of MPS Interactive Systems Limited



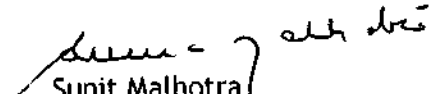
Rahul Arora
Chairman, CEO & Whole-Time Director
DIN: 05353333
Place: New York, USA
Date: 15 May 2023



Raman Sapra
Company Secretary
Place: Noida, U.P.
Date: 15 May 2023



Ajay Mankotia
Director
DIN: 03123827
Place: New-Delhi
Date: 15 May 2023



Sunit Malhotra
Chief Financial Officer
Place: Noida, U.P.
Date: 15 May 2023