

**INDEPENDENT AUDITOR'S REPORT**

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 31<sup>st</sup> March, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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; 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 31<sup>st</sup> March, 2016.

The Statement includes the results for the Quarter ended 31<sup>st</sup> 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 financial year which were subject to limited review by us.

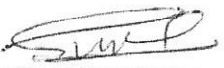
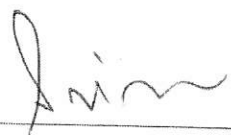
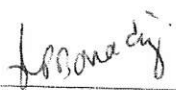

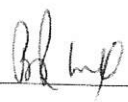
Place: Mumbai  
Date: 13th May, 2016

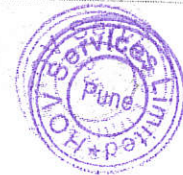


**For LODHA & CO.**  
**Chartered Accountants**  
**Firm Registration No: 301051E**

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

Form A

1.	Name of the Company:	HOV Services Limited
2.	Standalone annual financial statements for the financial year ended	March 31, 2016
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	To be signed by –	
	Surinder Rametra Executive Director	Sign 
	Sriram Gopalan Iyengar Chief Financial Officer	Sign 
	Lodha & Co. Auditor of the Company	Sign  
	B R Gupta Chairman Audit Committee	Sign 



Form A

1.	Name of the Company:	HOV Services Limited
2.	Consolidated annual financial statements for the financial year ended	March 31, 2016
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	To be signed by –  Surinder Rametra Executive Director  Sriram Gopalan Iyengar Chief Financial Officer  Lodha & Co. Auditor of the Company  B R Gupta Chairman Audit Committee	<p>Sign </p> <p>Sign </p> <p>Sign  </p> <p>Sign </p> <p></p>

STATEMENT OF STANDALONE & CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

(Rs. In Lakhs, except per share data)

CONSOLIDATED		STANDALONE					
Year Ended March 31	Year Ended March 31	Particulars					
2016	2015	Quarter Ended March 31	Quarter Ended December 31	Quarter Ended March 31	Year Ended March 31	Year Ended March 31	
Audited	Audited	2016 Audited*	2015 Unaudited	2015 Audited*	2016 Audited	2015 Audited	
1,515.06	1,640.44	356.73	345.00	290.94	1,350.65	1,254.46	
-	-	-	1.87	-	7.41	9.51	
<b>1,515.06</b>	<b>1,640.44</b>	<b>356.73</b>	<b>346.87</b>	<b>290.94</b>	<b>1,358.06</b>	<b>1,263.97</b>	
1,044.49	1,042.09	279.51	234.82	274.16	1,021.63	1,006.39	
97.49	101.29	8.78	8.85	9.37	35.50	43.69	
441.90	779.00	66.54	54.97	53.90	243.93	333.26	
<b>1,583.88</b>	<b>1,922.38</b>	<b>354.83</b>	<b>288.64</b>	<b>337.43</b>	<b>1,301.06</b>	<b>1,383.34</b>	
(68.82)	(281.94)	1.90	48.23	(46.49)	57.00	(119.37)	
111.62	57.08	63.41	20.20	20.25	126.07	72.17	
42.80	(224.86)	65.31	68.43	(26.24)	183.07	(47.20)	
60.66	41.07	-	-	-	-	-	
(17.86)	(265.93)	65.31	68.43	(26.24)	183.07	(47.20)	
43.91	(17.87)	9.38	20.62	(11.18)	43.91	(17.87)	
(61.77)	(248.06)	55.93	47.81	(15.06)	139.16	(29.33)	
-	(47.04)	-	-	-	-	-	
(61.77)	(201.02)	55.93	47.81	(15.06)	139.16	(29.33)	
(27,501.87)	(15,331.20)	-	-	-	-	-	
<b>(27,563.64)</b>	<b>(15,532.22)</b>	<b>55.93</b>	<b>47.81</b>	<b>(15.06)</b>	<b>139.16</b>	<b>(29.33)</b>	
1,253.25	1,251.40	1,253.25	1,252.45	1,251.40	1,253.25	1,251.40	
32,491.80	56,557.98	-	-	-	7,420.92	7,277.24	
(220.08)	(124.20)	0.45	0.38	(0.12)	1.11	(0.23)	

See accompanying note to the financial results



*[Handwritten Signature]*

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED - CONSOLIDATED**

(Rs. In Lakhs)

Particulars	For the Year	For the Year
	Ended March 31, 2016	Ended March 31, 2015
<b>Segment Revenue :</b>		
(a) Software and IT Enabled Services	1,349.81	1,254.28
(b) Environment Solutions Business	165.25	386.15
<b>Net sales/Income From Operations</b>	<b>1,515.06</b>	<b>1,640.43</b>
<b>Segment Results Profit/(Loss) before tax and interest from segment:</b>		
(a) Software and IT Enabled Services	(27,444.86)	(15,456.24)
(b) Environment Solutions Business	(125.83)	(109.87)
(c) Unallocated Income (Net of Expenses)	111.62	57.08
<b>Total Profit/(Loss) Before Tax</b>	<b>(27,459.07)</b>	<b>(15,509.03)</b>
<b>Capital Employed</b>		
(a) Software and IT Enabled Services	33,574.18	57,403.41
(b) Environment Solutions Business	(123.58)	158.40
(c) Unallocated	294.45	251.89
<b>Total</b>	<b>33,745.05</b>	<b>57,813.70</b>

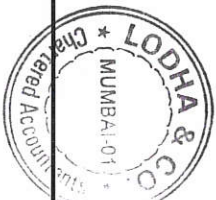
**Notes:**

- The above Audited standalone and Consolidated financial statements for the quarter and year ended March 31, 2016 have been taken on record by the Board of Directors at its meeting held on May 13, 2016. The statutory auditors have expressed an unqualified audit opinion.
- Other Income includes net rental Income/Loss as follows :

	Quarter Ended 31-Mar-16	Quarter Ended 31-Dec-15	Quarter Ended 31-Mar-15	Year ended 31-Mar-16	Year ended 31-Mar-15
Rent Income	27.41	27.19	26.62	107.85	106.48
Less: Finance and borrowing cost	20.27	21.92	24.27	88.52	99.45
Less: Amortisation expense	4.70	4.70	4.70	18.81	18.81
- The consolidated financial statements of the Company are 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.
- \*The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the previous quarter of the current financial year.
- Previous periods' figures are regrouped/rearranged wherever considered necessary to conform to current year's/periods' presentation.

For, HOV Services Limited

Place: Mumbai  
Date: May 13, 2016



  
**Surinder Rametra**  
 Executive Director  
 (DIN:00019714)



**HOV SERVICES LIMITED**

CIN : L72200PN1989PLC014448

REGISTERED OFFICE : 3RD FLOOR, SHARDA ARCADE, PUNE SATARA ROAD, BIBWEWADI PUNE - 411 037, MAHARASHTRA, INDIA

(Rs. In Lakhs)

CONSOLIDATED		STATEMENT OF ASSETS AND LIABILITIES	STANDALONE	
As at March 31,			As at March 31,	
2016	2015		2016	2015
Audited	Audited	Particulars	Audited	Audited
		<b>A EQUITIES AND LIABILITIES</b>		
		<b>1 Shareholders' funds</b>		
1,253.25	1,251.40	Share capital	1,253.25	1,251.40
32,491.80	56,557.98	Reserves and surplus	7,420.92	7,277.24
-	4.32	<b>2 Share Application Money pending ESOP Allotment</b>	-	4.32
		<b>3 Non-current liabilities</b>		
605.80	681.42	Long-term borrowings	604.55	678.66
		<b>4 Current liabilities</b>		
657.71	517.92	Short term borrowings	-	-
113.67	127.23	Trade payables	97.19	107.92
599.40	592.85	Other current liabilities	198.13	118.82
51.44	81.57	Short-term provisions	51.44	81.57
<b>35,773.07</b>	<b>59,814.69</b>	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>9,625.48</b>	<b>9,519.93</b>
		<b>B ASSETS</b>		
		<b>1 Non-current assets</b>		
		<b>Fixed Assets</b>		
217.15	257.93	Tangible Assets	41.14	57.32
92.24	120.62	Intangible Assets	-	-
0.38	0.38	Goodwill on consolidation	-	-
31.44	18.45	Deferred Tax Assets (net)	19.45	6.46
33,251.02	57,277.86	Non-Current investments	7,578.16	7,596.97
12.81	12.81	Long-term Loans and Advances	126.50	191.00
214.09	344.38	Other Non-Current Assets	214.08	344.38
		<b>2 Current assets</b>		
523.96	427.95	Trade Receivables	487.13	262.11
994.06	936.35	Cash and Bank Balances	935.33	904.77
204.52	127.49	Short Term Loans and Advances	166.84	97.74
231.41	290.47	Other Current Assets	56.85	59.18
<b>35,773.07</b>	<b>59,814.69</b>	<b>TOTAL - ASSETS</b>	<b>9,625.48</b>	<b>9,519.93</b>

For, HOV Services Limited



*(Signature)*

**Surinder Rametra**  
Executive Director  
(DIN:00019714)

Place: Mumbai  
Date: May 13, 2016