

LIMITED REVIEW REPORT

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

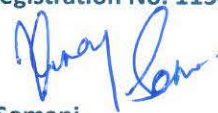
We have reviewed the accompanying statement of unaudited standalone financial results of **HOV Services Limited** ('the Company') for the quarter ended June 30, 2019 attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 of the SEBI (Listing, Obligations and Disclosure requirements) Regulations, 2015 ('Listing regulations').

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 circular 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
Firm Registration No. 113447W/W-100019



Vinay Somani
Partner

Membership No. 143503
UDIN : 19143503AAAAFU9224



Place: Pune
Date: August 8, 2019

LIMITED REVIEW REPORT

To The Board of Directors
HOV Services Limited

We have reviewed the accompanying statement of unaudited consolidated financial results of **HOV Services Limited** ("the Holding Company"), its foreign subsidiaries and domestic subsidiary (together referred to as "the Group") for the quarter ended **June 30, 2019** attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 of the SEBI (Listing, Obligations and Disclosure requirements) Regulations, 2015 ('Listing regulations').

This statement is the responsibility of the Holding Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagements (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 Holding 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.

The Statement includes the results of the following entities:

Name of the Entity	Relationship
HOVS LLC	Wholly owned subsidiary, USA
HOVS Holdings Limited	Wholly owned subsidiary, Hongkong
HOV Environment LLC	Subsidiary of HOVS LLC, USA
HOV Environment Solutions Private Limited	Wholly owned subsidiary of HOV Environment LLC, USA

Other Matters

We did not review the financial statements of two subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs.248.60 lakhs as at June 30, 2019 as well as the total revenues and net profit after other comprehensive income of Rs.26.52 lakhs and Rs. 0.19 lakhs respectively for the quarter ended June 30, 2019, as considered in the consolidated financial statements. These financial statements have been certified by the Company's Management and furnished to us and our opinion, in so far as it relates to the amount and disclosures included in respect of the said subsidiary is based solely on these certified financial statements.

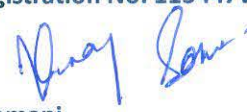


Based on our review, conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (IND AS) and other recognized accounting practices and policies has not 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

Firm Registration No. 113447W/W-100019



Vinay Somani

Partner

Membership No. 143503

UDIN : 19143503AAAAFV6886



Place: Pune

Date: August 8, 2019

**HOV SERVICES LIMITED**

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CIN: L72200PN1989PLC014448

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

(Rs. In Lakhs, except per share data)

Particulars	STANDALONE				CONSOLIDATED	
	Quarter Ended			Year Ended	Quarter Ended	Year Ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019	June 30, 2019	March 31, 2019
	Unaudited	Audited*	Unaudited	Audited	Unaudited	Audited
Income						
Revenue from operations	275.33	232.54	283.83	1,054.43	301.85	1,054.43
Other income	19.60	45.89	14.38	93.17	22.77	95.77
Total Revenue	294.93	278.43	298.21	1,147.60	324.62	1,150.20
Expenses						
Employee Benefits Expense	182.18	168.33	184.12	713.92	186.79	732.36
Finance Costs	4.48	-	-	-	5.20	-
Depreciation and Amortization Expense	13.89	1.98	2.40	8.54	22.61	52.52
Other Expenses	46.91	55.82	66.11	245.23	62.05	296.28
Total Expenses	247.46	226.13	252.63	967.69	276.65	1,081.16
Profit/(Loss) before Tax	47.47	52.30	45.58	179.91	47.97	69.04
Tax Expense						
Current Tax	(14.10)	(13.20)	(13.60)	(50.90)	(14.10)	(50.90)
Deferred Tax	0.15	(0.60)	0.52	(0.58)	0.15	(0.58)
Profit/(Loss) for the Period	33.52	38.50	32.50	128.43	34.02	17.56
Other Comprehensive Income						
Items that will not be reclassified subsequently to Profit or loss:						
Remeasurement of defined benefit plans	-	3.47	0.70	5.57	-	5.57
Changes in fair value of FVOCI equity instruments	-	-	-	-	(27,570.83)	(40,101.76)
Tax impact on above	-	(1.02)	(0.18)	(1.55)	7,719.83	12,831.01
Total Other Comprehensive Income	-	2.45	0.52	4.02	(19,851.00)	(27,265.18)
Total Comprehensive Income for the Period	33.52	40.95	33.02	132.45	(19,816.98)	(27,247.62)
Paid-up equity share capital (Face Value of Rs. 10 each)	1,258.90	1,258.90	1,258.12	1,258.90	1,258.90	1,258.90
Basic and Diluted Earning Per Share	0.27	0.31	0.26	1.02	0.27	0.14

Notes:

1 The above Financial results have been reviewed by the audit committee and approved by the Board of Directors at its meeting at its held on August 8, 2019. The statutory auditors of the Company have reviewed the financial results for the quarter ended June 30, 2019 in terms of Regulations 33 of SEBI (Listing and Other Disclosure Requirements) Regulations, 2015.

2 Other Income includes net rental income/Loss as follows :

(Rs in Lakhs)

Particulars	Quarter Ended			Year ended
	30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19
Rent Income	27.41	27.41	27.41	109.66
Less: Finance and borrowing cost	(11.99)	(12.82)	(14.62)	(55.00)
Less: Amortisation expense	(4.70)	(4.70)	(4.70)	(18.81)

3 The Group ("the Company and its Subsidiaries") entered into a Business Combination Agreement on July 12, 2017, and received equity stake in Exela Technologies, Inc. (Listed on NASDAQ) through Ex-Sigma LLC a special purpose vehicle formed for this transaction. To complete the transaction Ex-sigma took on debt and hence the Group's stake carries lien against the aforesaid debt. During the quarter, Ex-Sigma further repaid part of this debt and accordingly, the Group's shareholding was reduced proportionately to 24,247,183 shares (representing 16.15% of Exela Technologies, Inc) and having fair value of Rs 31,051 lakhs (net of Group's share of debt of Rs 5,545 lakhs) as on June 30, 2019.

4 Effective April 1, 2019 the Group has adopted IND AS 116 "Leases" using modified retrospective approach. Due to the transition, the nature of expenses in respect of operating Leases has changed from "Lease Rent" to "Depreciation cost" and "Finance cost" for the right to use assets and interest accrued on Lease liability respectively, and therefore these expenses for the current quarter are not comparable to the previous periods disclosed.

5 The Group has only one reportable segment i.e. 'IT and IT Enabled services' in terms of requirement of IND AS 108.

6 * The figures for the quarter ended March 31, 2019 as reported in this Financial Results are the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the end of the third quarter of the relevant Financial year.

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

For **HOV Services Limited**

Lakshmi Kumar

Director

(DIN: 06780272)

Place: Pune

Date: August 8, 2019