

May 21, 2014



To
The Manager- Compliance Department
National Stock Exchange of India Limited
'Exchange Plaza', Bandra Kurla Complex,
Bandra (East), Mumbai-400 051

To
The Manager- Compliance Department
Bombay Stock Exchange Limited
Floor 25, P. J. Tower, Dalal Street,
Mumbai -400 001

NSE symbol: HOVS

BSE Scrip Code: 532761

Subject: Intimation of outcome of the Board Meeting held on May 21, 2014

Dear Sir,

This is to inform that the Board of Directors of the Company in the meeting held on May 21, 2014 had considered and approved the following:-

- i. Audited standalone financial results of the Company for 3 months financial period (Q5) ended on March 31, 2014;
- ii. Audited standalone & consolidated financial results for 15 months financial period ended on March 31, 2014;
- iii. To convene 26th Annual General Meeting on July 26, 2014;
- iv. The Register of Members and Share Transfer Books of the Company will remain closed from July 21, 2014 to July 26, 2014 (both days inclusive) for the purpose of 26th AGM;
- v. The allotment of 3,000 equity shares of Rs 10/-each under the ESOP Plans 2007. Consequent to the said allotment, the paid up share capital of the Company has gone up from 12,499,522 equity shares of Rs. 10/- each aggregating to Rs. 124,995,220/- to 12,502,522 equity shares of Re. 10/- each aggregating to Rs. 125,025,220/-;
- vi. Constituted committees of the Board as detailed below:

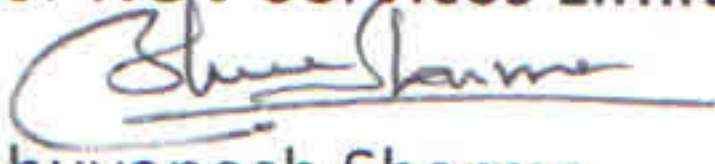
<u>Nomination and Remuneration Committee</u> Mr. B R Gupta, Independent Director Mr. Harish Bhasin, Independent Director Mr. Prakash Shukla, Independent Director	<u>Stakeholders Relationship Committee</u> Mr. B R Gupta, Independent Director Mr. Harish Bhasin, Independent Director Mr. Sunil Rajadhyaksha, Executive Director
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Please find enclosed the audited financial results for the quarter (Q5) and 15 months period ended on March 31, 2014.

Kindly take the above on record.

Thanking you,
Yours faithfully,

For HOV Services Limited


Bhuvanesh Sharma
VP-Corporate Affairs &
Company Secretary

HOV Services Limited CIN : L72200PN1989PLC014448

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HOV SERVICES LIMITED								
Audited Results for the Quarter and Fifteen Months Period Ended on March 31, 2014								
PART I			(Rs. In Lakhs, except per share data)					
Consolidated		Particulars	Standalone					
Fifteen Months Period Ended March 31	Year Ended December 31		Quarter Ended March 31	Quarter Ended December 31	Quarter Ended March 31	Fifteen Months Period Ended March 31	Year Ended December 31	
2014	2012		2014	2013	2013	2014	2012	
Audited	Audited		Audited*	Unaudited	Unaudited	Audited	Audited	
		1 Income from operations						
1,732.62	1,401.97	(a) Income from operations	325.44	329.53	297.80	1,592.38	1,135.98	
31.44	-	(b) Other operating income	-	-	-	47.60	-	
1,764.06	1,401.97	Total income from operations (Net)	325.44	329.53	297.80	1,639.98	1,135.98	
		2 Expenses						
-	211.98	(a) Cost of materials	-	-	-	-	-	
1,285.04	965.88	(b) Employee benefits expense	255.16	236.58	237.02	1,221.74	876.07	
97.45	49.93	(c) Depreciation and amortisation expense	8.72	8.60	7.57	40.34	34.21	
168.26	96.91	(d) Rent expenses	30.25	29.78	28.71	147.93	90.77	
530.94	269.01	(e) Other expenses	85.58	114.73	57.59	366.69	320.55	
-	-	(f) Reimbursement of corporate charges	-	(37.14)	(64.58)	(197.45)	(257.07)	
2,081.69	1,593.71	Total expenses	379.71	352.55	266.31	1,579.25	1,064.53	
(317.63)	(191.74)	3 Profit/(Loss) from operations before other income, finance costs (1-2)	(54.27)	(23.02)	31.49	60.73	71.45	
69.94	155.79	4 Other income	26.45	11.57	17.90	79.83	147.28	
(247.69)	(35.95)	5 Profit/(Loss) from ordinary activities before finance costs (3+4)	(27.82)	(11.45)	49.39	140.56	218.73	
15.98	-	6 Finance costs	-	-	-	-	-	
(263.67)	(35.95)	7 Profit/(Loss) from ordinary activities before tax (5-6)	(27.82)	(11.45)	49.39	140.56	218.73	
43.27	76.40	8 Tax expense	(9.38)	8.20	16.71	55.26	76.40	
(306.94)	(112.35)	9 Net Profit/(Loss) for the year before minority interest and before profit/(loss) of associates (7-8)	(18.44)	(19.65)	32.68	85.30	142.33	
(64.14)	(88.01)	10 Minority interest	-	-	-	-	-	
(242.80)	(24.34)	11 Net Profit/(Loss) for the year after minority interest but before profit/(loss) of associates (9-10)	(18.44)	(19.65)	32.68	85.30	142.33	
(4,644.98)	512.32	12 Share of profit/(Loss) of associates	-	-	-	-	-	
(4,887.78)	487.98	13 Net Profit/(Loss) after taxes, minority interest and share of profit / (Loss) of associates (11+12)	(18.44)	(19.65)	32.68	85.30	142.33	
1,249.95	1,249.10	14 Paid-up equity share capital (Face Value of Rs. 10 each)	1,249.95	1,249.10	1,249.10	1,249.10	1,249.10	
15,580.99	20,184.67	15 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				7,306.08	7,219.47	
(39.13)	3.91	16 Basic Earnings per share of (Rs. 10 each) (not annualized)	(0.15)	(0.16)	0.26	0.68	1.14	
(39.13)	3.91	17 Diluted Earnings per share of (Rs. 10 each) (not annualized)	(0.15)	(0.16)	0.26	0.68	1.14	

See accompanying note to the financial results



PART II						
Select Information for the Quarter and Fifteen Months Period Ended on March 31, 2014						
	Particulars	Quarter Ended March 31	Quarter Ended December 31	Quarter Ended March 31	Fifteen Months Period Ended March 31	Year Ended December 31
		2014	2013	2013	2014	2012
		Audited	Unaudited	Unaudited	Audited	Audited
A	PARTICULARS OF SHAREHOLDING					
	Public shareholding					
	- Number of shares	6,310,443	6,301,943	6,381,943	6,310,443	6,401,943
	- Percentage of shareholding	50.49	50.45	51.09	50.49	51.25
	Promoters and promoter group shareholding					
	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	6,189,079	6,189,079	6,109,079	6,189,079	6,089,079
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	49.51	49.55	48.91	49.51	48.75
B	INVESTOR COMPLAINTS FOR CURRENT QUARTER ENDED MARCH 31, 2014					
	Pending at the beginning of the quarter:- Nil; Received during the quarter:- Nil; Disposed off during the quarter:- Nil; Remaining unresolved at the end of the quarter:- Nil					

(Rs. In Lakhs)

Segment wise Revenue, Results and Capital Employed - Consolidated		
Particulars	Fifteen Months Period Ended March 31, 2014	Year Ended December 31, 2012
Segment Revenue :		
(a) Software and IT Enabled Services	1,590.92	1,135.37
(b) Environment Solutions Business	141.69	266.60
Net sales/Income From Operations	1,732.61	1,401.97
Segment Results Profit/(Loss) before tax and interest from segment:		
(a) Software and IT Enabled Services	(4,767.73)	582.82
(b) Environment Solutions Business	(162.19)	(174.23)
(c) Unallocated	101.39	155.79
Total Profit/(Loss) Before Tax	(4,828.53)	564.38
Capital Employed		
(a) Software and IT Enabled Services	16,351.78	21,120.12
(b) Environment Solutions Business	260.12	128.53
(c) Unallocated	219.05	185.12
Total	16,830.95	21,433.77

Notes:

1 The audited accounts of the Company were approved by the Board of Directors at its meeting held on May 21, 2014 after review by the Audit Committee at its meeting held on May 21, 2014.

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

	Quarter Ended 31-Mar-14	Quarter Ended 31-Dec-13	Quarter Ended 31-Mar-13	15 months ended 31-Mar-14	Year ended 31-Dec-12
Rent Income	26.62	26.62	26.62	133.10	19.46
Less: Finance and borrowing cost	26.06	26.22	26.71	131.26	20.50
Less: Amortisation expense	4.70	4.70	4.70	23.52	3.14

3 *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.

4 On March 14 2014, the Company has allotted 8500 Equity shares at a price of Rs. 25.40 per share aggregating to Rs. 2.16 Lacs under Employee Stock Option Plan, 2007.

5 a) The current financial year comprises 15 months period as against previous year comprising of 12 months period therefore, figures of the current period all not compare with those of the previous year.

b) Previous periods' figures are regrouped/rearranged wherever considered necessary to conform to current year's/periods' presentation.

For, HOV Services Limited


Sunil Rajadhyaksha
Chairman & Executive Director



Place: Mumbai

Date: May 21, 2014

(Rs. In Lakhs)

(Rs. in Lakhs)

Consolidated		Statement of Assets and Liabilities		Standalone	
As at March 31,	As at December 31,	Particulars		As at March 31,	As at December 31,
2014	2012			2014	2012
Audited	Audited			Audited	Audited
		A	EQUITIES AND LIABILITIES		
		1	Shareholders' funds		
1,249.95	1,249.10		a) Share capital	1,249.95	1,249.10
15,580.99	20,184.67		b) Reserves & surplus	7,306.08	7,219.47
16,830.94	21,433.77		Sub total Shareholders' funds	8,556.03	8,468.57
47.04	101.65	2	Minority interest	-	-
		3	Non-current liabilities		
741.17	800.33		a) Long-term borrowings	737.31	800.33
-	18.84		b) Deferred tax liabilities (net)	11.41	18.84
741.17	819.17		Sub total Non-current liabilities	748.72	819.17
		4	Current liabilities		
229.32	-		a) Short-term borrowings	-	-
136.74	284.69		b) Trade Payables	115.33	80.51
385.12	693.25		c) Other current liabilities	102.58	73.08
82.86	83.95		d) Short-term provisions	82.86	88.94
834.05	1,061.89		Sub total Current liabilities	300.77	242.53
18,453.20	23,416.48		TOTAL - EQUITY AND LIABILITIES	9,605.52	9,530.27
		B	ASSETS		
		1	Non-current assets		
479.09	514.30		a) Fixed assets	104.90	108.14
0.38	0.38		b) Goodwill on consolidation	-	-
16,119.27	20,516.91		c) Non-current investments	7,615.78	7,368.45
0.57	-		d) Deferred tax assets (net)	-	-
45.99	45.99		e) Long-term loans and advances	209.48	47.35
313.28	326.54		f) Other non-current assets	324.48	326.54
16,958.58	21,404.12		Sub total Non-current assets	8,254.64	7,850.48
		2	Current assets		
288.03	414.52		a) Trade receivables	285.82	158.69
841.37	1,430.62		b) Cash and cash equivalents	777.46	1,247.08
140.75	76.62		c) Short-term loans and advances	228.86	194.72
224.47	90.60		d) Other current assets	58.74	79.30
1,494.62	2,012.36		Sub total Current assets	1,350.88	1,679.79
18,453.20	23,416.48		TOTAL - ASSETS	9,605.52	9,530.27

For, HOV Services Limited


Sunil Rajadhyaksha
Chairman & Executive Director

Place: Mumbai
Date: May 21, 2014