

MPS LIMITED

Registered Office. 27 G N Chetty Road, T Nagar, Chennai 600 025

NOTICE is hereby given that the Forty-first Annual General Meeting of the Members of the Company will be held at 3.00 p.m. on Tuesday the 13th day of September 2011 at the Convention Hall (Marigold), GRT Grand, 120, Sir Thyagaraya Road, T. Nagar, Chennai 600017 to transact the following business:

NOTICE TO MEMBERS

1. To consider and adopt the audited Balance Sheet as at 31st December 2010, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Hanson Farries, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint M/s.Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and authorize the Board of Directors to fix their remuneration.
4. To appoint a Director in place of Mr. Ashish Dalal, who was appointed as an Additional Director of the Company under Article 125 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and being eligible, offers himself for re-appointment and in respect of whom a notice in writing has been received at the Registered Office of the Company from a Member signifying his intention to propose Mr. Ashish Dalal as a candidate for the office of Director under Section 257 of the said Act.

By order of the Board,

Place: Mumbai
Date: 13th July 2011
Registered Office:
27, G N Chetty Road, T Nagar
Chennai 600017

Supriya Kumar Guha
Company Secretary

NOTES

1. **A Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not be a Member of the Company** (Proxy form is enclosed). The proxy form duly completed and signed must be sent as to reach the Company not less than 48 hours before commencement of the Meeting.
2. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 with respect to Item No. 4 of the Notice set out above is annexed hereto.
3. The Register of Members and Share Transfer Books shall remain closed from Tuesday, the 6th September to Tuesday, the 13th September 2011 (both days inclusive).
4. Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the meeting so as to enable the management to keep the information ready.
5. Consequent to the amendment to Section 205A (5) of the Companies Act, 1956 and the introduction of Section 205C of the Companies (Amendment) Act, 1999, all amounts transferred to the Unpaid Dividend Account of the Company for dividend declared upto the financial year ended December 31, 2003 and remaining unpaid or unclaimed for a period of seven years from the date of such transfer has been transferred to the Investor Education and Protection Fund. Members shall not be able to register their claims in respect of their un-encashed Dividend with regard to the above dividend. Members who have not so far claimed their Dividends for the year ended December 31, 2004 and any subsequent year(s) are requested to make a claim to the Company.
6. Shareholders, holding shares in physical form, are requested to notify immediately any change of address and change of bank account details / ECS particulars to the Company's Registrar and Transfer Agents, viz, Cameo and Corporate Services Limited, Subramanian Building, 1, Club House Road, Chennai-600 002.
7. Beneficial owners holding shares in the dematerialised form are requested to notify any change of address and bank account/ECS particulars to their respective depository participants and make sure that such changes are recorded by them correctly.

8. Members/Proxies attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
9. Members are requested to bring their copies of the Annual Report at the time of attending the meeting.
10. As per the Companies Act, 1956, facility for making nominations is now available to individuals holding shares of the Company. The Nomination Form 2B prescribed by the Central Government can be obtained from the Registrar and Transfer Agents of the Company.
11. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/Dop/CIR-05/2007 dated April 27, 2007 made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transaction.
12. In continuation of the said circular, it is hereby clarified that for securities market transactions and off-market/private transactions involving transfer of shares in listed companies in physical form, it shall be mandatory for the transferee(s) to furnish a copy of the PAN card to the Company/RTAs for registration of such transfer of shares.
13. The Ministry of Corporate Affairs (vide Circular nos. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively) has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering / updating their email addresses, in respect of shares held in dematerialized form with their respective Depository participant and in respect of shares held in physical form with Cameo and Corporate Services Limited.
14. Brief resume of directors including those proposed to be appointed, nature of their expertise in specific functional areas, names of companies in which they held directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter se as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, is provided in the notice below.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 4

Mr. Ashish Dalal ("Mr. Dalal") was appointed as an Additional Director of the Company at the meeting of the Board of Directors ("Board") held on 28th October 2010. Mr. Dalal is a Non executive and Independent Director of the Company.

In accordance with Section 260 of the Companies Act, 1956 ("the Act") read with Article 125 of the Articles of Association of the Company, Mr. Dalal will hold office up to the date of the ensuing Annual General Meeting. In terms of Section 257 of the Act, a notice in writing has been received from a Member of the Company signifying his intention to propose Mr. Dalal as a candidate for the office of Director, alongwith a deposit of Rs.500/- (Rupees five hundred only) which amount shall be refunded to the Member, if Mr. Dalal is appointed as a Director.

Mr. Dalal is a Fellow Member of the Institute of Chartered Accountants of India. He was earlier a partner of Price Waterhouse. He has acted as a documentation counsel in matters of corporate Strategic Alliances, Acquisitions and Sell-offs. He also specializes in Business valuations, Strategic Value evaluations, Synergy valuations and valuations of intangibles. Till recently, Mr. Dalal held directorships in Wyeth Limited, Akzo Nobel Chemicals (India) Ltd., ICICI Investment Management Co. Ltd., Financial Technologies (India) Ltd. and Multi Commodity Exchange of India Ltd. The Board is of the opinion that Mr. Dalal's expertise and experience will be beneficial to the Company.

The Board recommends his appointment as a Director of the Company. Approval of the Members of the Company is sought to his appointment.

Mr. Dalal is interested in Item No. 4 of the Notice since it relates to his appointment as a Director.

Requirement under the Listing Agreement

As required under Clause 49 (IV) (G) of the Listing Agreement, the details of the directors who are being appointed as directors are given below.

Item No. 2

Name :	Mr. Hanson Farries
Age:	61 years
Educational Qualifications:	Graduate with Honors Degree in English and Fellow member of Institute of Chartered Accountant of Scotland.

Professional Qualification and standing : Mr. Hanson Farries (Mr. Farries), a Chartered Accountant, has over forty years of experience in the publishing industry, having worked previously in senior finance positions in the Pearson Group. He has been with Macmillan Group for the last eighteen years. Mr. Farries is currently the group Finance Director of Macmillan Group.

Mr. Farries has been on the Board of the Company from 24th October 2007 and is the member of Audit Committee and Remuneration Committee of MPS Limited and Macmillan Publishers India Limited. He is also a Director in Frank Brothers & Company (Publishers) Limited. He does not hold any Committee memberships in other Indian companies. Other than the above three Indian Companies, he holds Directorships in number of foreign companies.

Mr. Farries does not hold any shares in the Company. He is not related to any Director of the Company.

Item No. 4

Name : Mr. Ashish Dalal

Age: 56 years

Educational Qualifications: Fellow Member of the Institute of Chartered Accountants of India

Professional Qualification and standing : Mr. Dalal was a partner of Dalal & Shah, Chartered Accountants and was also a partner of Price Waterhouse & Co. Kolkata. He has been in professional practice since 1982.

Mr. Dalal has been actively practicing the professional practice of Assurance and has also extensively practiced in various fields relating to Mergers, Acquisitions, Strategic Alliances, Business Valuations, Specialized Investigations, Due Diligences, Foreign Collaborations & Joint Ventures and has acted as a domestic counsel for cross border transactions.

Other than the Assurance practice, Mr. Dalal specializes in business valuations, Strategic Value evaluations, Synergy valuations and valuations of intangibles. He has also undertaken special purpose reviews for financial institutions with a view to search for data under purview of government sponsored Committee Reports.

Currently Mr. Dalal is a retainer as a Corporate Counsel to the Financial Technologies (India) Limited and its about 37 group companies, and he is also a member of the Investment Advisory Committee of IndiaReit Real estate fund of the Piramal Group. Mr. Dalal continues to be retained by Dalal & Shah, a member firm of PricewaterhouseCoopers.

As at 31st December, 2010 Mr. Dalal is a Director of MPS Limited.

Mr. Dalal is the Chairman of Audit Committee and a Member of the Share Transfer and Remuneration Committee of the Company.

He does not hold any Directorships / Committee memberships in other companies. He joined the Board on 28th October 2010.

Mr. Dalal does not hold any shares in the Company. He is not related to any Director of the Company.

By order of the Board

Place: Mumbai
Date: 13th July 2011
Registered Office:
27, G N Chetty Road, T Nagar
Chennai 600017

Supriya Kumar Guha
Company Secretary

MPS Limited

Registered Office: 27 GN Chetty Road, T Nagar, Chennai 600017

ATTENDANCE SLIP

(To be presented at the entrance)

ANNUAL GENERAL MEETING ON 13TH SEPTEMBER 2011 AT 3 PM

Folio No.....DP ID No.....Client ID No.....

Name of the Member:Signature:

Name of the Proxyholder:Signature:

1. Only Member / Proxyholder can attend the meeting.
2. Member / Proxyholder should bring his / her copy of the Annual Report for reference at the meeting.

MPS Limited

Registered Office: 27 GN Chetty Road, T Nagar, Chennai 600017

PROXY FORM

I/We.....of
a Member / Member(s) of MPS Limited hereby appoint of
.....or failing him / her on
my / our proxy to attend and vote for me / us on my / our behalf at the Forty first Annual General Meeting of the Company
to be held on 13th September 2011 at 3.00 p.m. at the Convention Hall (Marigold), GRT Grand, 120, Sir Thyagaraya Road,
T. Nagar, Chennai 600017 and at any adjournment thereof.

Folio No.....DP ID No.....Client ID No.....

No. of shares held

Signed this Day of2011 Signature

This form is to be used ** in favour of the resolution. Unless otherwise instructed, the Proxy will act as he thinks fit.
** against

** Strike out whichever is not desired.

NOTES:

1. This Proxy must be lodged with the Company at its Registered Office at 27 G N Chetty Road, T Nagar, Chennai 600017, at least 48 hrs. before the meeting.
2. Those Members who have multiple folios with different jointholders may use copies of this Attendance slip / Proxy.

Dematerialise your Physical Shares to Electronic Form

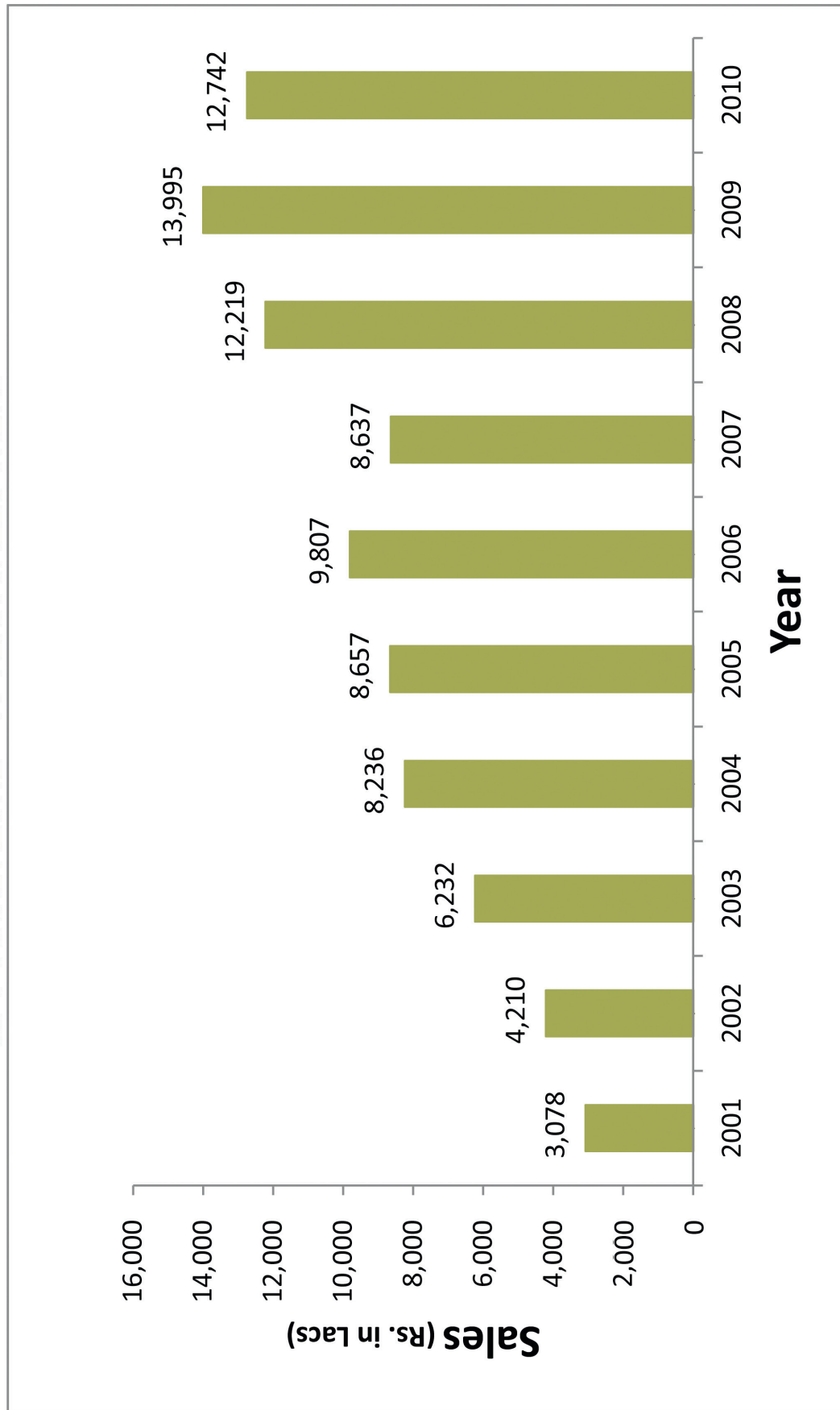
- Eliminate all risks associated with Physical Shares
- Ease in Portfolio Management.

Contact us (Tel. No.: 044 28460390) for assistance Attention Mr. Narasimhan
Provide your email id to your DP for sending Annual report by email

- Open Beneficiary Account with a Depository Participant (DP) registered with SEBI.
- Submit Dematerialisation Request Form (DRF) as given by the DP, duly signed by all the holders with the names and signatures in the same order as appearing in the concerned certificate(s).

Board of Directors

Chairman	Mr. Lawrence Jennings
Vice Chairman	Mr. D. E. Udwadia
Director	Mr. W. Hanson Farries
Director	Mr. A. Contractor (upto 12-07-2011)
Director	Mr. Ashish Dalal (from 28-10-2010)
Director	Mr. R. R. Chari (upto 29-07-10)
Managing Director	Mr. Rajiv K. Seth
Chief Financial Officer	Mr. Gautam Mukherjee
Company Secretary	Mr. Supriya Kumar Guha (from 27-07-2010)
Legal Advisors	Messrs Udwadia & Udeshi Solicitors & Advocates Elphinstone House, 1 st Floor, 17, Murzban Road, Mumbai – 400001
Auditors	Messrs Deloitte Haskins & Sells 8 th Floor, ASV Towers Old No. 37, New No. 52, Venkatanarayana Road T Nagar, Chennai – 600017
Bankers	BNP PARIBAS Landmark Building, 3 rd Floor, 21/15, M. G. Road, Bengaluru – 560001
Registered Office	27 G N Chetty Road, T Nagar, Chennai – 600017
Corporate Office	HMG Ambassador, 137, Residency Road, Bengaluru – 560025
Other Offices	Brigade Towers, 135, Brigade Road, Bengaluru – 560025 Midford Crescent, 53/1, Richmond Road, Bengaluru – 560025 69, Eldams Road, Teynampet, Chennai – 600018 SDF K Block, Nos 6 and 7, NSEZ, Noida Dadri Road, Phase II, Noida – 201305 865, Udyog Vihar, Phase V, Gurgaon – 122016 Ground floor, NSIC Bhavan, STP Complex, Okhla Industrial Estate, New Delhi – 110020
Overseas Offices, UK	The Macmillan Building, 4 Crinan Street, London N1 9XW, England, UK
USA	607, North Avenue, Suite 11, Wakefield, MA 01880, USA 810, SE, Sherman Suite B, Portland, OR 07214, USA
Registrars and Share Transfer Agents	Cameo Corporate Services Limited Subramanian Building, 1, Club House Road, Chennai – 600002

MPS STANDALONE – 10 YEAR SALES TREND

MPS STANDALONE – KEY FINANCIALS

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
INCOME										
Sales										
Publishing Services*	3,078	4,210	6,232	8,236	8,657	9,807	8,637	12,219	13,995	12,742
Publishing**	3,840	3,936	3,938	4,330	4,833	4,889	6,103	4,031		-
Total Sales	6,918	8,146	10,170	12,566	13,490	14,696	14,740	16,250	13,995	12,742
Interest	212	200	340	305	292	227	199	44	26	27
Other Income	339	339	238	73	251	285	544	139	251	874
Total Income	7,470	8,685	10,748	12,945	14,034	15,209	15,484	16,433	14,273	13,643
EXPENDITURE										
Expenditure										
Depreciation	4,379	5,522	6,831	7,873	9,357	11,180	12,775	13,491	12,772	13,945
	353	397	431	435	482	485	571	613	632	667
Total Expenditure	4,732	5,920	7,262	8,308	9,840	11,665	13,347	14,104	13,404	14,612
Profit before Extra-ordinary items	2,737	2,767	3,485	4,636	4,193	3,543	2,137	2,328	868	(969)
Less: Provision for diminuation in value of Investments	23									
Profit before Taxation	2,714	2,767	3,485	4,636	4,193	3,543	2,137	2,328	868	(969)
Provision for Taxation	448	379	380	300	100	40	321	512	156	(88)
Profit After Taxation	2,265	2,386	3,105	4,336	4,093	3,502	1,816	1,816	712	(881)

Note:

- (i) Represents key financial of MPS Limited (formerly known as Macmillan India Limited).
- (ii) *Publishing Services sales for 2008 also includes the sales of Charon Tec Limited & Macmillan-ICC Publishing Solutions Private Limited, which were merged effective 31st December, 2007 with the Company.
- (iii) **Publishing sales for 2008 includes only the portion attributable for the period from 1st January, 2008 till 11th May, 2008 consequent to demerger of the Company.

The Directors present the **Forty First Annual Report**
together with the Accounts for the year ended 31st December 2010.

The Profit & Loss Account for the year is as under:

Particulars	Rs in lakhs	
	Year ended 31.12.2010	Year ended 31.12.2009
Profit / (Loss) for the year after depreciation and taxation	(880.71)	712.65
Surplus brought forward from previous year	8,666.82	8,650.99
	7,786.11	9,363.64
<i>Adjustments / Appropriations:</i>		
Proposed Dividend	-	168.23
Corporate Tax on Dividend	-	28.59
Transfer to General Reserve	-	500.00
Surplus carried forward	7,786.11	8,666.82
	7,786.11	9,363.64

Dividend

In view of the loss for the year, the Board has not declared any dividend for the year.

Merger of the Subsidiary Companies

A Scheme of Amalgamation (Scheme) of the wholly owned subsidiaries of the Company, namely, MPS Technologies Ltd. and MPS Content Services Inc. and its wholly owned subsidiary MPS Content Services (India) Pvt. Ltd. with the parent company, MPS Limited, with effect from 31st December 2010 (the Appointed Date under the Scheme) was approved by their respective Board of Directors in January 2011. As required under the Listing Agreements between the Company and the Madras Stock Exchange, the Bombay Stock Exchange and the National Stock Exchange, the requisite approvals of the Stock Exchanges to the scheme was obtained. Legal proceedings were thereafter initiated in the High Court at Madras, pursuant to the applicable provisions of the Companies Act, 1956 towards seeking its sanction to the Scheme. The Madras High Court granted dispensation from holding Shareholders' meetings in view of the fact that the amalgamation contemplated by the Scheme was of two wholly owned subsidiaries and one indirect wholly owned subsidiary and directed the Companies, namely MPS Content Services India Private Limited and MPS Technologies Limited (petitioner Companies) to file the Company petitions. The Company petitions were filed and admitted by the Madras High Court and directions were issued to the Official Liquidator to appoint an Auditor

to scrutinize the books of accounts of the petitioner Companies and to submit his report. The matter was heard by the Madras High Court on 15th June 2011 and after hearing the Counsel for the Company and the standing Counsel of the Central Government, the Madras High Court was pleased to sanction the Scheme of Amalgamation as submitted to the Madras High Court for merger of the Companies with MPS Limited. Consequent to the same, the Subsidiary Companies financials have been drawn upto 30th December 2010 being one day earlier to the appointed date. Your Company's financials have been drawn on a standalone basis consequent to the above sanction and only the profits / losses of the subsidiary companies have been dealt with in the reserves as per the Scheme sanctioned by the High court.

Extension of time for holding Annual General Meeting

In view of the merger application of MPS Content Services India Private Limited, MPS Technologies Limited and MPS Content Services Inc. before the Honorable Madras High Court, which has now been sanctioned with the appointed date of 31st December 2010, the Company had to place before you the Financials with the profits / losses of the subsidiary companies dealt with in the reserves as per the Scheme sanctioned by the High Court. Since the Honorable Madras High Court sanctioned the Company petitions on merger only on 15th June 2011, the Company sought extension of time for holding the Annual General Meeting from the Registrar of Companies, Tamil Nadu, which was granted upto 30th September 2011.

Progress of the Business

The sales for the year were Rs 127.42 crores as against a figure of Rs 139.95 crores for the corresponding previous year in respect of the Publishing Services business. The Loss After Tax was Rs. 8.81 crores giving an EPS of Rs (5.24) per Rs. 10 share.

The lower profitability as compared to the previous year is mainly due to the following reasons:

- Continuing commoditization of the core journals and books services markets coupled with strong competition amidst pricing pressure
- Strengthening of the Indian Rupee versus the US dollar;
- Higher debtors provisioning due to bankruptcy filing by a client in USA

Business Outlook

With the merger of all the subsidiary companies, the Company is now uniquely positioned and is being considered as a complete solutions provider and this has opened up more opportunities to cross-sell services across all publishing verticals and solution types.

The current year has seen an expansion of our client base into new segments. The Company is continuing its partnership with large IT Companies to bid for new clients jointly; we expect such initiatives to grow in the next year. With the availability of better reading devices, the demand for digital and online content has seen a healthy growth. This has forced publishers to change their digital strategies and focus on enhanced learning and new media offerings that are expected to grow significantly next year.

Your Company evolved during the year in response to market changes and adopted a new sales process. This process puts greater responsibility and accountability on the production teams for maintaining existing clients. This is expected to increase our sales focus in bringing in new business.

In addition to the above, the Company had embarked to reduce its costs and close down one of the subsidiary company's offices in USA and also closed down one office space each in Gurgaon and Bengaluru. In addition to the above, the Company is taking further steps to rationalize cost and increase the bottom line.

Detailed analysis, discussion and progress reports are available in the Management Discussion and Analysis Report of the Annual Report.

Awards and Recognition

The Company won the Special Export Award for 2009–10 from CAPEXIL in its category of products.

Overall Company Aims

The Company's current strategy remains:

To increase the size, scope and technological advantage of its business as a global, high value-add, IT-enabled service provider for publishing activities and be a leader in this area. The strategic intent is to play a major part in the harnessing of India's skills, abilities and cost-advantages and to contribute to India's domination of IT-Enabled Services in the coming years.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Out-going

The provisions regarding disclosure of particulars in Form A with respect to Conservation of Energy are not applicable to the Publishing Services industry as the operations are not energy-intensive. However constant efforts are made to make the infrastructure more energy efficient. Particulars regarding Technology Absorption, Research and Development in Form B are annexed to this report.

During the year under review, foreign exchange earned through exports was Rs. 12,742 lakhs as against Rs 13,995 lakhs for the year ended 31st December, 2009. The outgo of foreign exchange was Rs. 2,131 lakhs as against the previous year outgo of Rs. 1,695 lakhs. Thus the net foreign exchange earned by the Company was Rs. 10,611 lakhs. The details of earnings and outgo are given in the Notes forming part of the Accounts for the period ended 31st December, 2010.

Directors

Mr. R R Chari, Director and Audit Committee Chairman resigned during the year due to advanced age. He was a Director of the Company for over a decade. The Company and the Board benefitted from the wisdom and advice during his tenure as a Director. The Board places on record its appreciation of the tremendous work done by Mr. R R Chari, both as a Director and erstwhile Chairman of Audit Committee. The Board also wishes Mr. R R Chari a very happy retired life.

Mr. Ardeshir Contractor also resigned from the Board of Directors due to personal reasons. The Board places on record the valuable advice and guidance received during his tenure as a Director of the Company.

Following Mr. R R Chari's resignation, the Board appointed Mr. Ashish Dalal as an Additional Director effective from 28th October, 2010 under Section 260 of the Companies Act 1956 read with Article 125 of the Articles of Association of the Company. Mr. Ashish Dalal retires at the ensuing Annual General Meeting and being eligible offers himself for appointment as a Director. Notice has been received from a member signifying his intention to propose Mr. Ashish Dalal as a Director of the Company.

Under Articles 139 to 142 of the Articles of Association of the Company, Mr. Hanson Farries retires by rotation and being eligible, offer himself for reappointment.

Auditors

The Company's Auditors, Messrs. Deloitte Haskins & Sells, Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

As required under the provisions of section 224(1B) of the Companies Act, 1956, the Company has obtained a written certificate from Messrs. Deloitte Haskins & Sells, Chartered Accountants, to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said section.

Observations in the Auditors' Report

With reference to para 4(e) of the Auditors' Report, it is clarified that the Company has submitted necessary application with the Ministry of Corporate Affairs, New Delhi, with respect to the payment of Bonus for the year 2010 as approved by the Remuneration Committee and the Board of Directors, which is within the overall remuneration approved by the Shareholders at the 39th Annual General Meeting held on 23rd June, 2009. The approval of the Central Government is awaited.

With regard to the Auditor's observation in para 4(f) of their Report on Note no. 5(a) in Schedule 19, the Company has filed appeals with the concerned authorities against the service tax demands and disallowance of service tax refund. Detailed Note no. 5(b) & (c) of Schedule 19 to the accounts is self explanatory.

Particulars of Employees

Information as per sub-section (2A) of Section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees)

Rules 1975 forming part of the Directors' Report for the year ended 31st December, 2010 is annexed to this Report.

Employee Stock Option Scheme (ESOP)

Since the ESOP scheme as approved by the members of the Annual General meeting held on 30th June, 2005 was not implemented, it was withdrawn.

Clause 49 Requirement

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a compliance report on Corporate Governance together with a certificate from the Statutory Auditors confirming compliance with the conditions of corporate governance stipulated in the said Clause, is annexed to this report.

The Board has laid down a "Code of Conduct" for all Board members and senior management of the Company and the "Code of Conduct" has been posted in the website of the Company www.macmillanpublishingsolutions.com.

CEO / CFO Certification

Mr. Rajiv K Seth, Managing Director and Mr. Gautam Mukherjee, Chief Financial Officer of the Company have given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement.

Director's Responsibility Statement

Pursuant to Sub-section (2AA) of Section 217 of the Companies (Amendment) Act 2001, the Directors confirm, to the best of their knowledge, that:

- i) In preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations have been provided for material departures, wherever applicable. The profit / loss of the subsidiaries have been dealt with in the accounts in pursuance of the Scheme of Amalgamation as sanctioned by the Honorable Madras High Court by its order dated 15th June, 2011.
- ii) The Directors have selected such accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st December, 2010 and the profit of the Company for the financial year ended 31st December, 2010.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Company's Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the annual accounts on a 'going concern' basis.

Acknowledgements

The Directors wish to place on record their deep appreciation of the support and guidance received from Macmillan-UK and Verlagsgruppe Georg Von Holtzbrinck, Germany. The Company is dependent for its success on the support of its members, its customers 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: Mumbai
Date: 13th July, 2011

LAWRENCE JENNINGS
CHAIRMAN