

# CORPORATE GOVERNANCE REPORT

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

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

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

- a. Engaging a diverse and highly professional, experienced and competent Board of Directors, with versatile expertise in industry, finance, management and law.
- b. Deploying well defined governance structures that establishes checks and balances and delegates decision making to appropriate levels in the organization.
- c. Adoption and implementation of fair, transparent and robust systems, processes, policies and procedures.
- d. Making high level of disclosures for dissemination of corporate, financial and operational information to all its stakeholders.
- e. Having strong systems and processes to ensure full and timely compliance with all legal and regulatory requirements and zero tolerance for non-compliance.

## BOARD OF DIRECTORS

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

### Composition of the Board of Directors

- a. The Board of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. Independent Directors play a critical role in imparting balance to the Board processes by bringing independent judgments on issues of strategy, performance, resources, conduct and standards of the Company.
- b. As on 31st March, 2021, the Company has Seven Directors headed by Non-Executive Chairman.

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

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

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

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

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

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

- f. None of the Directors of the Company holds the Directorship of any other listed Company as on March 31, 2021, except Ms. Jayantika Dave, Independent Director of the Company, who holds the Directorship in Ingersoll Rand (India) Limited, Listed Entity as an Independent Director of this Company.
- g. During the financial year 2020-21, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- h. The Board periodically reviews the compliance reports of all laws applicable to the Company.
- i. None of the Directors of the Company holds equity shares of the Company as on March 31, 2021. The Company has not issued any convertible instruments.
- j. During the financial year 2020-21, one meeting of the Independent Directors was held on January 28, 2021. The Independent Directors, *inter-alia*, reviewed the performance of Non-Independent Directors, Board as a whole, and the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. Also, reviewed the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The views of the Independent Directors of the Company were also communicated to the Chairman of the Board.
- k. The Independent Directors were issued the letter of appointment containing the terms of appointment, roles, duties and code of conduct. Terms and conditions of the appointment of Independent Directors have been disseminated on the website of the Company at <http://www.mpslimited.com/corporate-governance/>.
- l. **Familiarization Programme for Independent Directors:** Independent Directors are periodically updated about the Company's policies, business, on – going events and roles and responsibilities of the Directors.  
Executive Management, through presentations at Board and Committee Meetings, provides them regular updates on the Company and its subsidiaries including, financial and business performance, operational highlights, business risks and their mitigation plans, new offerings, major clients, material litigations, regulatory compliance status, forex exposures and relevant changes in statutory regulations.  
Details of such familiarization programs are posted on the website of the Company at <http://www.mpslimited.com/corporate-governance/>  
In the opinion of the Board, the Independent Directors fulfill the conditions as specified in the Act and SEBI (LODR) Regulations and are Independent of the management.
- m. The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

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

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

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

## BOARD COMMITTEES

The Board Committees are set up by the Board and governed by its terms of reference which exhibit the scope, composition, functioning and reporting parameters. The Board has constituted various Committees to deal with specific business areas. These Committees play an important role in the governance process. All these Committees

have been formed with proper Board authority defining their composition, quorum requirements and the roles and responsibilities. These Committees decide or provide recommendations to Board on the matters referred to them. All the process and governance guidelines applicable and followed by the Board are also applicable and followed by the Committees.

**1. AUDIT COMMITTEE**

**Composition, Meetings and Attendance**

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

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

The necessary quorum was present at all the meetings.

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

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

<sup>1</sup>Mr. Nishith Arora, Member of the Audit Committee resigned from the Committee with effect from August 12, 2020.

<sup>2</sup>Mr. Rahul Arora joined as Member of the Audit Committee with effect from August 12, 2020.

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

**Role / Terms of Reference**

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

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

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

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

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

**2. NOMINATION AND REMUNERATION COMMITTEE**

**Composition, Meetings and Attendance**

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

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

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

<sup>1</sup>Mr. Nishith Arora, Member of the Nomination and Remuneration Committee resigned Committee with effect from August 12, 2020.

<sup>2</sup>Ms. Yamini Tandon was appointed as the Member of the Nomination and Remuneration Committee with effect from August 12, 2020.

**Role / Terms of Reference**

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

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

**Performance evaluation criteria for Independent Directors**

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

**3. STAKEHOLDERS RELATIONSHIP COMMITTEE**

**Composition, Meetings and Attendance**

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

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

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

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

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

<sup>1</sup>Mr. Nishith Arora, Chairman of the Stakeholders Relationship Committee resigned from the Committee with effect from August 12, 2020.

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

## Role / Terms of Reference

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

- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

## Compliance Officer

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

Compliance Officer may be reached at the following address:

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

## Stakeholders Grievance Redressal

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

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

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

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

**4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

**Composition, Meeting and Attendance**

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

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

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

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

<sup>1</sup>Ms. Yamini Tandon was appointed as the Member and Mr. Rahul Arora was designated as the Chairman of the Corporate Social Responsibility Committee with effect from August 12, 2020.

<sup>2</sup>Mr. Nishith Arora, Chairman of the Corporate Social Responsibility Committee resigned from the Committee with effect from August 12, 2020.

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

**Role / Terms of Reference**

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

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

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

**Directors’ Remuneration during the Financial Year 2020-21**

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

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



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

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

<sup>2</sup>Mr. Rahul Arora was paid remuneration of INR 250.09 Lakhs.

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



## SUBSIDIARY COMPANIES

The Company has the below subsidiary companies:

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

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

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

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

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

## CODE OF CONDUCT

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

The compliance of the Code is to be affirmed annually by the Directors and senior management personnel. All

the Board Members and senior management personnel to whom the Code is applicable have affirmed the compliance with the Code as on March 31, 2021.

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

It is hereby certified that all the members of the Board and senior management personnel have confirmed the

compliance with the Code during the financial year 2020-21 and there has been no instances of violation of the Code.”

**Rahul Arora**  
CEO & Managing Director  
May 26, 2021

## GENERAL BODY MEETINGS

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

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

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

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

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

## MEANS OF COMMUNICATION

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

as dissemination of information on the website of the Stock Exchanges, Investor Releases, Press Releases, the Annual Reports and uploading relevant information on its website.

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

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

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

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

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

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

## GENERAL SHAREHOLDERS INFORMATION

### a. Annual General Meeting

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

### b. Financial Calendar (Tentative)

Financial Year:	April 1 to March 31
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Tentative Calendar for declaration of results for the financial year 2021-22 is given below:

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

### c. Dividend

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

### d. Listing of Equity Shares

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

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

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

### f. Stock Market Data

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

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

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

[Source: [www.nseindia.com](http://www.nseindia.com)]

## BSE Limited (BSE)

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

[Source: [www.bseindia.com](http://www.bseindia.com)]

## Market Price Data and performance in Comparison to indices:

### BSE Sensex:

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

(Continued)

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

[Source: [www.bseindia.com](http://www.bseindia.com)]

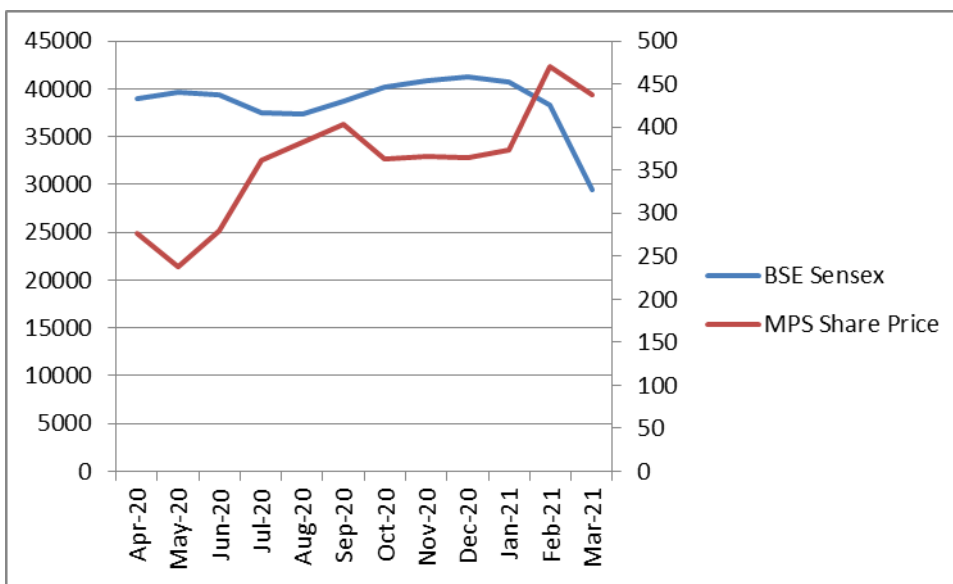
## NSE Nifty:

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

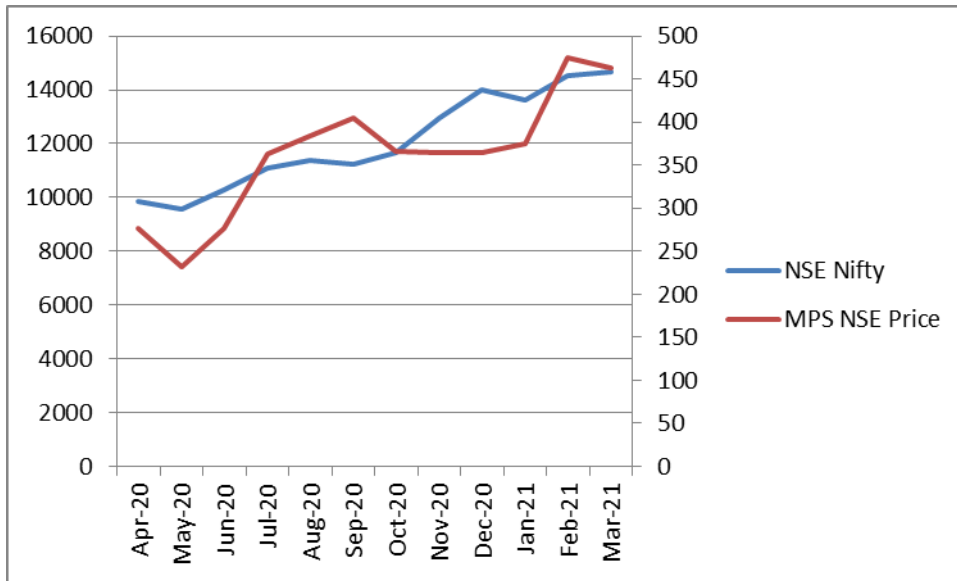
[Source: [www.nseindia.com](http://www.nseindia.com)]

## Performance in comparison to indices:

### BSE Sensex and MPS Share Price



## NSE Nifty and MPS Share Price



### Unclaimed/Unpaid Dividends and Transfer to IEPF

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

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

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

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

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

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

**h. Dematerialization of Shares and Liquidity**

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

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

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

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

**j. Share Transfer System**

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

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

**DISCLOSURES AND AFFIRMATION**

**(i) Compliances**

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

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

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

**(ii) Related Party Transactions**

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

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

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

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

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

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

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

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

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

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

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

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

**(vi) Accounting Principles**

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

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

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

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

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

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

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



## CERTIFICATION BY PRACTICING COMPANY SECRETARY

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

## MANAGING DIRECTOR & CFO CERTIFICATION

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

### Business Locations

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

Registrar and Share Transfer Agent	<b>Cameo Corporate Services Limited</b> Subramanian Building, 1 Club House Road, Chennai – 600002 Phone no. 044 – 28460390 Contact person: Mr. D. Narasimhan, Manager
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<b>Registered Office Address:</b> <b>MPS Limited</b> RR Towers IV, Super A, 16/17 Thiru Vi Ka Industrial Estate, Guindy, Chennai 600 032, Tamilnadu Tel. : (+91 – 44 49162222) Fax No.: (+91 – 44 49162225) Website address: <a href="http://www.mpslimited.com">www.mpslimited.com</a>	<b>Address for Correspondence –</b> <b>Corporate Office:</b> <b>MPS Limited</b> C-35, Sector 62, Noida – 201 307 Uttar Pradesh Tel. : (+91 – 120- 4599754)
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On behalf of Board of Directors

Place: Gurugram  
Date: May 26, 2021

Nishith Arora  
Chairman