

**HOV SERVICES LIMITED**

**PART I (Rs. In Lacs, except per share data)**

**Statement of Standalone Audited Results for the Nine Months Period Ended December 31, 2011**

Particulars	Nine Months Period Ended December 31	Previous Year Ended March 31,
	2011	2011
	Audited	Audited
<b>1 Income from Operations</b>		
(a) Income from Operations	941.01	2,474.01
(b) Other operating Income	45.89	-
<b>Total Income from Operations (Net)</b>	<b>986.90</b>	<b>2,474.01</b>
<b>2 Expenses</b>		
(a) Employee benefits expenses	576.51	563.07
(b) Depreciation and Amortisation Expense	27.62	37.23
(c) Other expenses	197.55	225.72
<b>Total Expenses</b>	<b>801.68</b>	<b>826.02</b>
<b>3 Profit/(Loss) from Operations before Other Income, finance costs and exceptional items (1-2)</b>	<b>185.22</b>	<b>1,647.99</b>
<b>4 Other Income</b>	<b>54.26</b>	<b>22.82</b>
<b>5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>239.48</b>	<b>1,670.81</b>
<b>6 Finance Costs</b>	<b>-</b>	<b>-</b>
<b>7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>239.48</b>	<b>1,670.81</b>
<b>8 Exceptional Items</b>	<b>-</b>	<b>-</b>
<b>9 Profit/(Loss) from ordinary activities before tax (7+8)</b>	<b>239.48</b>	<b>1,670.81</b>
<b>10 Tax expense</b>	<b>79.46</b>	<b>9.02</b>
<b>11 Net Profit from Ordinary Activities after tax (9-10)</b>	<b>160.02</b>	<b>1,661.79</b>
<b>12 Extraordinary Items (net of tax expense)</b>	<b>-</b>	<b>-</b>
<b>13 Net Profit/(Loss) for the period (11+12)</b>	<b>160.02</b>	<b>1,661.79</b>
<b>14 Share of profit/(Loss) of associates / affiliated companies</b>	<b>-</b>	<b>-</b>
<b>15 Net Profit/(Loss) after taxes, minority interest and share of profit / (Loss) of associates (13+14)</b>	<b>160.02</b>	<b>1,661.79</b>
<b>16 Paid-up equity share capital (Face Value of Rs. 10 each)</b>	<b>1,249.10</b>	<b>1,249.10</b>
<b>17 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year</b>	<b>7,077.14</b>	<b>6,917.11</b>
<b>18 Earnings Per Share of (Rs. 10 each) (not annualized)</b>		
a) Basic & Diluted	1.28	13.30

See accompanying note to the financial results

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PART II		
Select Information for the Nine Months Period Ended December 31, 2011		
Particulars	Nine Months Period Ended December 31	Previous Year Ended March 31,
	2011	2011
<b>A PARTICULARS OF SHAREHOLDING</b>		
<b>1 Public shareholding</b>		
- Number of shares	6,406,943	6,421,943
- Percentage of shareholding	51.29	51.41
<b>2 Promoters and promoter group Shareholding</b>		
<b>a) Pledged/Encumbered</b>		
- 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>b) Non-encumbered</b>		
- Number of Shares	6,084,079	6,069,079
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00
- Percentage of shares (as a % of the total share capital of the compnay)	48.71	48.59

Particulars	For the Quarter ended December 31
	2011
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	-
Reveived during the quarter	14
Disposed off during the quarter	14
Remaining unresolved at the end of the quarter	-

**Notes:**

- The above results were reviewed by the Audit Committee and approved at the Board Meeting held on May 2, 2012.
- The Company is engaged in the BPO business of Finance and Accounting Sector including software development and support services. Accordingly there are no separate reportable segments as per Accounting Standard 17 on "Segment Reporting" prescribed by Companies (Accounting Standards)
- The Company completed the merger of its indirect subsidiary i.e. HOV Services, LLC with SOURCECORP, Inc on April 29, 2011. The new name of the combined entity is SourceHOV, LLC., in which the Company's financial interest stake is 27.2%.
  - Pursuant to service agreements entered in to with SourceHOV, LLC, the rates for the services rendered by the Company have been revised due to market conditions impacting the standalone financials results.
- In view of change of financial year end to calendar year resulting in current year's figures being for nine months and are therefore, not comparable with that of preivous year comprising of twelve months.
  - Previous year's figures are regrouped/rearranged wherever considered necessary to conform to current year's presentation.

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## Standalone Statement of Assets and Liabilities

(Rs. In Lacs)

	Particulars	As at December 31,	As at March 31,
		2011	2011
		Audited	Audited
<b>A</b>	<b>EQUITIES &amp; Liabilities</b>		
1	<b>Shareholders' Fund</b>		
	a) Share Capital	1,249.10	1,249.10
	b) Reserves & Surplus	7,077.13	6,917.11
	c) Money received against share warants	-	-
	<b>Sub Total Shareholders' Fund</b>	<b>8,326.23</b>	<b>8,166.21</b>
2	<b>Non-current liabilities</b>		
	a) Long-term borrowings	-	-
	b) Deferred tax liabilities (net)	27.19	33.62
	c) Other long-term liabilities	-	-
	d) Long-term provisions	-	-
	<b>Sub Total Non-current liabilities</b>	<b>27.19</b>	<b>33.62</b>
3	<b>Current liabilities</b>		
	a) Short-term borrowings	-	-
	b) Trade Payables	92.98	51.15
	c) Other current liabilities	18.63	21.78
	d) short-term provisions	100.59	317.15
	<b>Sub Total Current liabilities</b>	<b>212.20</b>	<b>390.08</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>8,565.62</b>	<b>8,589.91</b>
<b>B</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	a) Fixed assets	126.56	141.02
	b) Goodwill on consolidation	-	-
	c) Non-current investments	6,554.56	7,061.56
	d) Deferred tax assets (net)	-	-
	e) Long-term loans and advances	45.99	45.74
	f) Other non-current assets	330.89	330.89
	<b>Sub Total Non-current assets</b>	<b>7,058.00</b>	<b>7,579.21</b>
2	<b>Current assets</b>		
	a) Current investments	-	-
	b) Inventories	-	-
	c) Trade receivables	180.21	391.49
	d) Cash and cash equivalents	1,261.39	568.61
	e) Short-term loans and advances	27.85	43.46
	f) Other current assets	38.17	7.14
	<b>Sub Total current assets</b>	<b>1,507.62</b>	<b>1,010.70</b>
	<b>TOTAL - ASSETS</b>	<b>8,565.62</b>	<b>8,589.91</b>

For, HOV Services Limited



Sunil Rajadhyaksha  
Chairman & Executive Director



Place: Mumbai  
Date: May 2, 2012

**HOV SERVICES LIMITED**

**PART I** (Rs. In Lacs, except per share data)

**Statement of Consolidated Audited Results for the Nine Months Period Ended  
December 31, 2011**

Particulars	Nine Months Period Ended December 31	Previous Year Ended March 31,
	2011	2011
	Audited	Audited
<b>1 Income from Operations</b>		
(a) Income from Operations	1,054.18	70,925.37
(b) Other operating Income	45.89	16.83
<b>Total Income from Operations (Net)</b>	<b>1,100.07</b>	<b>70,942.20</b>
<b>2 Expenses</b>		
(a) Employee benefits expenses	575.79	36,072.22
(b) Depreciation and Amortisation Expense	27.61	2,916.36
(c) Other expenses	350.46	23,765.51
<b>Total Expenses</b>	<b>953.86</b>	<b>62,754.09</b>
<b>3 Profit/(Loss) from Operations before Other Income, finance costs and exceptional items (1-2)</b>	<b>146.21</b>	<b>8,188.11</b>
<b>4 Other Income</b>	<b>52.86</b>	<b>156.48</b>
<b>5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>199.07</b>	<b>8,344.59</b>
<b>6 Finance Costs</b>	<b>-</b>	<b>2,927.55</b>
<b>7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>199.07</b>	<b>5,417.04</b>
<b>8 Exceptional Items</b>	<b>-</b>	<b>-</b>
<b>9 Profit/(Loss) from ordinary activities before tax (7+8)</b>	<b>199.07</b>	<b>5,417.04</b>
<b>10 Tax expense</b>	<b>79.46</b>	<b>44.05</b>
<b>11 Net Profit from Ordinary Activities after tax (9-10)</b>	<b>119.61</b>	<b>5,372.99</b>
<b>12 Extraordinary Items (net of tax expense )</b>	<b>-</b>	<b>-</b>
<b>13 Net Profit/(Loss) for the period (11+12)</b>	<b>119.61</b>	<b>5,372.99</b>
<b>14 Share of profit/(Loss) of associates</b>	<b>(1,043.33)</b>	<b>-</b>
<b>15 Net Profit/(Loss) after taxes, minority interest and share of profit / (Loss) of associates (13+14)</b>	<b>(923.72)</b>	<b>5,372.99</b>
<b>16 Paid-up equity share capital (Face Value of Rs. 10 each)</b>	<b>1,249.10</b>	<b>1,249.10</b>
<b>17 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year</b>	<b>20,473.77</b>	<b>10,312.37</b>
<b>18 Earnings Per Share of (Rs. 10 each) (not annualized)</b>		
a) Basic & Diluted	(7.40)	43.01

See accompanying note to the financial results





PART II		
Select Information for the Nine Months Period Ended December 31, 2011		
Particulars	Nine Months Period Ended December 31	Previous Year Ended March 31,
	2011	2011
<b>A PARTICULARS OF SHAREHOLDING</b>		
<b>1 Public shareholding</b>		
- Number of shares	6,406,943	6,421,943
- Percentage of shareholding	51.29	51.41
<b>2 Promoters and promoter group Shareholding</b>		
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	6,084,079	6,069,079
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	48.71	48.59

Particulars	Nine Months Period Ended December 31
	2011
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	-
Reveived during the quarter	14
Disposed off during the quarter	14
Remaining unresolved at the end of the quarter	-

**Notes:**

- The above results were reviewed by the Audit Committee and approved at the Board Meeting held on May 2, 2012.
- The Company is engaged in the BPO business of Finance and Accounting Sector including software development and support services. 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 completed the merger of its indirect subsidiary i.e. HOV Services, LLC with SOURCECORP, Inc on April 29, 2011. The new name of the combined entity is SourceHOV, LLC., in which the Company's financial interest stake is 27.2%.  
b) Loss of Rs. 1,043.33 lakhs of the associate is the group's share in the aforesaid combined entity and is for the period from May 1, 2011 to Dec 31, 2011. Consequently, current year's figures are not comparable with those of the previous year.
- Previous year's figures are regrouped/rearranged wherever considered necessary to conform to current year's presentation.

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Consolidated Statement of Assets and Liabilities

(Rs. In Lacs)

Particulars	As at December 31	As at March 31,
	2011	2011
	Audited	Audited
<b>A EQUITIES &amp; Liabilities</b>		
<b>1 Shareholders' Fund</b>		
a) Share Capital	1,249.10	29,391.13
b) Reserves & Surplus	19,966.78	10,312.37
c) Money received against share warrants	-	-
<b>Sub Total Shareholders' Fund</b>	<b>21,215.88</b>	<b>39,703.50</b>
<b>2 Non-current liabilities</b>		
a) Long-term borrowings	-	-
b) Deferred tax liabilities (net)	27.19	-
c) Other long-term liabilities	-	-
d) Long-term provisions	-	-
<b>Sub Total Non-current liabilities</b>	<b>27.19</b>	<b>-</b>
<b>3 Current liabilities</b>		
a) Short-term borrowings	-	53,875.11
b) Trade Payables	133.61	10,355.75
c) Other current liabilities	836.76	1,314.47
d) short-term provisions	100.59	968.05
<b>Sub Total Current liabilities</b>	<b>1,070.96</b>	<b>66,513.38</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>22,314.03</b>	<b>106,216.89</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
a) Fixed assets	126.56	10,209.86
b) Goodwill on consolidation	0.38	72,070.69
c) Non-current investments	19,190.70	-
d) Deferred tax assets (net)	-	413.99
e) Long-term loans and advances	46.00	1,091.82
f) Other non-current assets	330.90	407.99
<b>Sub Total Non-current assets</b>	<b>19,694.54</b>	<b>84,194.36</b>
<b>2 Current assets</b>		
a) Current investments	-	-
b) Inventories	-	671.96
c) Trade receivables	180.21	13,387.94
d) Cash and cash equivalents	2,375.79	4,954.14
e) Short-term loans and advances	25.31	3,001.35
f) Other current assets	38.18	7.14
<b>Sub Total current assets</b>	<b>2,619.49</b>	<b>22,022.53</b>
<b>TOTAL - ASSETS</b>	<b>22,314.03</b>	<b>106,216.89</b>

For, HOV Services Limited

  
**Sunil Rajadhyaksha**  
 Chairman & Executive Director



Place: Mumbai  
 Date: May 2, 2012