

**Resolution No.1: For Sale of Company's entire investment in SourceHOV through its US based wholly owned subsidiary HOVS LLC to affiliate/related party of Promoters**

Resolution ID	Category	Shares Held (1)	Votes Polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
1	Promoter and Promoter Group	6,189,079	-	0	0	0	0	0
1	Public-Others	6,300,948	2,122,964	33.69	2,024,289	98,675	95.35	4.65

**Resolution No. 2: For Sale of Company's entire investment in SourceHOV through its US based wholly owned subsidiary HOVS LLC to other potential buyers**

Resolution ID	Category	Shares Held (1)	Votes Polled (2)	% of Votes Polled on outstanding shares	No. of Votes in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
2	Promoter and Promoter Group	6,189,079	588,720	9.51	588,720	-	100	0
2	Public-Others	6,300,948	2,152,539	34.16	2,124,212	28,327	98.68	1.32

**Resolution : 3 - For Merger of SourceHOV and BancTec**

Resolution ID	Category	Shares Held (1)	Votes Polled (2)	% of Votes Polled on outstanding shares	No. of Votes in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
3	Promoter and Promoter Group	6,189,079	-	0	0	0	0	0
3	Public-Others	6,300,948	2,124,539	33.72	1,976,075	148,464	93.01	6.99



# HOVS

CERTIFIED TRUE COPY OF THE PROCEEDINGS RELATING TO THE DECLARATION OF RESULT ON TUESDAY, NOVEMBER 4, 2014 AT REGISTERED OFFICE 3<sup>RD</sup> FLOOR, SHARDA ARCADE, PUNE SATARA ROAD, BIBWEWADI, PUNE-411037 OF VOTING THROUGH POSTAL BALLOT PURSUANT TO THE SECTION 110 OF THE COMPANIES ACT 2013, READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 CONDUCTED BY HOV SERVICES LIMITED

**PRESENT:**

Mr. Sunil Rajadhyaksha · Chairman & Executive Director  
Mr. Sriram Iyengar Chief Financial Officer

The Chairman informed that pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2013, the Company has conducted postal ballot process for the matters as stated in the Notice of Postal Ballot dated September 30, 2014.

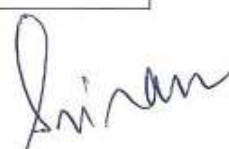
He further informed that the Company had provided the facility of voting by electronics means to the shareholders' to exercise their right to vote on all three Resolutions stated in the said Notice of Postal Ballot.

The voting (e-voting/voting through ballot form) commenced at 10:00 AM on October 5, 2014 and ended at 5:00 PM on November 3, 2014.

Mr. S. Anand SS Rao, the Practicing Company Secretaries, was appointed as Scrutinizer for conducting the Postal Ballot Process.

The Scrutinizer had, after carrying out the scrutiny of all the electronic- votes/postal ballot forms received up to the closing of the hours on November 3, 2014, submitted his report on November 4, 2014. The Scrutinizer's report was placed on the table for perusal. The Chairman informed that he as the Chairman had accepted the said report which summarized as follows:

Particulars	Resolution No. 1	Resolution No. 2	Resolution No. 3
	Special Resolution for Sale of Company's entire investment (26.13%) in SourceHOV through its US based wholly owned subsidiary HOVS LLC to affiliate/related party of Promoters	Special Resolution for Sale of Company's entire investment (26.13%) in SourceHOV through its US based wholly owned subsidiary HOVS LLC to other potential buyers	Special Resolution for merger of SourceHOV and BancTec
<b>Voting by electronic mean (A):</b>			
Number of shareholders participated through e-voting	64	64	64



## HOV Services Limited

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# HOVS

Votes in favour of the resolution	2,020,855	2,653,166	1,972,616
Votes against the resolution	68,443	26,427	118,257
<b>Voting through postal ballot form (B):</b>			
Number of valid postal ballot forms received	48	49	48
Votes in favour of the Resolution	3,434	59,766	3,459
Votes against the Resolution	30,232	1,900	30,207
Number of invalid postal ballot forms received	4	3	4
<b>Total Voting (A+B):</b>			
<b>Votes in favour of the Resolution</b>	<b>2,024,289</b>	<b>2,712,932</b>	<b>1,976,075</b>
<b>Votes against the Resolution</b>	<b>98,675</b>	<b>28,327</b>	<b>148,464</b>
<b>% of votes in favour on votes polled</b>	<b>95.35%</b>	<b>98.97%</b>	<b>93.01%</b>
<b>% of votes against on votes polled</b>	<b>4.65%</b>	<b>1.03%</b>	<b>6.99%</b>

Thereafter the Chairman announced that the number of votes casted in favour of each resolution, as stated in the Notice of Postal Ballot dated September 30, 2014 (Resolution No. 1 to No. 3) of the total votes received (through e-voting/postal ballot forms) is more than three times the votes casted against the resolution.

The Chairman declared that the Special Resolutions No. 1, 2 & No. 3 as mentioned in the Notice of Postal Ballot was assented by the requisite majority of the shareholder and hence the Resolutions as mentioned below are duly passed.

**Resolution No. 1**

**"RESOLVED THAT** pursuant to the provisions of Section 180 and Section 110 read with the Companies (Management and Administration) Rules, 2014 and Clause 49(VII) of the Listing Agreement entered with the Stock Exchanges, as amended from time to time and other applicable provisions, if any, of the Companies Act, 2013, approval of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board" which expression shall also include a committee thereof) for the **"sale of Company's entire investment (26.13%)"** to an affiliate/related party as set out in the Explanatory Statement of the Notice."

**HOV Services Limited**



**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform all such acts, matters, deeds and things, as may be necessary, without further referring to the Members of the Company, including finalising the terms and conditions, methods and modes in respect thereof, determining the exact effective date, if need to be changed, and finalising and executing necessary documents including schemes, agreements, deeds of assignment / conveyance and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company including the power to delegate, to give effect to this Resolution."

**Resolution No. 2**

**"RESOLVED THAT** pursuant to the provisions of Section 180 and Section 110 read with the Companies (Management and Administration) Rules, 2014 and Clause 49(V) of the Listing Agreement entered with the Stock Exchanges, as amended from time to time and other applicable provisions, if any, of the Companies Act, 2013, approval of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board" which expression shall also include a committee thereof) for the **" sale of Company's entire investment (26.13%)"** to any other potential buyers as set out in the Explanatory Statement of the Notice."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform all such acts, matters, deeds and things, as may be necessary, without further referring to the Members of the Company, including finalising the terms and conditions, methods and modes in respect thereof, determining the exact effective date, if need to be changed, and finalising and executing necessary documents including schemes, agreements, deeds of assignment / conveyance and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company including the power to delegate, to give effect to this Resolution."

**Resolution No. 3**

**"RESOLVED THAT** the approval of the Company be and is hereby given for the Merger of SourceHOV and BancTec as set out in the Explanatory Statement of the Notice to the shareholders and that the Board of Directors of the Company (which shall include a Committee of Directors that may be constituted for this purpose) be and is hereby authorized to complete the Merger.

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform all such acts, matters, deeds and things, as may be necessary, without further referring to the Members of the Company, including finalising the terms and conditions, methods and modes in respect thereof, determining the exact effective date, and finalising and executing necessary documents including agreements, deeds of assignment / conveyance and such other documents as may be necessary, or expedient in its own discretion including the power to delegate to give effect to the aforesaid Resolution in the best interest of the Company.

For HOV Services Limited

Sriram Iyengar  
Chief Financial Officer

**HOV Services Limited**



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**S ANAND SS RAO**

**M.Com., LL.B., F.C.S**

**COMPANY SECRETARY IN PRACTICE**

511, KANCHANJUNGA, ADITYA ENCLAVE  
AMEERPET, HYDERABAD - 500038.

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**Scrutinizer's report**

**04<sup>th</sup> November, 2014**

The Chairman / Managing Director,  
**HOV SERVICES LIMITED.,**  
3RD FLOOR SHARDA ARCADE PUNE SATARA ROAD,  
BIBWEWADI PUNE - 411 037

Dear Sir,

**HOV SERVICES LIMITED,** (the Company) has appointed me as the Scrutinizer for conducting the Postal Ballot including the e-voting process in respect of the three resolutions to be passed by the members of the Company as per the Notice of Postal Ballot dated **30<sup>th</sup> September, 2014** sent by the Company to all its members by **4<sup>th</sup> October, 2014.**

I submit my report as under:

1. **On 4<sup>th</sup> October, 2014,** the Company has, through its Registrar and Transfer agents viz. Karvy Computershare Pvt. Ltd., completed the dispatch / sending of Notice of Postal Ballot dated **30<sup>th</sup> September, 2014** and the Postal Ballot Form along with postage prepaid business reply envelope by Indian Post / email to its members whose names appeared on the Register of Members / List of Beneficiaries as on **19<sup>th</sup> September, 2014.**
2. Particulars of all the Postal Ballot Forms received including the votes cast through e-voting by the members have been entered in a register separately maintained for the purpose.
3. The Postal Ballot Forms were kept under my safe custody in sealed and tamper-proof ballot box before commencing the scrutiny of such Postal Ballot Forms.
4. The Ballot Box was opened on **3<sup>rd</sup> November, 2014 after 5.00 pm** in my presence.
5. **On 3<sup>rd</sup> November, 2014 after 5.00 pm,** the e-voting Report was downloaded from the e-voting platform provided by Karvy Computershare Pvt. Ltd. for the purpose by using the Scrutinizer's login ID and Password.
6. The Postal Ballot Forms were duly opened in my presence and scrutinized and the shareholding was matched / confirmed with the Register of Members of the Company / List of Beneficiaries as on **19<sup>th</sup> September, 2014.**
7. All Postal Ballot Forms received / votes cast up to the close of working hours (**5.00 pm**) on **3<sup>rd</sup> November, 2014** - the last date and time fixed by the Company for receipt of the Postal Ballot Forms were considered for scrutiny.



**S ANAND SS RAO**

**M.Com., LL.B., F.C.S**

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8. No Envelops containing the Postal Ballot Forms are received after **5.00 pm on 3<sup>rd</sup> November, 2014.**
9. Envelopes containing the Postal Ballot Forms returned undelivered were also not opened and they are kept separately.
10. No ballot paper was found in defaced or mutilated condition.
11. Summary of the Postal Ballot Forms received / votes cast through e-voting is given in the annexure attached to this report.
12. Postal Ballot Forms and other related papers/registers and records will be handed over tomorrow for safe custody to the Company Secretary of the Company who was authorised for conduct and supervision of the entire Postal Ballot process including e-voting.

You may accordingly declare the result of the voting by Postal Ballot including e-voting.

Thanking you,

**(S. Anand SS Rao)**

Company Secretary in practice

CP No. 5687

Place: Hyderabad

Date: **4<sup>th</sup> November, 2014.**

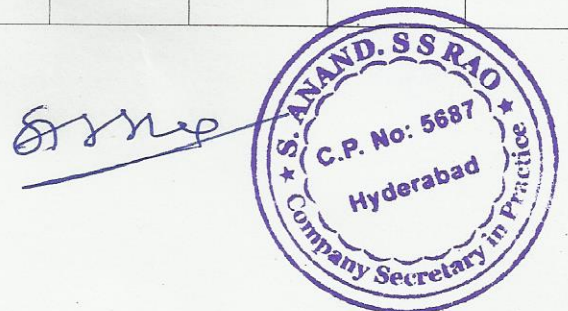




**ANNEXURE 1: Resolution-1 as Special Resolution**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution for Sale of Company's entire investment in SourceHOV through its US based wholly owned subsidiary HOVS LLC to affiliate/related party of Promoters:

Sl. No.	Particulars	No. of Ballot Forms	No. of Shares	% of total paid up equity capital	% of total votes polled
<b>PUBLIC SHAREHOLDING ONLY-Physical Mode:</b>					
A	Total Postal Ballot Forms received	52	62311	0.498000	
B	Less:Invalid Postal Ballot forms	4	28645	0.229000	
B(1)	Less Voted		0	0	
C	Net Valid Postal Ballot in physical (A-B)	48	33666	0.269000	
<b>PUBLIC SHAREHOLDING ONLY Electronic Mode</b>					
D	Total Postal Ballot Forms received	64	2679593	21.432000	
E	Less:Invalid Postal Ballot forms	2	590295	4.721000	
E(1)	Less Voted		0	0	
F	Net Valid Postal Ballot in Electronic (D-E)	62	2089298	16.711000	
	<b>Total Net Valid Postal Ballot in physical and electronic mode (C+F)</b>	<b>110</b>	<b>2122964</b>	<b>16.980000</b>	<b>100</b>
G	Postal Ballot Forms with Assent as Special Resolution _ Physical	37	3434	0.027000	
H	Postal Ballot Forms with Assent as Special Resolution _ Electronic	36	2020855	16.164000	
	<b>Total Postal Ballot with ASSENT in physical and electronic mode</b>	<b>73</b>	<b>2024289</b>	<b>16.191000</b>	<b>95.35</b>
I	Postal Ballot Forms with Dissent as Special Resolution - Physical	11	30232	0.242000	
J	Postal Ballot Forms with Dissent as Special Resolution _ Electronic	26	68443	0.547000	
	<b>Total Postal Ballot with DISSENT in physical and electronic mode</b>	<b>37</b>	<b>98675</b>	<b>0.789000</b>	<b>4.65</b>
	<b>In brief, Total Votes polled FOR-RESOLUTION is 95.35 % and total Votes polled Against Resolution is 4.65%- Resolution No.1 passed as SPECIAL RESOLUTION</b>				

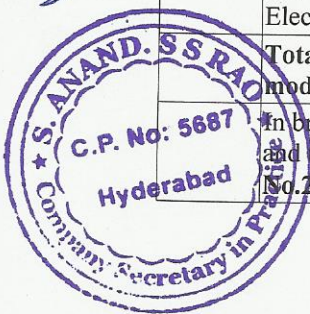




**ANNEXURE 2: Resolution-2 as Special Resolution**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution for Sale of Company's entire investment in SourceHOV through its US based wholly owned subsidiary HOVS LLC to other potential buyers

Sl. No.	Particulars	No. of Ballot Forms	No. of Shares	% of total paid up equity capital	% of total votes polled
	<b>Physical Mode:</b>				
A1	Promoters shareholding Total Postal Ballot Forms received	0	0	0	
A2	Public shareholding Total Postal Ballot Forms received	52	62311	0.498000	
<b>A</b>	<b>Total ballot forms received in Physical Mode</b>	<b>52</b>	<b>62311</b>	<b>0.498000</b>	
<b>B</b>	<b>Less:Invalid Postal Ballot forms</b>	<b>3</b>	<b>645</b>	<b>0.005000</b>	
B(1)	Less Voted		0	0	
<b>C</b>	<b>Net Valid Postal Ballot in physical (A-B)</b>	<b>49</b>	<b>61666</b>	<b>0.493000</b>	
	<b>Electronic Mode</b>				
D1	Promoters shareholding Total Postal Ballot Forms received	1	588720	4.70800	
D2	Public shareholding Total Postal Ballot Forms received	63	2090873	16.72300	
<b>D</b>	<b>Total ballot forms received in Electronic Mode</b>	<b>64</b>	<b>2679593</b>	<b>21.432000</b>	
<b>E</b>	<b>Less:Invalid Postal Ballot forms</b>	<b>0</b>	<b>0</b>	<b>0.000000</b>	
E(1)	Less Voted		0	0	
<b>F</b>	<b>Net Valid Postal Ballot in Electronic (D-E)</b>	<b>64</b>	<b>2679593</b>	<b>21.432000</b>	
	<b>Total Net Valid Postal Ballot in physical and electronic mode (C+F)</b>	<b>113</b>	<b>2741259</b>	<b>21.925000</b>	<b>100</b>
<b>G</b>	<b>Postal Ballot Forms with Assent as Special Resolution - Physical</b>	<b>46</b>	<b>59766</b>	<b>0.478000</b>	
<b>H</b>	<b>Postal Ballot Forms with Assent as Special Resolution - Electronic</b>	<b>44</b>	<b>2653166</b>	<b>21.221000</b>	
	<b>Total Postal Ballot with ASSENT in physical and electronic mode</b>	<b>90</b>	<b>2712932</b>	<b>21.699000</b>	<b>98.97</b>
<b>I</b>	<b>Postal Ballot Forms with Dissent as Special Resolution - Physical</b>	<b>3</b>	<b>1900</b>	<b>0.015000</b>	
<b>J</b>	<b>Postal Ballot Forms with Dissent as Special Resolution - Electronic</b>	<b>20</b>	<b>26427</b>	<b>0.211000</b>	
	<b>Total Postal Ballot with DISSENT in physical and electronic mode</b>	<b>23</b>	<b>28327</b>	<b>0.226000</b>	<b>1.03</b>
	*In brief, Total Votes polled FOR-RESOLUTION is 98.97 % and total Votes polled Against Resolution is 1.03%- Resolution No.2 passed as SPECIAL RESOLUTION				





**ANNEXURE -3: Resolution-3 as Special Resolution**  
**To consider and if thought fit, to pass the following Resolution as a Special Resolution**  
**for merger of Source HOV and BancTec.**

Sl. No.	Particulars	No. of Ballot Forms	No. of Shares	% of total paid up equity capital	% of total votes polled
<b>PUBLIC SHAREHOLDING ONLY Physical Mode:</b>					
A	Total Postal Ballot Forms received	52	62311	0.498000	
B	Less:Invalid Postal Ballot forms	4	28645	0.229000	
B(1)	Less Voted		0	0	
C	Net Valid Postal Ballot in physical (A-B)	48	33666	0.269000	
<b>PUBLIC SHAREHOLDING ONLY Electronic Mode:</b>					
D	Total Postal Ballot Forms received	64	2679593	21.432000	
E	Less:Invalid Postal Ballot forms	1	588720	4.709000	
E(1)	Less Voted		0	0	
F	Net Valid Postal Ballot in Electronic (D-E)	63	2090873	16.723000	
	<b>Total Net Valid Postal Ballot in physical and electronic mode (C+F)</b>	111	2124539	16.992000	100
G	Postal Ballot Forms with Assent as Special Resolution _ Physical	38	3459	0.028000	
H	Postal Ballot Forms with Assent as Special Resolution _ Electronic	33	1972616	15.778000	
	<b>Total Postal Ballot with ASSENT in physical and electronic mode</b>	71	1976075	15.806000	93.01
I	Postal Ballot Forms with Dissent as Special Resolution - Physical	10	30207	0.242000	
J	Postal Ballot Forms with Dissent as Special Resolution _ Electronic	30	118257	0.946000	
	<b>Total Postal Ballot with DISSENT in physical and electronic mode</b>	40	148464	1.188000	6.99
	In brief, Total Votes polled FOR-RESOLUTION is 93.01 % and total Votes polled Against Resolution is 6.99%- <b>Resolution No.3 passed as SPECIAL RESOLUTION</b>				

*Sime*

