

HOVS

May 29, 2017

To
The Manager- Compliance Department
National Stock Exchange of India Limited
'Exchange Plaza', Bandra Kurla Complex,
Bandra (East), Mumbai-400 051

To
The Manager- Compliance Department
Bombay Stock Exchange Limited
Floor 25, P. J. Tower, Dalal Street,
Mumbai -400 001

NSE symbol: HOVS

BSE Scrip Code: 532761

Subject: Intimation of outcome of the Board Meeting held on May 29, 2017

Dear Sir,

This is to inform that the Board of Directors of the Company at its meeting held today, inter alia, had approved the following:-

- i. Audited standalone financial results of the Company for 4th quarter ended on March 31, 2017;
- ii. Audited standalone & consolidated financial results for financial year ended on March 31, 2017;
- iii. Restructuring/conversion of security, provided to a bank for HOV Environment Solutions Private Limited, its subsidiary company, into loan of amount not exceeding ₹ 10 Crore to said subsidiary, subject to shareholders' approval;
- iv. Appointed M/s. BAGARIA & Co., Chartered Accountants as Statutory Auditors, subject to shareholders' approval, in place of Lodha & Co., the retiring auditors from the conclusion of ensuing 29th annual general meeting;
- v. Accepted the resignation of Mr. Parvinder S Chadha, as a Director of the Company;
- vi. To convene 29th Annual General Meeting on September 1, 2017; and
- vii. The Register of Members and Share Transfer Books of the Company will remain closed from August 29, 2017 to September 1, 2017 (both days inclusive) for the purpose of 29th AGM.

Please find enclosed the audited financial results along with Auditors' report. The Report of the Auditors is with unmodified opinion with respect to the Audited Financial Results (Standalone and Consolidated) of the Company for the year ended March 31, 2017.

Kindly take the above on record.

Thanking you,
Yours faithfully,

For **HOV Services Limited**



Bhuvanesh Sharma
VP-Corporate Affairs &
Company Secretary &
Compliance Officer

HOV Services Limited

Office : 3rd Floor, Sharda Arcade, Pune Satara Road, Bibwewadi Pune - 411 037, Maharashtra, INDIA
CIN : L72200PN1989PLC014448 Tel: 91-20 24221460, Fax: 91-20 24221470, www.hovsltd.com

(Rs. In Lakhs)

Segment wise Revenue, Results and Capital Employed - CONSOLIDATED		
Particulars	For the Year Ended	
	March 31, 2017	March 31, 2016
Segment Revenue :		
(a) Software and IT Enabled Services	1,364.61	1,349.81
(b) Environment Solutions Business	178.60	165.25
Net sales/Income From Operations	1,543.21	1,515.06
Segment Results Profit/(Loss) before tax and interest from segment:		
(a) Software and IT Enabled Services	(14,383.60)	(27,444.86)
(b) Environment Solutions Business	(142.36)	(125.83)
(c) Unallocated Income (Net of Expenses)	95.69	111.62
Total Profit/(Loss) Before Tax	(14,430.27)	(27,459.07)
Segment Assets :		
(a) Software and IT Enabled Services	3,925.27	34,191.11
(b) Environment Solutions Business	368.37	611.56
(c) Unallocated	951.58	970.40
Total	5,245.22	35,773.07
Segment Liabilities :		
(a) Software and IT Enabled Services	539.51	616.94
(b) Environment Solutions Business	698.18	735.14
(c) Unallocated	604.36	675.94
Total	1,842.05	2,028.02
Capital Employed		
(a) Software and IT Enabled Services	3,385.76	33,574.18
(b) Environment Solutions Business	(329.81)	(123.58)
(c) Unallocated	347.22	294.45
Total	3,403.17	33,745.05

Notes:

1 The above Audited standalone and Consolidated financial results were reviewed by the audit committee and approved by the Board of Directors at its meeting held on May 29, 2017.

2 Other Income includes net rental income/Loss as follows :

	Quarter Ended 31-Mar-17	Quarter Ended 31-Dec-16	Quarter Ended 31-Mar-16	Year ended 31-Mar-17	Year ended 31-Mar-16
Rent Income	27.41	27.41	27.41	109.66	107.85
Less: Finance and borrowing cost	18.39	19.09	20.27	77.28	88.52
Less: Amortisation expense	4.70	4.70	4.70	18.81	18.81

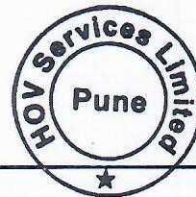
3 The consolidated financial results have been prepared in accordance with the consolidation procedures under AS 21 'Consolidated Financial Statements' and an associate consolidated as per AS 23 'Accounting for Investments in associates in consolidated financial statement' notified by the Companies Act, 2013.

4 *The Standalone financial figures of the last quarter are the balancing figures between audited figures for the full financial year and unaudited published year to date figures up to the third quarter.

5 In terms of SEBI circular CIR/CFD/CMD/56/2016 dated 27th May, 2016, the Company/Group hereby declares that the Auditors have issued audit report with un-modified opinion on annual audited standalone/consolidated financial results for the year ended March 31,2017

6 Previous periods' figures are regrouped/rearranged wherever considered necessary to conform to current year's/quarter's presentation.

For, HOV Services Limited



[Signature]
Sunil Rajadhyaksha
Chairman & Executive Director
(DIN:00011683)

Place: Mumbai.

Date: May 29, 2017.

**HOV SERVICES LIMITED**


Registered Office: 3rd Floor Sharda Arcade, Pune Satara Road, Bibwewadi, Pune-411037
 website: www.hovsltd.com; email: investor.relations@hovsltd.com
 Phone: 020-24231623; Fax: 020-24221470
 CIN: L72200PN1989PLC014448

(Rs. In Lakhs)

CONSOLIDATED		STATEMENT OF ASSETS AND LIABILITIES	STANDALONE	
As at March 31,			As at March 31,	
2017	2016		2017	2016
Audited	Audited	Particulars	Audited	Audited
		A EQUITIES AND LIABILITIES		
		1 Shareholders' funds		
1,253.25	1,253.25	Share capital	1,253.25	1,253.25
2,149.92	32,491.80	Reserves and surplus	7,536.99	7,420.92
		2 Non-current liabilities		
523.21	605.80	Long-term borrowings	523.21	604.55
		3 Current liabilities		
681.40	657.71	Short term borrowings	-	-
103.28	113.67	Trade payables	90.17	97.19
476.26	599.40	Other current liabilities	135.52	198.13
57.90	51.44	Short-term provisions	57.89	51.44
5,245.22	35,773.07	TOTAL - EQUITY AND LIABILITIES	9,597.03	9,625.48
		B ASSETS		
		1 Non-current assets		
		Fixed Assets		
168.06	217.15	Tangible Assets	18.22	26.87
63.12	92.24	Intangible Assets	5.96	14.27
0.38	0.38	Goodwill on consolidation	-	-
30.17	31.44	Deferred Tax Assets (net)	18.18	19.45
2,983.55	33,251.02	Non-Current investments	7,559.35	7,578.16
14.76	12.81	Long-term Loans and Advances	138.68	126.50
174.20	214.09	Other Non-Current Assets	174.20	214.08
		2 Current assets		
433.81	523.96	Trade Receivables	393.69	487.13
1,102.28	994.06	Cash and Bank Balances	1,062.80	935.33
168.27	204.52	Short Term Loans and Advances	157.61	166.84
106.62	231.41	Other Current Assets	68.34	56.85
5,245.22	35,773.07	TOTAL - ASSETS	9,597.03	9,625.48



For, HOV Services Limited


Sunil Rajadhyaksha
 Chairman & Executive Director
 (DIN:00011683)

Place: Mumbai.

Date: May 29, 2017.

Independent Auditor's Report on Quarterly Financial Results and Year Ended Results of HOV Services Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of **HOV SERVICES LIMITED**

We have audited the accompanying Statement of Standalone Financial Results of **HOV Services Limited** ('the Company') for the quarter and year ended 31st March, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.

This Statement, which is the responsibility of the company's management and approved by the Board of Directors, has been prepared on the basis of the related financial statement which are in accordance with the Accounting Standard prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us the Statement;

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016; and
- (ii) gives a true and fair view in conformity with aforesaid Accounting Standards and other accounting principles generally accepted in India of the Net Profit and other financial information of the Company for the quarter and year ended 31st March, 2017.

The Statement includes the results for the Quarter ended 31st March, 2017 and 31st March, 2016 being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current and previous financial years which were subject to limited review by us.

Place: Mumbai
Date: 29th May, 2017



For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E

R.P. Baradiya
R.P. Baradiya
Partner
Membership No. 44101

Auditor's Report On year to date Consolidated Financial Results of HOV Services Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of **HOV Services Limited**

We have audited the consolidated financial results of HOV Services Limited (**Parent Company**) **its subsidiaries and an associate** (together referred to as "the Group) for the year ended 31 March 2017, attached herewith, being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.

These consolidated financial results have been prepared from consolidated financial statements, which are the responsibility of the Parent Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 596.49 lakhs as at March 31, 2017, total revenues and net loss of Rs. 178.60 lakhs and Rs. 209.88 lakhs for the year ended March 31, 2017, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 14,457.91 lakhs for the period from January 1, 2016 to December 31, 2016 in respect of an associate. These financial statements of subsidiaries and an associate have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate is based solely on the reports of the other auditors.



In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results:

- (i) include the financial results for the year of the following entities :
 - (ii) HOVS Holdings Limited- Subsidiary –Hongkong
 - (iii) HOVS LLC- Subsidiary- USA
 - (iv) HOV Environment Solutions Private Limited- Subsidiary- India
 - (v) HOV Environment, LLC- Subsidiary- USA
 - (vi) SourceHOV Holdings, Inc- Associate- USA
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (iii) give a true and fair view of the consolidated net loss and other financial information for the year ended 31 March 2017.

Place: Mumbai
Date: 29th May, 2017



For **LODHA & CO.**
Chartered Accountants
Firm Registration No. – 301051E

A handwritten signature in black ink, appearing to read "R. P. Baradiya".

R. P. BARADIYA
Partner
Membership No. 44101



May 29, 2017

To
The Manager-Compliance Department
Bombay Stock Exchange Limited
Floor 25, P.J. Tower, Dalal Street,
Mumbai-40001

To
The Manager-Compliance Department
National Stock Exchange of India Limited
'Exchange Plaza', Bandra Kurla Complex,
Bandra (East), Mumbai-400051

BSE Scrip Code: 532761

NSE symbol: HOVS

Subject: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Audit Reports with unmodified opinion(s)

Dear Sirs,

Pursuant to the provisions of Regulation 33(3)(d) of the SEBI (LODR), 2015 Regulations read with SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that the Auditor has expressed an unmodified opinion(s) on the Audited Financial Results of the Company for the quarter and year ended March 31, 2017.

Kindly take the above on record.

Thanking you,

Yours faithfully,

For HOV Services Limited

Sunil Rajadhyaksha

Chairman & Executive Director

HOV Services Limited

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CIN : L72200PN1989PLC014448 Tel: 91-20 24221460, Fax: 91-20 24221470, www.hovsltd.com