

# HOVS

May 30, 2019

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 30, 2019**

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:-

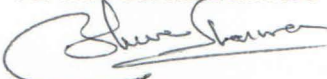
- i. Audited standalone financial results of the Company for the quarter and year ended on March 31, 2019;
- ii. Audited consolidated financial results for financial year ended on March 31, 2019;
- iii. To convene 31<sup>st</sup> Annual General Meeting on September 10, 2019;
- iv. The Register of Members and Share Transfer Books of the Company will remain closed from September 7, 2019 to September 10, 2019 (both days inclusive) for the purpose of 31<sup>st</sup> AGM; and

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, 2019. Also enclosed herewith the declaration of unmodified opinion on the financial results for the financial year ended 31st March 2019.

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**

**Auditor's Report On Quarter and Year ended Standalone Financial Results of The 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 standalone financial results of **HOV Services Limited** ('the Company') for the quarter and year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These standalone quarterly financial results as well as the year end financial results have been prepared on the basis of the standalone financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard prescribed under Section 133 of the Companies Act, 2013 (Act) 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.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year end standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit for the quarter and year ended March 31, 2019 and other financial information for the quarter and year ended 31 March, 2019.

**Other Matter:**

The Statement includes the results for the quarter ended 31st March, 2019 and corresponding quarter ended of the previous year 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 year.

For **Bagaria and Co. LLP**  
Chartered Accountants  
Firm Registration No.:  
113447W/W-100019

  
**Vinay Somani**  
Partner  
Membership No. 143503



**Place:** Pune  
**Date:** May 30, 2019

**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) and its subsidiaries (together referred to as "the Group") for the year ended March 31, 2019, 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.

These consolidated year end financial results have been prepared from consolidated financial statements, which are the responsibility of the 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. 250.93 lakhs as at March 31, 2019, total revenues and net loss of Rs. Nil and Rs. 358.84 lakhs respectively for the year ended March 31, 2019, as considered in the consolidated financial statements. These financial statements of subsidiaries 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 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 financial results:

(i) include the financial results for the year of the following entities:

- i. HOVS Holdings Limited- Subsidiary – Hongkong
- ii. HOVS LLC- Subsidiary- USA
- iii. HOV Environment Solutions Private Limited- Subsidiary- India
- iv. HOV Environment, LLC- Subsidiary- 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 March 31, 2019.

For Bagaria and CO. LLP  
Chartered Accountants  
Firm Registration No. 113447W/W-100019

Vinay Somani  
Partner  
Membership No. 143503



Place: Pune  
Date: May 30, 2019

# HOVS

## 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

### AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019

(Rs. In Lakhs, except per share data)

CONSOLIDATED		Particulars	STANDALONE				
Year Ended			Quarter Ended			Year Ended	
March 31, 2019	March 31, 2018		March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
Audited	Audited		Audited*	Unaudited	Audited*	Audited	Audited
		<b>Income</b>					
1,054.43	1,359.95	Revenue from operations	232.54	265.28	269.27	1,054.43	1,254.55
95.77	420.32	Other income	45.89	17.65	17.10	93.17	106.31
<b>1,150.20</b>	<b>1,780.27</b>	<b>Total Revenue</b>	<b>278.43</b>	<b>282.93</b>	<b>286.37</b>	<b>1,147.60</b>	<b>1,360.86</b>
		<b>Expenses</b>					
732.36	911.96	Employee Benefits Expense	168.33	179.03	183.08	713.92	884.89
-	25.42	Finance Costs	-	-	-	-	-
52.52	106.62	Depreciation and Amortization Expense	1.98	1.80	2.19	8.54	9.76
296.28	428.02	Other Expenses	55.82	70.42	47.57	245.23	269.12
<b>1,081.16</b>	<b>1,472.02</b>	<b>Total Expenses</b>	<b>226.13</b>	<b>251.25</b>	<b>232.84</b>	<b>967.69</b>	<b>1,163.77</b>
<b>69.04</b>	<b>308.25</b>	<b>Profit/(Loss) before Exceptional items</b>	<b>52.30</b>	<b>31.68</b>	<b>53.53</b>	<b>179.91</b>	<b>197.09</b>
-	(0.38)	Exceptional Items	-	-	(1,022.72)	-	(1,022.72)
69.04	307.87	Profit/(Loss) before Tax	52.30	31.68	(969.19)	179.91	(825.63)
		<b>Tax Expense</b>					
(50.90)	(57.10)	Current Tax	(13.20)	(9.50)	(14.70)	(50.90)	(57.10)
(0.58)	(12.95)	Deferred Tax	(0.60)	(1.48)	(5.19)	(0.58)	(0.97)
<b>17.56</b>	<b>237.82</b>	<b>Profit/(Loss) for the Period</b>	<b>38.50</b>	<b>20.70</b>	<b>(989.08)</b>	<b>128.43</b>	<b>(883.70)</b>
		<b>Other Comprehensive Income</b>					
		Items that will not be reclassified subsequently to Profit or loss :					
5.57	1.70	Remeasurement of defined benefit plans	3.47	0.70	(2.05)	5.57	1.70
-	135,146.14	Profit on divestment of stake in associate in business Combination	-	-	-	-	-
(40,101.76)	(45,425.15)	Changes in fair value of FVOCI equity instruments	-	-	-	-	-
12,831.01	(28,711.19)	Tax impact on above	(1.02)	(0.18)	0.47	(1.55)	(0.47)
<b>(27,265.18)</b>	<b>61,011.50</b>	<b>Total Other Comprehensive Income</b>	<b>2.45</b>	<b>0.52</b>	<b>(1.58)</b>	<b>4.02</b>	<b>1.23</b>
<b>(27,247.62)</b>	<b>61,249.32</b>	<b>Total Comprehensive Income for the Period</b>	<b>40.95</b>	<b>21.22</b>	<b>(990.66)</b>	<b>132.45</b>	<b>(882.47)</b>
<b>1,258.90</b>	<b>1,253.57</b>	Paid-up equity share capital (Face Value of Rs. 10 each)	<b>1,258.90</b>	<b>1,258.90</b>	<b>1,253.57</b>	<b>1,258.90</b>	<b>1,253.57</b>
43,103.04	70,376.04	Other Equity				6,805.51	6,657.65
0.14	1.90	Basic and Diluted Earning Per Share before exceptional item	0.31	0.16	0.27	1.02	1.11
0.14	1.90	Basic and Diluted Earning Per Share after exceptional item	0.31	0.16	(7.89)	1.02	(7.05)



(Rs. In Lakhs)

Segment wise Revenue, Results and Capital Employed - CONSOLIDATED		
Particulars	For the Year Ended	
	March 31, 2019	March 31, 2018
<b>Segment Revenue :</b>		
(a) Software and IT Enabled Services	1,054.43	1,254.55
(b) Environment Solutions Business	-	105.40
<b>Net sales/Income From Operations</b>	<b>1,054.43</b>	<b>1,359.95</b>
<b>Segment Results Profit/(Loss) before tax and finance costs from segment :</b>		
(a) Software and IT Enabled Services	74.64	74.49
(b) Environment Solutions Business	(101.37)	(161.52)
(c) Unallocable (Net of Expenses)	95.77	420.32
<b>Total</b>	<b>69.04</b>	<b>333.29</b>
Less :- Finance Costs	(51.48)	(25.42)
Provision for Taxation Current (Unallocable)	-	(70.05)
Add :- Other Comprehensive income	(27,265.18)	61,011.50
<b>Net Profit/(Loss) After Tax</b>	<b>(27,247.62)</b>	<b>61,249.32</b>
<b>Segment Assets :</b>		
(a) Software and IT Enabled Services	1,191.14	1,111.93
(b) Environment Solutions Business	249.65	367.98
(c) Unallocable	59,536.45	99,657.02
<b>Total</b>	<b>60,977.24</b>	<b>101,136.93</b>
<b>Segment Liabilities :</b>		
(a) Software and IT Enabled Services	236.90	183.45
(b) Environment Solutions Business	72.02	91.20
(c) Unallocable	16,306.39	29,232.67
<b>Total</b>	<b>16,615.31</b>	<b>29,507.32</b>
<b>Capital Employed</b>		
(a) Software and IT Enabled Services	954.23	928.48
(b) Environment Solutions Business	177.63	276.77
(c) Unallocable	43,230.07	70,424.36
<b>Total</b>	<b>44,361.93</b>	<b>71,629.61</b>

**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 30, 2019 .

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

(Rs in Lakhs)

Particulars	Quarter Ended			Year ended	
	31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18
Rent Income	27.41	27.41	27.41	109.66	109.66
Less: Finance and borrowing cost	(12.82)	(13.44)	(14.18)	(55.00)	(66.22)
Less: Amortisation expense	(4.70)	(4.70)	(4.70)	(18.81)	(18.81)

- 3 The Group entered into a Business Combination Agreement on July 12, 2017, and received equity stake in Exela Technologies, Inc. (Listed on NASDAQ) through Ex-Sigma LLC a special purpose vehicle formed for this transaction.
- 4 \* The figures of the Current quarter and corresponding quarter of the previous year 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 Previous periods' figures are regrouped/rearranged wherever considered necessary to conform to current year's/quarter's presentation.
- 6 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, 2019.

For HOV Services Limited

*B R Gupta*  
 B R Gupta  
 Director  
 (DIN: 00020066)



Place: Pune  
 Date: May 30, 2019

# HOVS

## HOV SERVICES LIMITED

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

(Rs. In Lakhs)

CONSOLIDATED			STANDALONE	
As at March 31,			As at March 31,	
2019	2018		2019	2018
Audited	Audited		Audited	Audited
		<b>ASSETS</b>		
		<b>Non-current assets</b>		
104.72	138.82	Property, Plant and Equipment	41.39	29.01
913.95	932.77	Investment Property	913.96	932.76
0.16	2.38	Intangible Assets	0.16	2.38
		<b>Financial assets</b>		
-	-	Investments in subsidiaries	6,607.77	6,607.77
58,622.50	98,724.26	Other Investments	-	-
14.62	14.76	Other Financial assets	14.61	14.76
19.47	21.47	<b>Income Tax Assets</b>	-	-
196.50	198.63	<b>Deferred Tax Assets</b>	196.50	198.63
4.50	6.74	<b>Other Non-Current Assets</b>	4.49	6.74
		<b>Current assets</b>		
		<b>Financial assets</b>		
281.40	431.25	Trade Receivables	281.40	411.64
700.71	496.56	Cash and cash equivalents	549.36	372.65
12.00	87.77	Other bank balances	2.42	3.19
24.52	39.01	Other financial assets	14.05	28.28
82.20	42.51	<b>Other Current Assets</b>	79.93	41.34
<b>60,977.25</b>	<b>101,136.93</b>	<b>TOTAL - ASSETS</b>	<b>8,706.04</b>	<b>8,649.15</b>
		<b>EQUITIES AND LIABILITIES</b>		
		<b>EQUITY</b>		
1,258.90	1,253.57	Equity Share Capital	1,258.90	1,253.57
43,103.04	70,376.04	Other Equity	6,805.51	6,657.65
		<b>LIABILITIES</b>		
		<b>Non-current liabilities</b>		
		<b>Financial liabilities</b>		
323.54	428.32	Borrowings	323.54	428.32
15,878.15	28,710.72	Deferred Tax Liabilities	-	-
		<b>Current liabilities</b>		
		<b>Financial liabilities</b>		
		Trade payables		
3.18	-	Micro, Small and Medium Enterprises	3.18	-
91.25	109.55	Others	74.62	74.51
212.14	146.16	Other financial liabilities	133.63	124.05
14.64	17.85	Other Current liabilities	14.25	16.33
52.46	59.15	Provisions	52.46	59.15
39.95	35.57	Current Tax Liabilities	39.95	35.57
<b>60,977.25</b>	<b>101,136.93</b>	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>8,706.04</b>	<b>8,649.15</b>



For HOV Services Limited

B R Gupta

Director

(DIN: 00020066)



Place: Pune

Date: May 30, 2019



May 30, 2019

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) (Amendments) Regulations, 2016.**

Dear Sirs,

Pursuant to the provisions of Regulation 33(3)(d) of the SEBI (LODR), 2015 as amended vide SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that the Statutory Auditors of the Company has expressed an unmodified opinion(s) on the Audited Financial Results (Standalone & Consolidated) of the Company for the year ended March 31, 2019.

Kindly take the declaration on record.

Thanking you,

Yours faithfully,

For **HOV Services Limited**

Nilesh Bafna  
Chief Financial Officer

## **HOV Services Limited**