# POISED TO CAPITALISE ON NEW OPPORTUNITIES_

MPS LIMITED

45TH ANNUAL REPORT 2014-15

# KEY INFORMATION_

Chairman
Mr. Nishith Arora

Vice Chairman & Independent Director
Mr. D. E. Udwadia

Independent Director
Mr. Ashish Dalal

Independent Director
Mr. Vijay Sood

Chief Executive Officer & Whole Time Director
Mr. Rahul Arora

Chief Financial Officer
Mr. Sunit Malhotra

Company Secretary
Mr. Hitesh Kumar Jain

Auditors
Messrs Deloitte Haskins & Sells
7th floor, Building 10, Tower B
DLF Cyber City Complex
DLF City Phase II
Gurgaon 122 022
Haryana

Bankers
BNP PARIBAS
Salarpuria Windsor, Ground Floor, No.3, Ulsoor Road, Bengaluru – 560 042, Karnataka

Kotak Mahindra Bank Limited
Kotak Aerocity , Asset Area 9, 1st Floor, Corporate Banking, Ibis Commercial Block,
Hospitality district, IGI Airport, New Delhi - 110 037

Corporate Office
C 35, Sector 62, Noida 201 307, Uttar Pradesh

Registered Office
RR Towers IV, Super A, 16/17, Thiru-vi-ka Industrial Estate, Guindy, Chennai – 600 032

Other Offices
- HMG Ambassador, 137 Residency Road, Bengaluru – 560025, Karnataka
- 340 Udyog Vihar, Phase IV, Gurgaon, Haryana 122016
- Ground Floor NSIC Bhavan, STP Complex, Okhla Industrial Estate, New Delhi 110 020
- 33, IT Park, Sahastradhara Road, Dehradun - 248001, Uttarakhand

USA
1717 NE 42nd Avenue, Suite 2101, Portland, Oregon 97213

Subsidiary
MPS North America LLC
5750 Major Blvd., Suite 100, Orlando, Fl 32819

Registrars and share transfer agents
Cameo Corporate Services Limited
Subramanian Building, 1, Club House Road, Chennai – 600002



# POISED TO CAPITALISE ON NEW OPPORTUNITIES_

This Annual Report explains how MPS Limited intends to capitalize on emerging opportunities in the global publishing industry.

The global publishing industry holds out exciting upsides for publishing companies that can adapt with speed to the evolving technology-driven industry environment.

MPS Limited is attractively poised to ride this transition through timely acquisitions, deeper presence in the world's largest publishing market and sizable available resources to drive its inorganic growth agenda.

The combination of these initiatives is expected to catalyse growth, margins and shareholder value.

# MPS LIMITED AIMS TO EMERGE AS ONE OF THE FASTEST GROWING SERVICE PROVIDERS IN THE GLOBAL PUBLISHING INDUSTRY. THE COMPANY PROVIDES COMPLETE END-TO-END PUBLISHING SOLUTIONS ACROSS THE AUTHOR-TO-READER VALUE CHAIN.

## OUR SERVICES INCLUDE CONTENT DEVELOPMENT, PRINT AND DIGITAL PUBLISHING SERVICES, TECHNOLOGY SOLUTIONS, RICH MEDIA PRODUCTS AND CUSTOMER SERVICES FOR EDUCATIONAL, TRADE, AND SCHOLARLY PUBLISHERS.

## MAKING MPS A ONE-STOP DESTINATION FOR SOME OF THE LARGEST PUBLISHING COMPANIES IN THE WORLD_

### Lineage

MPS Limited is a Group Company of ADI BPO Services Ltd. The Company was acquired from Macmillan UK, which, in turn, had been acquired by Verlagsgruppe Georg von Holtzbrinck, Germany, in 1999. A rich combination of domain insights and technology capabilities has enabled MPS to emerge as one of the leading publishing services outsourcing companies.

### Management

The Company is headed by Mr. Nishith Arora (Executive Chairman), Rahul Arora (Chief Executive Officer) and supported by a senior professional management team that heads strategic business units and key functions.

### Credentials

MPS Limited has been certified by ISO 9001:2008 for quality, ISO/IEC 27001:2005 for information security and PCI Data Security Standard (PCI DSS) for its credit card payment gateways.

### Major acquisitions by MPS North America, LLC

**2013:** Element LLC, based in Orlando (US), specialises in publishing services for the education sector, focusing on the pre-K and K-12 segments.

**2014:** Electronic Publishing Services Inc (EPS) is a leading US-based service provider to the higher educational and professional publishing markets.

**2015:** TSI Evolve (US) specializes in the reading discipline with a history of working with leading publishing majors (McGraw-Hill, Pearson, Triumph Learning, Worth Publishing, HMH and Cengage among others).

The Group has integrated these entities, widened service offerings, added marquee clients and extended into newer geographies.

### Service offerings

**Books and journals publishing services:** MPS provides a diverse range of prepress publishing services for the educational, professional, STM, academic and trade publishers.

**Digital services:** MPS provides services to publishers related to the transformation of content from various input formats to multiple digital formats, including e-Books.

**MPS 360 customer services:** MPS provides complete end-to-end customer support and subscription management services for print and online products that encompass order fulfillment, customer support and subscription management.

**MPS Technologies:** MPS uses its in-house software development division to provide distinctive, innovative and customized software solutions to publishers.

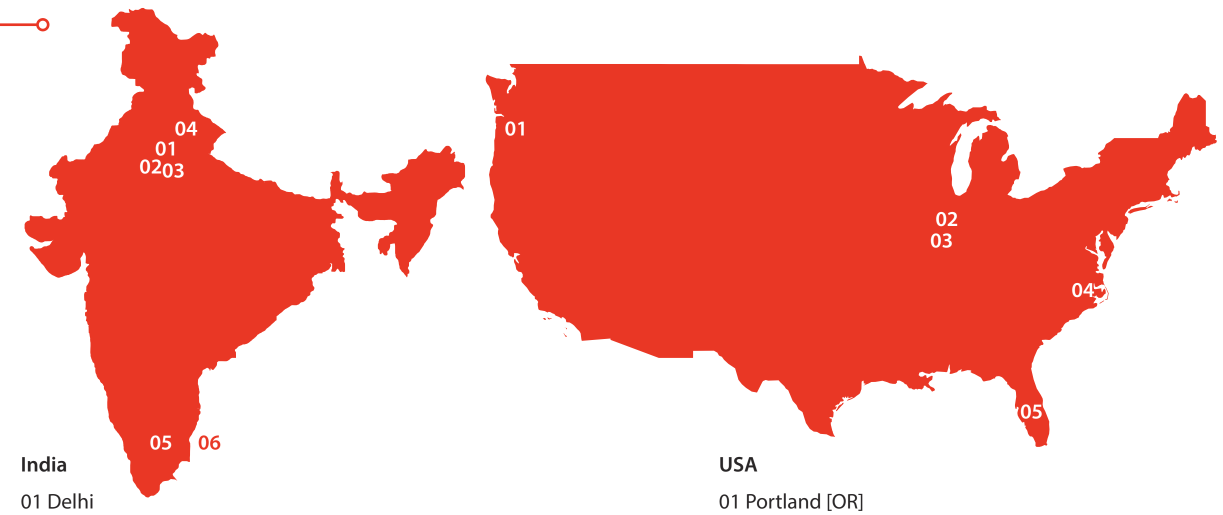
**Learning and New Media services:** MPS develops engaging and interactive digital learning solutions for educational publishers by using multimedia tools to be used as learning aids.

**MPS Database & Directory Publishing services:** MPS provides services that involve the creation of databases, production services for database and directory publishers as well as the preparation of high-quality print, online and mobile advertisements.

### Listing

MPS Limited shares are listed and actively traded on the NSE (National Stock Exchange of India Limited) and BSE (BSE Limited). The market capitalization of MPS Ltd. as on March 31, 2015 was ₹1759 cr.

### Presence




**India**

01 Delhi
02 Gurgaon
03 Noida [Headquarter]
04 Dehradun
05 Bengaluru
06 Chennai

**USA**

01 Portland [OR]
02 Champaign [IL]
03 Effingham [IL]
04 Durham [NC]
05 Orlando [FL]

### Clientele

# CHAIRMAN'S OVERVIEW_

There is an exciting transformation sweeping the global publishing industry, creating uncertainty for conventional business models on the one hand and empowering those who are prepared to move and adapt with speed on the other.

## Changes

Consider some of the changes that we see in our everyday lives.

**When** we need our children to study something, we are more likely to get on to educational sites than just rely on a text book.

**When** we need to study something as part of a course. There is a good possibility that we may be more comfortable downloading the information from a site owned by a publisher.

**When** we study downloaded text, we are more likely to seek related references than merely browse through the text.

**When** we seek downloaded content, it is increasingly possible that we may need the information on a tablet or a smartphone rather than a desktop computer.

All this is driving change in the global publishing industry faster than ever. The result is that the sales of printed books is stagnating, digitized content as a proportion of overall publisher revenues has increased. While the growth of the global publishing industry is now in the low single-digits, a number of older publisher business models need to transform the way they do business, else survival could be an issue.

As an extension of this reality, library budgets are being pruned, universities are changing their procurement systems, alternative learning opportunities are increasing and assessment platforms are making appraisals immediate, interactive and dynamic.

## Adapting to change

So what are some of these large publishing houses really doing to adapt and stay competitive?

Faced with the current challenges, a number of global publishing houses are opting to create some content in-house but progressively outsourcing a larger part of their requirements. A number of companies that never considered outsourcing are beginning to do so, a welcome trend. They are evolving into content providers for increasingly used platforms by users. They are rationalizing their vendors, selecting to work with a few, promising these few vendors larger volumes in exchange for lower costs, selecting vendors who can provide a wider services bandwidth, preferring to work with technology-driven vendors, shortlisting vendors who possess a track record of faster turnaround and, in turn, selecting to focus largely on branding, technology and marketing and using their sales and distribution reach to carve out a larger market.

## Sweet spot

At **MPS**, we recognise the need to strengthen the business of our customers far beyond a mere wage arbitrage opportunity. We need to delight customers through every engagement. We need to graduate towards processes and systems that make the delivery of projects and services dependable and predictable.

MPS is at the sweet spot of a global inflection point for a number of reasons.

**One,** there is a growing customer preference to work with companies that provide complete end-to-end solutions. MPS provides the widest complement of services – technology services, project management, content enrichment services and digital services – among global companies of our scale.

## Our forward-looking strategy_

**Enhance** the number of projects where we are the core vendor
**Leverage** the full value of our US acquisitions
**Acquire** more companies with complementary capabilities
**Increase** our technology-intensive platform offerings
**Mine** customer accounts deeper

We possess technology capabilities to not only address the conventional segment (journals and books) but also to create technology-intensive platforms and workflow management system for smaller publishers.

**Two,** we have restructured our presence across strategic business units that makes it possible for these businesses to be provided with adequate resources to grow sustainably on the one hand and be accountable in terms of deliverables to the overall company on the other. As part of this reorganization, the Company has reallocated responsibilities with my role as Chairman divorced from day to day operations and focused on strategy, acquisitions, their integration and the long-term fiscal health of the MPS Group. Rahul Arora as CEO will manage and grow the current operations in India and the US while continuing to engage with our client base.

**Three,** our businesses are growing and likely to do even better. Our largest customer accounts are growing; revenues from our ten largest customers increased from 75 to 81 per cent in 2014-15 even as our Consolidated Total Revenue increased 13 per cent. Besides, following the acquisition of three companies based in the US (providing us with customer-facing executives across business segments), we now possess an even stronger presence in the largest publishing market in the world, which should make it possible for us to enhance customer confidence, market share and revenues.

**Four,** towards the later part of 2014-15, we mobilized ₹150 cr in growth capital through a QIP issue, which was subscribed to by HDFC Mutual Fund and Goldman Sachs (amongst others), reposing confidence in our business model and strategy.

**Five,** the growth that could accrue from this point onwards for all the reasons I have mentioned above can be addressed adequately with our current resources. Over the last few years, we have invested in people and processes while consolidating our physical presence. We feel there is still operating headroom to enhance people productivity. We are presently running most of our facilities on a single-shift basis and there is attractive operating leverage for us to increase head count without needing to rent or buy additional facility. The scope for expansion at Dehradun is considerable.

In the last Financial Year, MPS reported yet another year of profitable growth. Even as our revenue increased 13.48 per cent to ₹223.87 cr, our Profit After Tax increased from ₹42.14 cr. to ₹61.44 cr. Our Earnings per Share (on the diluted post-QIP placement) increased from ₹25.05 to ₹36.38.

## Optimism

At MPS, we are optimistic of our prospects for the various reasons mentioned in my overview. During the current Financial Year, the first full year following all three acquisitions, we expect to enhance our presence in the US market. We expect to mine our customer accounts deeper and enhance revenues from margin-accretive technology products and services. In terms of acquisitions, we expect to attract companies/businesses with complementary competencies that add value to our client offerings.

In view of these possibilities, we are optimistic about our future. What we have reported in the last few years was attractive; what we could now deliver may be truly exciting.

**Nishith Arora**
*Chairman*

# MANAGEMENT OVERVIEW, 2014-15

Q: Was the management pleased with the Company's performance during the year under review?

The MPS management was fairly pleased with the Company's working. Even as the global business and customer environments remained challenging, the Company reported its 4th successive year of profitable growth. This reality was marked by a percentage increase in our profits being higher than the percentage increase in our revenues, which is a succinct reflection of our positioning and competitive advantage.

Q: What were some of the challenges addressed by the Company during the year under review?

It would appear from our performance that the external environment was smooth. However, the reality was the opposite. For one, there was a greater expectation from our shareholders that we would sustain profitable growth with higher percentage numbers on a larger revenues base. The Company needed to make responsible market disclosures by walking the thin line that could service analyst needs without affecting competitiveness. The Company was faced with increasing requests for performance guidance (which it declined to provide).

Q: How did the Company address these challenges leading to yet another year of profitable growth?

At MPS, profitable growth was not derived from any single factor; it was derived from a combination of a number of initiatives that we initiated across the years and during the year under review.

In a business that is continuously evolving based on widening customer needs, we created new technology-led products that helped plug portfolio gaps and strengthen the holistic value of our offerings. This helped increase our revenues 13.48 per cent to ₹223.87 cr in the Financial Year 2014-15.

In a business where people costs account for the largest single revenue expenditure, we were able to moderate our people costs from 56 per cent of revenues in the Financial Year 2011-12 to 42 per cent of revenues in the Financial Year 2014-15. This rationalization was achieved through a more precise allocation of a person to job, productivity benchmarking and ongoing output measurement with the objective to enhance organization throughput.

In a business where customers are always seeking to derive a superior value proposition from their vendors, we selected to increasingly allocate work from higher-cost urban Indian locations to competitive locations like Dehradun, raising the headcount at the latter location from 618 to 915 during the Financial Year 2014-15.

In a business where marketing costs are high, we successfully mined our existing customers for a large share of their spending, as a result of which revenues from our ten largest customers increased from 75 per cent in Financial Year 2013-14 to 81 per cent in Financial Year 2014-15 (on a larger revenue base).

In a business where solutions are evolving from the conventional to the contemporary, we further consolidated technology revenues.

A combination of these initiatives made it possible to become increasingly profitable, with each round of revenue growth.

Q: In what way did the Company strengthen its competitive position during the year under review?

The MPS management recognised that over the last few years its cost management had been adequately moderated and the room to explore further gains in this area was relatively limited. On the contrary, the time had now come to aggressively increase revenues. The biggest initiative in this regard comprised acquisitions of US companies (Element, EPS and TSI) that possess competencies in complementary educational spaces. Besides, these acquisitions would strengthen our presence on US soil, enhance customer confidence and graduate US revenues of our subsidiary from 9 per cent of our total revenues to the next level.

Q: How does the Company expect to unleash value from these acquisitions in the Financial Year 2015-16?

We are optimistic of how the acquisitions will drive our US revenues for a number of reasons. The US is our single largest market, so a stronger customer interface will make it possible for us to generate larger revenues from this region. During the acquisitions, we were prudent to acquire only the customers, employees and brand – no hidden liabilities – so we have begun to generate value from these companies with minimal gestation. The Company was cautious in the price paid for these acquisitions and bought them while they were close to their respective breakeven points, creating a potentially remarkable upside for us. Because these acquisitions were made in complementary business spaces, we expect to provide a complete bouquet of offerings that will strengthen our proposition as one-stop service provider. Best of all, our acquisitions were made with the blessings of the leading customers of those organizations, translating into revenue visibility.

Q: How does the Company expect to strengthen its performance in Financial Year 2015-16?

The Company expects that stronger US customer mining will account for a larger wallet share. The Company has capped its manpower cost as a percentage of revenue, exercising its judgment with regard to hiring or outsourcing. The increased marketing of MPSTrak and MPSInsight as standalone products are expected to generate increased product revenues. Our proven competence in the Fulfillment niche is expected to enhance revenues. The result is that the Company expects increased revenues to strengthen margins.

Q: What is the basis of the Company's optimism?

It would be relevant to mention that wage arbitrage as the principal basis of the Company's growth is no longer relevant. The Company is one of the most specialized global service providers within its industry niche. The biggest cost centre for a large publisher lies in the production segment, which accounts for MPS's core competence. Over time, the Company has established its competence in moderating costs within this segment through a mix of service and product solutions. At a time when the large global publishers are rationalising their vendors and promising them larger volumes in exchange for lower realisations, MPS is attractively placed to carve out a larger slice of revenues that can potentially make its customers more competitive.

Q: What is the Company's vision?

At MPS, we are particularly pleased about the bandwidth of competencies that we possess today. Our understanding is that few of our peer companies enjoy revenues that are higher than our existing topline, so our first objective will be to play catch-up and get to the higher level through organic and inorganic initiatives. At MPS, we have created valuable currency in our market capitalization, which made it possible to mobilize ₹150 cr through a QIP in the later part of the last Financial Year, with the express intention to acquire more companies and fast-track our growth. We are attractively placed to leverage our considerable operating headroom available with us in the form of physical space at our units, our technology-driven scalability and our established turnaround competence.

## How we performed in 2014-15

**223.87**

(in ₹ cr) Revenues in the Financial Year 2014-15 against ₹197.28 cr in the Financial Year 2013-14

**13.48%**

Rise in revenues in the Financial Year 2014-15 to ₹223.87 cr

**42%**

Moderating people costs from 56 per cent of revenues in the Financial Year 2011-12 to 42 per cent of revenues in the Financial Year 2014-15

### Raised growth capital

MPS mobilised ₹150 cr through a QIP in the Financial Year 2014-15, with the express intention to acquire more companies and fast-track our growth.

### Revenues and profitability

Even in a challenging environment, MPS reported its fourth successive year of profitable growth, with a higher percentage increase in our profits than the percentage increase in our revenues.

### Prudent acquisition

MPS prudently acquired only the customers, employees and brand – no hidden liabilities. This resulted in value generation from these companies with minimal gestation.

# OUR BUSINESS MODEL_

The story of MPS Limited can be segregated into two parts – pre-acquisition and post-acquisition.

In the pre-acquisition phase of the Company's existence, MPS Limited was part of Macmillan UK. Globally, Macmillan UK was acquired by Verlagsgruppe Georg von Holtzbrinck in 1999, following which the latter company decided to disinvest its Indian business in due course. The Company was sold to the current promoters of MPS Ltd in October 2011. As a result, MPS Ltd inherited the multi-decade knowledge capital of Macmillan UK, which continues to be a defining aspect of its business model.

In the post-acquisition phase, the promoters of MPS Ltd invested specific priorities, such as moderating costs, strengthening revenues and enhancing overall competitiveness. More specifically, it identified guidelines on how it would conduct business and how it would not, laying the foundations of its business model (explained in this section).

The enunciation of the business model is important in the context of the Company's operating landscape. The global publishing industry is passing through a decisive transformation. As educational delivery evolves from the conventional and printed format to virtual and online equivalents, there is a greater priority for business models to completely transform. Even as this transformation is threatening the existence of conventional companies, it is opening new and exciting opportunities for those adapting to change.

## Focus

At MPS, we are a focused player providing services and products addressing the growing needs of the global publishing industry. Over the years, this focus has strengthened our brand among customers and investors.

## Sustainable growth

At MPS, we believe we will endure as a business if we leave adequate value on the table for our vendors, customers, employees and ourselves. A long-termism guides our decision making. We have invested in our business with the objective to enhance sustainability. This overarching objective is reflected in every decision that we have taken – the acquisitions, the need to enhance our presence in North America, our overall cost structure, the industry spaces that we have selected to be present in, and our preference to remain extensively under-borrowed. These decisions have helped us report profitable growth for, the last four successive years.

## Liquidity priority

At MPS, we pursue a resource-light approach model, which is reflected in our decision to buy or rent space, our terms of trade, our cost management and the prudent price for acquisitions. For instance, our purchase cost for three acquisitions cumulatively amounted to ₹15 cr, representing just 17 per cent of our aggregate net cash flow from operating activities of ₹88 cr earned in the last two years. Besides, the Company selected to consciously moderate employee costs: from 56 per cent of revenues in the Financial Year 2011-12 to 42 per cent of revenues in the Financial Year 2014-15. The result of this conservatism has been a virtually negative working capital cycle, absence of debt on our books, moderate capital expenditure, attractive return on capital employed (81 per cent in the Financial Year 2014-15) and growing free cash from operating activities (₹50.36 cr in the Financial Year 2014-15).

## Customer focus

At MPS, we are focusing on opportunities coming out of the 50 largest global publishing companies. These companies provide volume and value assignments. They provide us with adequate room to make a significant cost difference. They provide visibility and excellent reference that can help widen the business. The proportion of revenues from our ten largest customers increased from 75 per cent per cent revenues in the Financial Year 2013-14 to 81 per cent in the Financial Year 2014-15. However, the Company also expects to leverage its technology competence to address the growing needs of a number of small publishers.

## Geographic focus

At MPS, we feel that the presence in the right geographies can be business-critical. On the one hand, we expect to grow our marketing presence in regions (North America and Europe) that are marked by the largest publishing companies and rising business costs (hence the need for outsourcing), where we can generate the largest business volumes. We strengthened this geographic positioning through three acquisitions in North America in the last two years. On the other hand, we expect to grow our presence in locations (Dehradun, for instance) where it would be possible to deliver first-rate quality at one of the lowest operating costs (people and space). The combination of the two has helped create an opportunity value chain that is translating into a superior customer value proposition and attractive MPS profitability.

## Offshoring model

At MPS, we recognise that our major customers are based in North America while our service delivery capabilities are based in India. We have selected to connect the two – customers and vendor – through an offshoring model adapted to the needs of our business. We have deployed a customer interfacing team in the US, the world's largest market. Their primary responsibility will be map emerging and existing customer needs, enhance customer confidence of our presence in that region and continue communicating with customers about evolving competencies within our Company. Members of this customer interfacing team are even present in the US, and are serviced by a different team in the US who possess a real-time understanding of our service delivery centres in India. This second US team works extensively with a team across our various delivery centres in India, who, in turn, are plugged into employees across workstations. This seamless customer-to-workstation extension makes it possible to provide continuous customer assurance of projects status at all times, identify probable bottlenecks and inspire proactive course correction. The robustness of this model is showcased in rising overall revenues and larger revenues per customer.

## Core vendor

At MPS, our objective is not merely to be a vendor, but to evolve into a core vendor for large publishing companies. This core vendorship would be more in the form of an active partnership where a multi-year engagement is underlined by a collaborative ethos where a service provider like us is completely focused on strengthening the business of our customers rather than merely providing them with a service. We are happy to report that we had two major successes in this regard in 2014-15. We inherited a core vendor relationship through our TSI acquisition; in another account, we emerged as a core vendor through a multi-vendor appraisal process at a time when the customer was rationalizing vendors.

## Productivity focus

At MPS, we recognise that as large publishing companies strive to enhance their viability, they will seek lower costs from their vendors. The reality is that project realisations are declining. At MPS, we are offering customers with a superior price-value proposition, wherein we are compensated by larger projects from our existing customers. Besides, we have reinforced our competitiveness through the extension of our presence in lower cost locations (Dehradun accounting for 915 of our 2792 employees) coupled with prudent manning and productivity-enhancing processes. The result is that revenues per worker increased from ₹55,400 in the Financial Year 2011-12 to ₹66,000 in the Financial Year 2014-15; people cost as a proportion of revenues declined from 56 per cent in the Financial Year 2011-12 to 42 per cent in the Financial Year 2014-15.

## Customer engagement

At MPS, the basis of our customer engagement has extended far beyond a wage arbitrage opportunity. In an environment where our customers need to adapt with speed to fast-changing environments arising out of the convergence of the internet, mobility and virtual interactivity, our services enhance their responsiveness. In an environment where customers need to become more profitable, we have reduced operating costs with the objective of passing this benefit to customers in exchange for progressively larger multi-year offshoring volumes. In an environment where customers are rationalizing vendors, we seek to strengthen existing customer relationships and mine deeper with the objective to upsell and cross-sell and, in doing so, carve out a larger share of their spending. In a number of large customers, we grew our presence from one segment to three segments within a few years.

## Multi-segment revenues

At MPS, we have selected to position ourselves as an end-to-end solutions provider. We believe that this positioning achieves a number of business advantages: primarily, it strengthens our brand in the international markets, it provides clients the assurance that we possess complete competencies, it provides them with convenience should they select to move us from one business

### The validation of our business model

**12%** Return on capital employed, from Jan 2011-Mar 2012 (Standalone)

**45%** Return on capital employed, in Financial Year 2012-13 (Standalone)

**63%** Return on capital employed, in Financial Year 2013-14 (Consolidated)

**81%** Return on capital employed, in Financial Year 2014-15 (excluding funds raised in the QIP) (Consolidated)

### The tangible results of our business model

**127.42** Revenues, FY10 (in ₹ cr)

**223.87** Revenues, FY15 (in ₹ cr)

**(8.81)** Profit after tax, FY10 (in ₹ cr)

**61.44** Profit after tax, FY15 (in ₹ cr) segment to another without needing to change vendors, de-risks us from a temporary decline in a probable market and provides us with a diverse revenue mix (services, annuity and products).

## Technology emphasis

At MPS, we recognise that as downstream customer environment evolves from conventional print to the virtual media, a number of legacy capabilities will need to be replaced with technology-enabled offerings. Over the years, the Company invested in this technology space through the creation of a distinctive strategic business unit. The Company's strong suite of SAAS (software as a service) comprises workflow management (MPSTrak), editing and automated composition (MPS DigiCore) and business analytics (MPS Insight). The creation of technology-enabled platforms will address a growing market for small publishers, evolving the Company towards higher margins and the complex technology end, strengthening the brand.

## Value-addition

At MPS, one of the critical drivers of our success is our revenue mix. We do not wish to be present in spaces where we can derive the largest volumes; we wish to be present in spaces that can generate an optimal mix of volume and value. However, we recognise that some business segments may be presently low on the volume-value matrix, but justify their place within our offerings because they complete our bouquet and as business environments evolve, their relevance could increase. Journals accounted for the largest revenue slice at 33 per cent in 2014-15, a prudent balance of value and volume, followed by books at 26 per cent and MPS North America, LLC (cumulative mix of our acquired companies) at 9 per cent. We are particularly optimistic that MPS Technologies could far outgrow its 8 per cent share of revenues in 2014-15 across the foreseeable future.

## Acquisitions

At MPS, there is a perceptible shift in our sector as companies seek to move project responsibilities from in-house to outside service providers. There could be two ways of addressing this growing offshoring quantum: respond organically as and when the Balance Sheet permits, or restructure the Balance Sheet, acquire companies with complementary capabilities and grow size/capabilities faster. At MPS, we have selected the latter strategy. This strategy works well for us; the management possesses a competence in the identification of prudent targets and turning companies around. In 2015, we made a QIP, mobilized ₹150 cr and expect to acquire companies with an attractive customer mix, market presence and capabilities. We expect that this inorganic approach will make it possible for the Company to grow faster over the next few years. As a matter of prudence, we seek to acquire only those companies where the skill sets are complementary to ours, where the acquisition enjoys the approval of longstanding customers, indicating that they would continue to work with the acquired companies following management transition. We acquire with the perspective that the end result will be shareholder value-accretive. We focus on the right price to be paid that can accelerate the break-even point of the acquisition using our knowledge and operational scale. We have acquired all companies through accruals (no debt). We acquired only the brand, employee profile and customer list of the acquisition target and not the Company, liberating the Company from the risk of hidden liabilities. Besides, we do not acquire with the objective to move jobs to India; on the contrary, we select to retain the teams within the acquired companies, making it possible to protect last-mile customer familiarity.

## Financial integrity

At MPS, we recognize that a robust Balance Sheet represents a credible foundation that eventually translates into credible stakeholder value. The Company enjoys a return on equity of 58 per cent (2014-15, without factoring the late-year QIP mobilization of ₹150 cr), which is considerably higher than what shareholders would have expected to generate from alternative investment forms. The Company has zero debt.

### 1 Our first phase (2011-12)

- The current promoters acquired the Company in October 2011.
- Loss making position in 2010.
- Focused on internal restructuring.
- No major Capex incurred
- Company reported profit in the Financial Year 2011-12

### 2 Our second phase (2012-13)

- Rationalised senior management layer.
- Strengthened Dehradun operations
- Rationalized wage cost as a proportion of revenues.
- EBIDTA margin strengthened from 13.90 per cent in the Financial Year 2011-12 to 29.21 per cent in the Financial Year 2012-13.

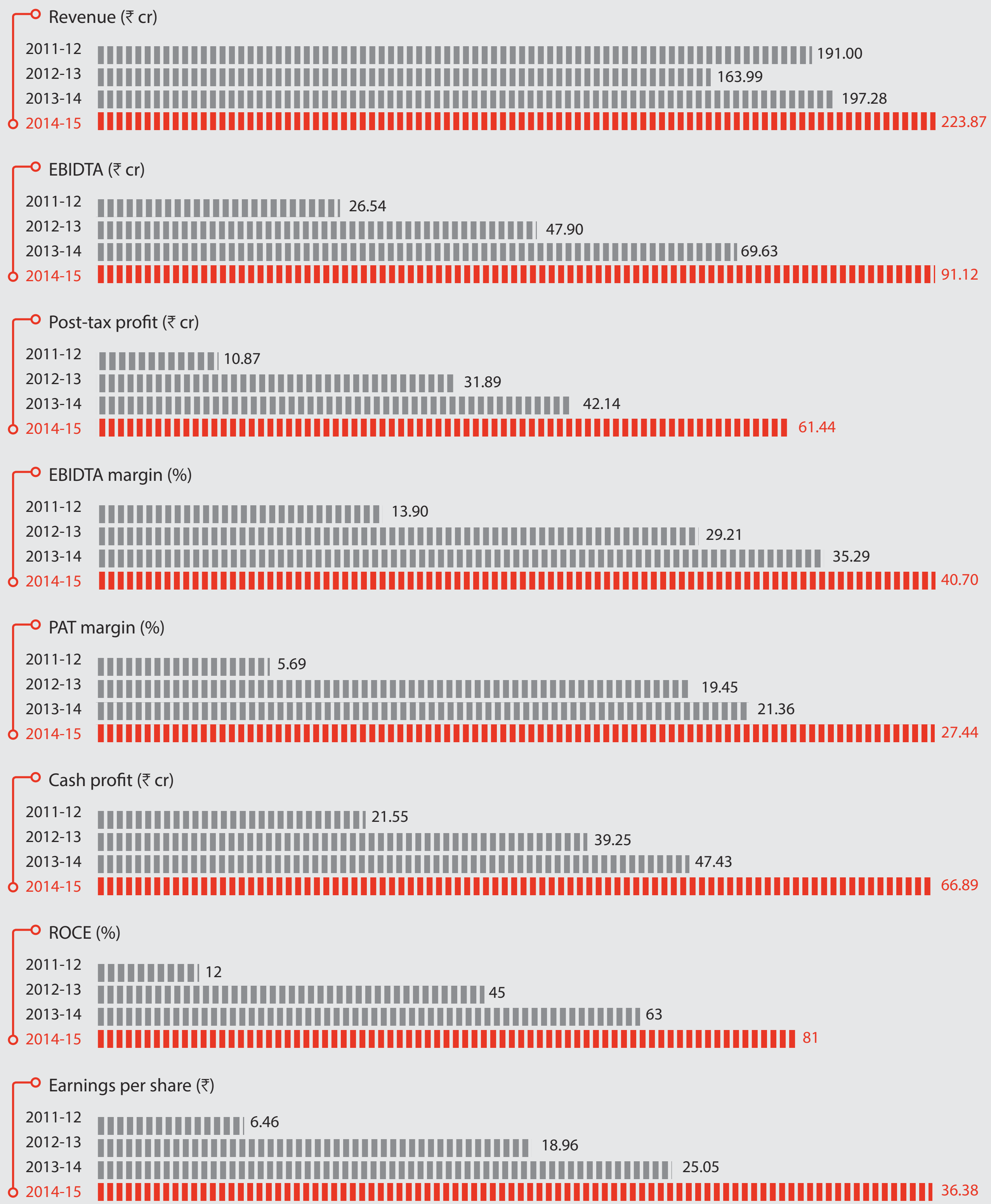
### 3 Our third phase (2013-14 and 2014-15)

- Acquisition of three companies in North America
- Embarked on aggressive revenue expansion focus.
- Strengthened revenue visibility through multi-year contracts.
- Increased customers and customer mining.
- Revenues from top ten customers increased - 75 per cent in the Financial Year 2013-14 to 81 per cent in the Financial Year 2014-15.
- EBIDTA margin strengthened from 29.21 per cent in the Financial Year 2012-13 to 40.70 per cent in the Financial Year 2014-15.

### 4 Our fourth phase (2015 -16 onwards)

- Consolidation of acquired competencies and add value to our client offerings.
- Mine customer accounts deeper.
- Focus on revenue acceleration and higher margins.
- Increase our technology-intensive platform offerings
- Focus on inorganic growth with complementary capabilities

# FINANCIAL SUMMARY_




(Note: ROCE for the Financial Year 2014-15 is calculated excluding funds raised from QIP. 2011-12 data is for 15 months from January 1, 2011 to March 31, 2012. 2011-12 and 2012-13 are standalone data and 2013-14 and 2014-15 are consolidated data.)

# MANAGEMENT DISCUSSION AND ANALYSIS

## Global economic overview

The Financial Year 2014-15 witnessed a slowdown in the global economy. Slower growth in the developed economies was accompanied by moderated GDP growth in the emerging economies. The US and the UK improved their economic outlooks on the back of accommodative monetary policies and a significant reduction in energy costs. The euro zone witnessed a significant slowdown with a fall in aggregate demand and concerns over Greek bankruptcy.

The spike in commodity prices that started in early 2000 saw a major waning in the Financial Year 2014-15 with declines in the prices of major commodities. Crude prices nosedived during the past five years with prices declining in excess of 50 per cent within a span of mere five months. It is expected that this trend will catalyse global economic revival and lead to significant gains for oil-importing nations.

Going forward, global growth is likely to accelerate to around 3 per cent in 2015 and touch around 3.3 per cent by 2017.

## Industry structure

### The global publishing sector

Publishing is a global business estimated to be in excess of USD 500 billion. However, the publishers that MPS has traditionally worked with operate in the global academic and educational market segments that are together estimated to be around USD 100 billion. India is estimated to receive an estimated USD 1.2 to USD 1.5 billion of outsourced work from publishers, and is by far the largest supplier. The Indian publishing outsourcing business has grown at 15 per cent per year over the past 10 years as per various industry estimates and this growth momentum is expected to be maintained in the coming years as publishers outsource additional services to their Indian suppliers.

The supply base in India is fragmented, with just a few suppliers with annual revenue in excess of ₹200 cr. There are a large number of suppliers with an annual revenue of under ₹50 cr, and suppliers in the ₹50-200 cr annual revenue range make up the middle of the pyramid.

Global publishers have seen many external factors impacting their business models. On the STM journals side, open access is being embraced by many publishers, resulting in a larger volume of articles being published even as subscription revenue remains under pressure. On the higher education side, the decline of print revenue and sluggish revenue growth on the digital side has seen publishers struggle with their business models. And the school publishing market remains cyclical. On the trade side, self-publishing has made with Amazon and other platforms supporting self-publishing.

In response to market dynamics, there has been a flurry of restructuring activities at the publishers end: the revival of HMH through a chapter 11 process, the purchase of McGraw-Hill Education by Apollo, the restructuring of debt at Cengage through a chapter 11 process, and the merger of Penguin and Random House.

Similarly, on the publishing services supplier side, MPS was purchased by ADI BPO Services Limited from Macmillan, Aptara was purchased by Ienergizer, an 80 per cent stake in SPI was purchased by CVC Capital Partners from Philippines Long Distance Company, and Lumina Datamatics was created by folding Datamatics data conversion services into PMG. The next round of consolidation has started with MPS purchasing Element, EPS, and TSI and assembling funds for further acquisitions.

All these changes mean that some publishing services companies will emerge stronger through the process and be the market leaders of the future. The successful publishing services companies are likely to be end-to-end players servicing the needs of the academic, educational, and self-publishing market segments with a strong focus on technology, workflow management, and high-quality content creation, production, transformation, and delivery services supplied from multiple regions. Indeed, the publishing services companies of tomorrow with full spectrum capabilities will increasingly clone the publishing clients that they serve.

## Company overview

MPS Limited provides content creation, production, transformation, and technology services to global academic, scientific, and educational publishers. The Group has a team of over 2,850 employees based at offices in Bengaluru, Chennai, Delhi, Gurgaon, Noida, and Dehradun in India and at Portland (OR), Orlando (FL), Durham (NC), Effingham (IL), and Champaign (IL) in the US.

Established as an Indian subsidiary of Macmillan (Holdings) Limited in 1970, the Company has evolved over its 45 year history to become one of the most experienced and dominant players in the publishing services outsourcing space. The equity shares of the Company are listed on BSE and NSE. In October 2011, the Company was acquired by ADI BPO Services Limited from Macmillan (Holdings) Limited. Mr. Nishith Arora is the largest shareholder and promoter of ADI BPO Services Limited. The Company's experienced and talented team has responded favourably to the new management and direction. The core management team, including Chairman, Executive Directors, and the Senior Management, are working in tandem to sustain the growth momentum by leveraging on the Company's wide range of services, technology capabilities, and cost competitiveness.

MPS Limited incorporated a wholly owned subsidiary, MPS North America, LLC, in USA in May 2013. MPS North America, LLC, has made three acquisitions in the education publishing services space in the last two years. MPS North America LLC acquired the business of Orlando-based Element LLC in July, 2013, which has added to its range of services for school education publishers. MPS North America, LLC, also acquired the business of New York-based Electronic Publishing Services Inc. in October, 2014, to add content creation and other capabilities in the higher education space. More recently, MPS North America, LLC, acquired the business of TSI Evolve Inc, which strengthens the Company's position in the reading segment of the school education market.

In addition to traditional content-processing services, MPS Limited has a strong suite of SAAS (software as a service) offerings including workflow management (MPSTrak), editing and automated composition (MPS DigiCore), and business analytics (MPS Insight). These software services help MPS add more publishing customers beyond its traditional customer base of large global publishers such as Macmillan, Elsevier, Cengage Learning, and McGraw-Hill.

MPS Limited is committed to providing quality products to its customers and has received various quality accreditations, including ISO 9001:2008 Quality Management System for providing full service prepress and content transformation services for publishers of periodicals and ISO/TEC 27001:2005 information security system for providing publishing solutions worldwide to publishers, including support departments.

MPS Limited has recently completed a QIP of ₹150 cr that saw participation from HDFC Mutual Fund, Goldman Sachs, and other investors. This will allow the Company to address acquisition opportunities and benefit from the consolidation taking place in the publishing services space.

## Risks and concerns

In any business, risks and opportunities are inseparable. The Company's Directors and management keep this in mind while taking decisions to ensure that stakeholders are not adversely affected. The Company's Risk Management team comprises various departmental heads, who meet regularly to identify processes that are exposed to risks, determine mitigation strategies to counter these risks and closely monitor their implementation. These have been discussed in the risk management section of the Annual Report.

## Internal control systems

The Company has well-documented policy guidelines, defined authority levels, and an exhaustive budgetary control system to ensure adequate internal checks and control levels. The Company has implemented SAP, an ERP System, to have adequate internal control.

The Company appointed Grant Thornton as the Internal Auditors for the Financial Year 2014-15. The Internal Audit function ensures that the system of recording and reporting, internal controls and checks, safeguarding and protection of assets in time are adequate and proper and as mandated by the Audit Committee. The Internal Auditor reports to the Audit Committee.

The Management and the Audit Committee of the Board review the findings and recommendations of the internal audit team and periodically review the adequacy of internal controls, internal audit, and management control systems so as to be in line with changing requirements.

## Financial performance with respect to Operational Performance

The Company performed well during the Financial Year 2014-15. While consolidated revenue grew 18.5 per cent, from ₹194 cr to ₹230 cr (including revenue related forex loss/gain), PBT increased from ₹64 cr to ₹85 cr (33 per cent), (excluding an exceptional income of ₹8 cr). The Company raised no debt, met its acquisition and capital expenditure requirements through internally generated funds, and also paid an enhanced dividend of ₹22 per share (₹17 per share in the previous year).

## Material developments in the Human resources / Industrial relations

MPS saw a significant increase in manpower at Dehradun, where the headcount is now 915. During the last three years, an experienced team of around 50 people, transferred from ADI BPO Services Limited to MPS, has been, supplemented by the transfer of key employees from other MPS locations. There was large-scale hiring of experienced talent as well as hiring of freshers trained in well-equipped facilities at Dehradun. As a result, MPS developed a broad spectrum of capabilities at Dehradun for books, journals, digital services, and technology. We anticipate further increases in the headcount at Dehradun. At the same time, we continue to leverage our experienced manpower at Bengaluru, Chennai, Gurgaon, Delhi, and Noida.

The manpower in our US offices increased to over 50, all highly experienced publishing professionals. This gives us added depth with experienced customer-facing resources in the US. We expect to leverage this even more as we go along.

Industrial relations remained cordial throughout the year. The aim continues to be to train, develop professional excellence, and improve the competence level of employees. The number of people employed by MPS increased to 2792 during the year.

| Economic and Industry Data | Links |
|---|---|
| Global Outlook for Growth of GDP 2015 - 2025 | *https://www.conference-board.org/data/globaloutlook/index.cfm?id=27451* |
| Global Business Outlook – Region wise | *https://www.conference-board.org/data/globaloutlook/* |
| The Book Business, Worldwide | *http://www.internationalpublishers.org/images/reports/2014/IPA-annual-report-2014.pdf* - Refer Page 13 |
| Title Production across countries and continents | *http://www.internationalpublishers.org/images/reports/2014/IPA-annual-report-2014.pdf* - Refer Page 16 |
| World's 56 Largest Book Publishers 2014 | *http://www.publishersweekly.com/pw/by-topic/industry-news/financial-reporting/article/63004-the-world-s-56-largest-book-publishers-2014.html* |

# 01 JOURNALS_

JOURNAL PUBLISHERS WISH TO publish larger volumes of peer -reviewed or open-access scientific, technical, medical, and humanities research-based content through reduced cycle times across multiple platforms at significantly lower costs.

The Journals division is the largest business segment of the Company - in terms of annual revenue and employees. It is also the oldest division of the Company and has been operating for over 45 years. The division is a global leader in content transformation and project management services, covering every stage of the author-to-reader publishing value chain. The services cover print and online publishing, enabling customers to focus on the core creative and revenue-generating parts of their publishing businesses. The division has 1400-plus employees on its rolls operating out of three locations in India (Bengaluru, Dehradun and Chennai).

The niche market coupled with new revenue streams (online access) has made scientific publishing the fastest growing sub-sector of the media industry. Moreover, scholarly publishing is insensitive to economic ups and downs and therefore a stable space for long-term business investments.

The English-language STM journal publishing market is estimated at USD 10 billion (2012) and growing 4.5 per cent CAGR every year. *(Source: The STM Report, Mark Ware Consulting, 4th Edition, 2015).*

There has been a growing focus on this business segment in the last few years through increasing R&D spend, optimizing costs and the addition of a third production facility (Dehradun), translating into cost-effective customer solutions, faster turn-around times and efficient workflows.

## Strengths

The division has been drawn from the oldest journal publishing service provider in India, with more than four decades of experience working with multiple global publishers.

The Company provides end-to-end journal publishing services enabled by technology platforms, which allows simultaneous access and advancement of multiple stages of content production through a digital core, which is the CMS.

The faster throughput is driven by smart automation and innovative processes across different and complex phases of content production and enrichment, helping publishers meet their objectives at reduced costs.

This division is one of the largest in the Indian publishing service space with a rich and diverse customer base.

The division possesses the largest technology resources pool in India's publishing service sector, with proven experience in journals publishing technology.

The division has made significant investments in publishing R&D and innovation, leading to the development of state-of-the-art publishing tools like DigiEdit and DigiComp, providing customers with a competitive edge.

The Dehradun production facility ensures competitive operational costs.

## Highlights, 2014–15

This business unit revenues grew 14 per cent.

The division acquired two new customers; most existing customers increased their business with the Company.

## Outlook, 2015–16

The segment looks forward to another year of growth as it continues to invest in R&D and operational excellence leading to customer delight and sustained growth.

> **Case study**
> For a reputed global publisher, MPS transitioned a large open access journal with 100,000+ printed pages (manuscript acceptance to first proofs) within only 48 hours

# 02 BOOKS_

THE SERVICES OFFERED BY THIS business unit bridge the gap between instructors and learners, and enable the dissemination of knowledge across school, higher-ed, and continuing education streams. Educational content needs to be processed and delivered to its target audience in an efficient and engaging manner, and the workflows and processes at MPS's books unit enable this goal to be achieved.

MPS's Books business unit provides content development, editorial, full-service project management, and page composition services to the world's leading educational, scientific, and scholarly publishers. This division has over 800 employees, and operates from Noida, Delhi, Dehradun, and Chennai in India, as well as from four locations (Orlando FL, Portland OR, Champaign IL, Effingham IL, and Durham NC) in the US.

## Strengths

**Experience:** Over 35 years of experience in processing educational and scientific book content – wide subject matter

**Processes:** Technology-enabled workflows for greater process efficiencies.

**Core capability:** Strong editorial and project management skills; upstream integration with content development services, and downstream integration with eLearning services – and the capability to deliver these services in-house.

**Delivery:** Multiple service delivery locations, with each location specializing in a specific market segment.

**Technology-enabled production:** Our Central Technology team has considerable experience in designing customized workflows to meet specific client requirements.

**Global presence, resource scalability, and delivery:** Our diverse geographic footprint and resources provide us with the flexibility to assume large projects without compromising quality and timeliness.

**Strong full-service project management and editorial capabilities:** We have a large team of full service project managers for books, based in Chennai and Delhi. Our project managers handle the end-to-end book production process, and provide publishers with administrative support as well as editorial assistance with ease and diligence. MPS also has a full-time in-house editorial service staff of over 300 people based at our facilities in Bengaluru, Chennai, Delhi and Dehradun. In addition, MPS has a large pool of freelance onshore resources with expertise in various disciplines, which are used selectively for specific projects requiring such expertise.

**Relationships:** Our partnerships with educational and professional publishers are strategic, global and comprehensive. The senior management on both sides come together on a quarterly basis to brainstorm and drive innovation.

## Highlights, 2014-15

The division made new client acquisitions in Cambridge University Press and Oxford University Press.

There was growth in volumes from existing clients. Elsevier doubled books volumes over the previous year; Macmillan Science and Education volumes increased 40 per cent.

With strong onshore content development capabilities in place, this vision remained on the positive side of all major vendor consolidations, including McGraw-Hill Education and Cengage Learning. Services provided include content assembly, media asset development, project management, rights and permissions, and design services with the scope now expanding to include rich media and digital learning objects.

Our acquisitions in the US over the past couple of years enabled us to build competencies in content development, which our competitors currently do not possess.

Our focus on building robust collaborative production platforms like DigiCore to support our core production activities broke new ground in realizing production efficiencies by marrying content processing services with technological excellence.

## Outlook, 2015-16

Prospects appear bright, translating into a growth in volumes from existing and new customers; revenues from traditional components of the business (like editorial and page composition) could be supplemented by content development and rich media services.

# 03 DIGITAL SERVICES_

CLIENTS ARE INCREASINGLY requiring e-Books be delivered along with the print PDF files. The DS BU's workflows are synced with the books unit's workflows to enable seamless integration of e-Book production with the print file.

There is still a need from several publishers to selectively digitize their historical book or journal archives going back to several decades. This BU has the capability to handle such large volume legacy file digitization.

In an era where publishing is increasingly becoming digital-only (particularly in the trade book segment), the sole deliverable (for clients like Apple, for example) is an e-Book file. This BU has large-scale engagements of this nature.

MPS's Digital Services BU offers a range of multi-format content conversion services. Source file formats can range from hard copy, to scanned PDFs, print PDFs, XML and others. These source inputs, depending on the client requirement, are converted to EPUB2, EPUB3, Mobi, XML, Word, or other formats. This unit has a staff strength of about 300, and is based in Chennai and Bengaluru.

## Strengths

The past few years have first seen a proliferation of e-Book formats, followed by a standardization of e-Books into two major formats compatible with the iPad (and popular Android devices) and the Kindle. This business unit first developed capabilities to handle multiple formats and has been at the forefront of managing the consolidated formats as well.

Ability to handle a wide variety of source files and convert to a wide variety of target file formats

Robust and proven production models depending on client-specific requirements.

Technology-enabled conversion workflows.

Ability to support rapid-scale ups and handle large-volume file deliveries.

With the evolution of EPUB3 (which enables multimedia integration into e-Books), this division has supported the transition of publishers into handling this new format. This has also been seamlessly integrated into the print book workflow to enable print+EPUB3 deliveries.

## Highlights, 2014-15

Selected as a key supplier to Apple.

Successful projects handled for various publishers for interactive EPUB file deliveries (EPUB3).

Expanded the key relationship with Wolters Kluwer's Tax and Accounting division into additional product types.

### Outlook, 2015-16

Keeping in mind the continuous push towards e-Books in general and the potential for using interactive e-Books to a greater extent in the educational publishing segment, this division can look forward to a successful Financial Year 2015-16.

## 04 TECHNOLOGY SOLUTIONS_

THERE IS A GROWING OPPORTUNITY in technology-led content delivery within the global publishing industry. On the one hand, changes in consumer habits are necessitating a greater role for technology-driven services and products; besides, there is a need for publishers to reduce costs and work with vendors who facilitate a faster time to market.

MPS responded to both these realities through its technology-focused business unit, MPS Technologies. This standalone unit provides technology solutions and services to publishers, provides platforms, application support and cloud-based hosting services, server virtualization, and 24x7 IT helpdesk support.

MPS Technologies' technology services to publishers comprise:

**Proprietary** platform development and customization capabilities (leading to annuity revenues through license and customization fees) for automated flow of content from author-to-reader value chain.

**Provide** business insight to publishers and libraries through its usage analytics services.

**Complete** application support and maintenance services.

### Strengths

**The** business comprises a coming together of domain and technology competence, which makes it unique; its team of 300 strong technical team is one of the largest within the sector in India.

**The** business provides products and services, a flexible hybrid model.

**The** business possesses a successful track record of having created more than 20 technology platforms addressed at the global publishing industry, drawing an aggregate six million visitors per day. Besides, the Company possesses the competence to turnaround platforms in tenures as compressed as three months, one of the shortest in comparison to similar implementations in the industry, in addition to versatile platform flexibility and integration with diverse tools and processes.

**The** business has carved out a competence in the production niche of the author-to-reader cycle, marked by the creation of three products with attractive potential.

**The** product MPSTrak is rated as one of the best in the world in the journal management niche.

**The** business enjoys ramp-up capabilities by being able to draw professionals from the Platform Upgrade and Product Innovation teams.

**The** business works closely with customers, resulting in the ability to get platforms right the first time, reducing turnaround time.

**The** creation of a platform makes it possible for the Company to access customer preferences with speed, inspiring proactive responses when it comes to adapting platforms.

### Outlook

The business intends to grow 30 per cent during the year under review.

### Customer endorsement

"It is testimony to MPS and the Indian work ethic that you delivered MPSTrak on time. I am safe in saying that if we had worked with a UK or US-based supplier we would have not only missed the deadline but I suspect we would still be gathering requirements at this time." – A large and respected MPS client

### How MPSTrak has transformed the customer experience - 1

When a prominent global publishing company selected to use MPSTrak, it had its own challenges – and doubts. How could a simple product enhance productivity? What could it achieve? What they had attempted but not derived? The result is that MPSTrak was implemented. Gradually, there was drastic improvement in productivity. At last count, after two years of using MPSTrak, the global publishing client has reported three years of production volume growth (books, journals, and cases ) without adding a single person to its production team.

### How MPSTrak has transformed the customer experience - 2

A respected global publishing company was faced with a challenge – declining people productivity. The company invested skeptically in MPSTrak, unsure of the kind of gains that would be delivered. After using the product for a little less than four years, this is what the company discovered: a production executive who would handle around 700 articles a year is now able to manage a 46 per cent higher throughput following MPSTrak implementation. Best of all, while overall publishing volume has grown by over 80 per cent in the three years that MPSTrak has been installed, only two production executives were recruited.



### Our products

**MPSTrak**

Deliverables: Dynamic cloud-based workflow and content management platform for books, journals and reference works; workflow management and tracking; workflow task management; transparency and correspondence; author service and peer review; work automation; content management; estimation, Profit & Loss and PO management; integration and reporting.

Benefits: Intuitive user interface, faster time to market, increased transparency, global visibility on workflows and efficient workflow solutions.

**MPSInsight**

Deliverables: Empowering publishers and librarians with powerful content usage analytics on a cloud-based platform; generation of sales and marketing reports including region-wise trends and title-wise trends, allows librarians to compare usage statistics and derive useful metrics and make better informed purchasing decisions.

Benefits: Quicker turnaround time for reports, lower operational costs, easier administration for publishers and librarians, highly intuitive user interface as per publisher requirements.

**Content store**

Deliverables: Hosted e-Book delivery and distribution platform, helps to drive e-Book sales over the web and mobile platforms; supportive of global content formats; enables distribution of content over mobile platforms and social media; allows publishers to access counter compliant and other usage statistics.

Benefits: Flexibility between different feature sets; enables creation of own e-BookStore; helps access new markets by supporting multiple languages; enables publishers to implement e-content strategies, protecting content.


## 05 LEARNING AND NEW MEDIA SERVICES_

THERE IS A GROWING NEED TO adapt services to publishers on account of the increasing use of smartphones in downloading educational content, a growing propensity of consumers for immediate content availability and interactivity, a growing room for platforms to become technology-compatible and the vast room to move from print to digital and digital devices.

At MPS, we created a niche technology vision to create mobile applications (for e-learning), website interactivity (e-learning assessment), desktop/IWB applications, technology migration (animation and offline site) and teacher-student interaction.

This unit of the Company develops engaging and interactive learning products for educational publishers. The unit uses advanced multimedia tools to create digital learning applications with animations, interactive games and activities for use as learning aids in classrooms. The unit's team comprising content creators, developers, art directors and graphic designers provide high-quality designs to satisfy the customers.

The Company also develops educational CDs and DVDs that contain animations, activities, games and other interactive content. These are used as supplementary or standalone learning material. The unit partners leading educational institutions to create content and draws upon its sectoral experiences to deliver quality offerings. Consultancy services are also offered that cover the entire range of learning activities - individual and organisational.

### Strengths

**This** business (started in 2007) has addressed projects and solutions for large publishers.

**The** business enjoys repeat business from existing customers; it has developed various award winning learning platforms applications such as e-work book (ESU Book Award) and i + interactive platform (QED Seal).

**This** business comprehends customer needs and delivers customized solutions.

**This** business possesses capabilities in leading technologies (HTML5, JavaScript, CSS3, PHP, MySQL, Xcode, J2ME, and various mobile and web frameworks).

**This** business launched a proprietary product called Mediasuite (transforms PDF files into digital e-books).

### Highlights, 2014-15

**Delivered** an end-to-end collaborating e-learning platform for Cheneliere, a large