

HOV SERVICES LIMITED					
Consolidated Financial Results for the Quarter And Six Months Ended on September 30, 2010					
(Rs. In Lacs, except per share data)					
Particulars	Quarter ended		Six Months ended		Year ended
	September 30, 2010	September 30, 2009	September 30, 2010	September 30, 2009	March 31, 2010
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income					
(a) Income from Operations	18,743.55	22,234.32	37,012.35	44,575.01	84,839.35
(b) Other Operating Income - Foreign Exchange Gain (Net)	18.76	-	96.21	-	-
	18,762.31	22,234.32	37,108.56	44,575.01	84,839.35
2. Expenditure					
(a) Employees cost	9,256.94	11,955.25	18,403.02	23,693.47	44,745.99
(b) Depreciation	705.66	631.68	1,320.65	1,243.98	2,521.65
(c) Other expenditure	6,248.09	7,338.25	12,300.74	14,876.96	27,545.26
(d) Foreign Exchange Loss (Net)	-	113.16	-	136.01	509.46
(e) Total	16,210.69	20,038.34	32,024.41	39,950.42	75,322.36
3. Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	2,551.62	2,195.98	5,084.15	4,624.59	9,516.99
4. Other Income	31.04	46.30	55.83	73.07	147.43
5. Profit before Interest & Exceptional Items (3+4)	2,582.66	2,242.28	5,139.98	4,697.66	9,664.42
6. Interest	631.68	915.67	1,368.50	1,856.74	3,362.52
7. Profit before Tax, Minority Interest and Exceptional Item	1,950.98	1,326.61	3,771.48	2,840.92	6,301.90
8. Tax Expense /(Benefit)	82.13	124.29	137.76	298.65	638.78
9. Profit after Tax before Exceptional Item and Minority Interest	1,868.85	1,202.32	3,633.72	2,542.27	5,663.12
10. Exceptional Item	-	-	-	-	13,276.35
11. Net Profit/ (Loss) after Tax, Exception Item, and before Minority Interest	1,868.85	1,202.32	3,633.72	2,542.27	(7,613.23)
12. Minority Interest	-	(93.61)	-	19.21	(29.19)
13. Net Profit/(Loss)	1,868.85	1,295.93	3,633.72	2,523.06	(7,584.04)
14. Paid-up equity share capital (Face Value Rs.10 each)	1,249.10	1,249.10	1,249.10	1,249.10	1,249.10
15. Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	-	7,262.24
16. Earnings Per Share (EPS) before Exceptional items Basic & Diluted EPS (not annualised)	14.96	10.37	29.09	20.19	45.57
17. Earnings Per Share (EPS) after Exceptional items Basic & Diluted EPS (not annualised)	14.96	10.37	29.09	20.19	(60.72)
18. Earnings Per Share (EPS) considering 10,467,532 class A Preferred units, Basic & Diluted EPS (not annualised)	8.14	5.64	15.83	10.99	(33.03)
19. Public shareholding					
- Number of shares	6,421,943	5,543,091	6,421,943	5,543,091	5,517,669
- Percentage of shareholding	51.41	44.38	51.41	44.38	44.17
20. Promoters and promoter group Shareholding					
a) Pledged/ Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
- Number of Shares	6,069,079	6,947,931	6,069,079	6,947,931	6,973,353
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	48.59	55.62	48.59	55.62	55.83

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

Particulars	As at	As at
	30.9.2010	31.3.2010
	Unaudited	Audited
SHAREHOLDERS FUND:		
(a) CAPITAL		
Equity Share Capital	1,249.10	1,249.10
Class A preferred units issued by subsidiary company	28,312.21	28,450.87
(b) RESERVES & SURPLUS	9,973.92	7,262.24
LOAN FUNDS	52,420.11	52,079.41
TOTAL	91,955.34	89,041.62
GOODWILL ARISING OUT OF CONSOLIDATION	72,506.51	72,861.62
FIXED ASSETS & CWIP	6,203.73	4,621.18
DEFERRED TAX ASSET- NET	196.41	197.32
CURRENT ASSETS, LOANS AND ADVANCES		
(a) Inventories	694.53	733.43
(b) Sundry Debtors	13,772.45	13,918.94
(c) Cash and Bank Balances	4,965.63	5,460.31
(d) Loans and Advances	4,535.95	4,234.19
LESS: CURRENT LIABILITIES AND PROVISIONS		
(a) Liabilities	10,361.23	12,141.13
(b) Provisions	558.64	844.24
TOTAL	91,955.34	89,041.62

Notes:



- 1 a) The consolidated results of HOV Services Ltd. (HOVS) and its domestic and foreign subsidiaries are prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements prescribed by Companies (Accounting Standards) Rules, 2006. Financial results for the current and previous year's quarter have been reviewed by the auditors of the Company and with regard to the financial results of the subsidiaries consolidated hereinabove, by the auditors of the respective subsidiary companies.
- b) The above consolidated results were reviewed by the Audit Committee and approved at the Board Meeting held on October 28, 2010.
- 2 The figures of the current quarter/ six months are not comparable since the Group had sold its "Accounts Receivable Management" activities effective January 1, 2010.
- 3 Status of Investor Complaints for the quarter ended September 30, 2010: Complaints pending at the beginning of the quarter - Nil; Complaints received during the quarter - 2; Complaints disposed off during the quarter - 2; Complaints at the end of the quarter - Nil.
- 4 The Company is engaged in the BPO business of Finance and Accounting Sector. Accordingly there are no separate reportable segments as per Accounting Standard 17 on "Segment Reporting" prescribed by Companies (Accounting Standards) Rules, 2006.
- 5 a) The Company paid 1st interim dividend of Rs. 2/- per fully paid up equity share of Rs. 10/- each on August 27, 2010, amounting to Rs. 2,91.31 lacs including dividend distribution tax of Rs. 41.49 lacs.
- b) The Board of Directors at above meeting have approved 2nd interim dividend of Rs. 2/- per fully paid up equity share of Rs.10/- each.
- c) As per terms of issue, a subsidiary of the Company also paid dividend at the rate of Rs.2/- on class A preferred units aggregating to Rs. 209.35 lacs
- 6 Company's standalone Turnover is Rs.589.68 lakhs; Profit before Tax is Rs. 377.98 lakhs and Profit after Tax is Rs. 375.45 lakhs for the quarter ended September 30, 2010.
- 7 Pursuant to Clause 41 of the Listing Agreement, the Company has published Audited/Reviewed Consolidated financial results. The Audited/Reviewed stand alone financial results of the Company will, however, be available on the Company's web site www.hovservices.com or on the website of BSE (www.bseindia.com) or NSE (www.nseindia.com).
- 8 Previous period's/year's figures are regrouped/rearranged wherever considered necessary to conform to current period's/year's presentation.

Place: Mumbai
 Date: October 28, 2010

For, HOV Services Limited



Parvinder S Chadha
 Chairman & Executive Director



HOV SERVICES LIMITED					
Standalone Financial Results for the quarter and Six months ended on September 30, 2010					
(Rs. In Lacs, except per share data)					
Particulars	Quarter ended September 30,		Six Months ended September 30,		Year ended March 31,
	2010	2009	2010	2009	2010
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income					
(a) Income from Operations	589.68	119.88	1,162.78	232.64	749.12
	589.68	119.88	1,162.78	232.64	749.12
2 Expenditure					
(a) Employees cost	125.11	83.19	249.09	176.40	321.35
(b) Depreciation	9.28	8.72	18.21	17.88	35.12
(c) Other expenditure	83.61	61.69	151.30	105.41	204.81
(e) Foreign Exchange Variation (Net)	30.23	1.78	12.63	10.13	30.35
(f) Reimbursement of Corporate Charges from Subsidiary	(24.92)	(40.62)	(49.47)	(81.24)	(159.04)
(f) Total	223.31	114.76	381.76	228.58	432.59
3 Profit / (Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	366.37	5.12	781.02	4.06	316.53
4 Other Income	11.61	9.38	20.39	11.78	29.03
5 Profit / (Loss) before Interest & Exceptional Items (3+4)	377.98	14.50	801.41	15.84	345.56
6 Interest	-	-	-	-	-
7 Profit / (Loss) after Interest but before Exceptional Items (5-6)	377.98	14.50	801.41	15.84	345.56
8 Tax expense/(Benefit)	2.53	2.46	2.41	1.81	53.22
9 Net Profit/(Loss) from Ordinary Activities after tax (7-8)	375.45	12.04	799.00	14.03	292.35
10 Paid-up equity share capital (Face Value Rs.10 each)	1,249.10	1,249.10	1,249.10	1,249.10	1,249.10
11 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	6,419.60
12 Earnings Per Share (EPS)					
(a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	3.01	0.10	6.40	0.11	2.34
(b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	3.01	0.10	6.40	0.11	2.34
13 Public shareholding					
- Number of shares	6,421,943	5,543,091	6,421,943	5,543,091	5,517,669
- Percentage of shareholding	51.41	44.38	51.41	44.38	44.17
14 Promoters and promoter group Shareholding					
a) Pledged/Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
b) Non-encumbered					
- Number of Shares	6,069,079	6,947,931	6,069,079	6,947,931	6,973,353
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	48.59	55.62	48.59	55.62	55.83



STANDALONE STATEMENT OF ASSETS AND LIABILITIES

Page2

Particulars	(Rs. in Lacs)	
	As at	As at
	30.9.2010	31.3.2010
	Unaudited	Audited
SHAREHOLDERS FUND:		
(a) Capital	1,249.10	1,249.10
(b) Reserves and Surplus	6,927.29	6,419.60
DEFERRED TAX LIABILITY- NET	29.34	28.40
TOTAL	8,205.73	7,697.10
FIXED ASSETS & CWIP	152.23	163.43
INVESTMENT	7,061.11	7,061.11
CURRENT ASSETS, LOANS AND ADVANCES		
(a) Sundry Debtors	759.01	457.22
(b) Cash and Bank Balances	36.26	300.32
(c) Loans and Advances	297.50	127.65
LESS: CURRENT LIABILITIES AND PROVISIONS		
(a) Liabilities	92.16	65.69
(b) Provisions	8.22	346.94
TOTAL	8,205.73	7,697.10

Notes:

- The above results were reviewed by the Audit Committee and approved at the Board Meeting held on October 28, 2010. Results for the current and previous year's quarter have been reviewed by the Auditors of the Company.
- Status of Investor Complaints for the quarter ended September 30, 2010:
Complaints pending at the beginning of the quarter - Nil ; Complaints received during the quarter - 2; Complaints disposed off during the quarter - 2; Complaints at the end of the quarter - Nil.
- The Company is engaged in the BPO business of Finance and Accounting Sector. Accordingly there are no separate reportable segments as per Accounting Standard 17 on "Segment Reporting" prescribed by Companies (Accounting Standards) Rules, 2006.
- a) The Company paid 1st interim dividend of Rs. 2/- per fully paid up equity share of Rs. 10/- each on August 27, 2010, amounting to Rs. 2,91.31 lacs including dividend distribution tax of Rs. 41.49 lacs.
b) The Board of Directors at above meeting have approved 2nd interim dividend of Rs. 2/- per fully paid up equity share of Rs.10/- each.
- Previous period's/year's figures are regrouped/rearranged wherever considered necessary to conform to current period's/year's presentation.

Place: Mumbai
Date: October 28, 2010

For, HOV Services Limited



Parvinder S Chadha
Chairman & Executive Director

