

LIMITED REVIEW REPORT

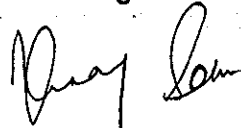
**To The Board of Directors
HOV Services Limited**

We have reviewed the accompanying statement of unaudited financial results of **HOV Services Limited** ("the Company") for the quarter and half year ended **September 30, 2018**. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (IND AS) and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circulars issued from time to time including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



**Vinay Somani
Partner
Membership No. 143503**



**Place: Mumbai
Date: November 13, 2018**



HOVS SERVICES LIMITED

Registered Office: 3rd Floor Sharda Arcade, Pune Satara Road, Bibwewadi, Pune-411037
 CIN: L72200PN1989PLC014448; website: www.hovsstd.com; email: investor.relations@hovsstd.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED ON SEPTEMBER 30, 2018

(Rs. In Lakhs)

Particulars	Quarter Ended			Six months Ended		Year Ended Mar 31, 2018 Audited
	Sep 30, 2018 Unaudited	Jun 30, 2018 Unaudited	Sep 30, 2017 Unaudited	Sep 30, 2018 Unaudited	Sep 30, 2017 Unaudited	
Income						
Revenue from operations	288.36	283.83	346.65	572.19	692.39	1,254.55
Other Income	15.26	14.38	23.34	29.64	53.83	106.31
Total Income	303.62	298.21	369.99	601.83	746.22	1,360.86
Expenses						
Employee Benefits Expense	182.45	184.12	236.18	366.57	485.75	884.89
Depreciation and Amortisation Expense	2.36	2.40	2.85	4.76	5.34	9.76
Other Expenses	68.46	66.11	68.19	134.57	145.65	269.12
Total Expenses	253.27	252.63	307.22	505.90	636.74	1,163.77
Profit/(Loss) before Exceptional Items	50.35	45.58	62.77	95.93	109.48	197.09
Exceptional Items	-	-	-	-	-	(1,022.72)
Profit/(Loss) before Tax	50.35	45.58	62.77	95.93	109.48	(825.63)
Tax Expense :						
Current Tax	(14.60)	(13.60)	(17.10)	(28.20)	(32.00)	(57.10)
Deferred Tax	0.98	0.52	1.62	1.51	2.19	(0.97)
Profit/(Loss) for the period	36.73	32.50	47.29	69.24	79.67	(883.70)
Other Comprehensive Income / (Loss)						
Items that will not be reclassified subsequently to Profit or loss :						
Remeasurement of net defined benefit plans	0.70	0.70	1.25	1.40	2.50	1.70
Tax impact of Items that will not be reclassified subsequently to Profit or loss	(0.18)	(0.18)	(0.31)	(0.35)	(0.62)	(0.47)
Total Other Comprehensive Income / (Loss)	0.52	0.52	0.94	1.05	1.88	1.23
Total Comprehensive Income / (Loss) For The Period	37.25	33.02	48.22	70.29	81.55	(882.47)
Paid-up equity share capital (Face Value of Rs. 10 each)	1,258.90	1,258.12	1,253.57	1,258.90	1,253.57	1,253.57
Other Equity						6,657.65
Basic and Diluted Earning Per Share before exceptional item	0.29	0.26	0.38	0.55	0.63	1.11
Basic and Diluted Earning Per Share after exceptional item	0.29	0.26	0.38	0.55	0.63	(7.05)



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STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Lakhs)

Particulars	As at	As at
	Sep 30, 2018	Mar 31, 2018
ASSETS		
1 Non Current Assets		
Property, plant and equipment	26.76	29.01
Investment property	923.36	932.77
Intangible Assets	0.59	2.38
Financial Assets		
Investments in Subsidiaries	6,607.77	6,607.77
Others	14.68	14.76
Income Tax Assets	181.89	181.89
Deferred Tax Asset	17.90	16.74
Other Non-Current Assets	5.62	6.74
2 Current Assets		
Financial Assets		
Trade Receivables	412.79	411.64
Cash and Cash Equivalents	464.48	372.65
Other Bank Balances	2.40	3.19
Other Financial Assets	10.26	28.28
Other Current Assets	66.23	41.34
TOTAL	8,734.73	8,649.15
EQUITY AND LIABILITIES		
1 Equity		
Equity Share capital	1,258.90	1,253.57
Other Equity	6,743.34	6,657.65
2 Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings	382.85	428.32
Current liabilities		
Financial Liabilities		
Trade payables	114.57	74.51
Other Financial Liabilities	122.72	124.05
Other current liabilities	13.55	16.33
Provisions	67.11	59.15
Current Tax Liabilities (Net)	31.69	35.57
TOTAL	8,734.73	8,649.15

Notes :

1 The above financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on November 13, 2018. The Limited Review under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been carried out by the Statutory Auditors.

2 Other income includes net rental income/(loss) as follows :

Particulars	Quarter Ended				Six months Ended	Year Ended
	Sep 30, 2018	Jun 30, 2018	Sep 30, 2017	Sep 30, 2017		
Rent Income	27.41	27.41	27.41	27.41	54.82	54.82
Less: Finance and borrowing cost	(14.12)	(14.62)	(17.35)	(17.35)	(28.74)	(35.29)
Less: Amortisation expense	(4.70)	(4.70)	(4.70)	(4.70)	(9.40)	(9.40)
	18.59	8.09	5.36	5.36	16.68	9.13

3 During the quarter, the Company has allotted 7,750 Equity shares (Last quarter company has allotted 45,500) under Employee Stock Option Plan, 2007.

4 The Company has only one reportable segment i.e. 'IT and IT Enabled Services' in terms of requirements of IND AS 108.

5 Previous periods' figures are regrouped / rearranged wherever considered necessary to conform to current quarter's / period's presentation.

For, HOV Services Limited



B R Gupta
DIN: 00020066
Director

Place: Vashi
Date: November 13, 2018