



May 31, 2018

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

NSE symbol: HOVS

Subject: Your letter NSE/LIST/FR/6576 dated May 29, 2018 for clarification sought on the deficiency observed in financial results.

Dear Sir,

With reference to the above letter, it is to submit that the Company had submitted the standalone and consolidated reconciliation of equity in Note 3 of the financial results. The Relevant page of the Note 3 is enclosed herewith for your ready reference.

Kindly take the above on record.

Thanking you,
Yours faithfully,

For HOV Services Limited

Bhuvanesh Sharma
VP-Corporate Affairs &
Company Secretary &
Compliance Officer

HOV Services Limited

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CIN : L72200PN1989PLC014448 Tel: 91-20 24221460, Fax: 91-20 24221470, www.hovsltd.com

Notes:

1 The above Audited standalone and Consolidated financial results were reviewed by the audit committee and approved by the Board of Directors at its meeting held on May 29, 2018 .

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

(Rs in Lakhs)

Particulars	Quarter Ended			Year ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
Rent Income	27.41	27.41	27.41	109.66	109.66
Less: Finance and borrowing cost	14.18	16.75	18.39	66.22	77.28
Less: Amortisation expense	4.70	4.70	4.70	18.81	18.81

3 The Company has adopted Indian Accounting Standards ('IND AS') effective April 1, 2017 (transition date being April 1, 2016) notified by the Ministry of Corporate Affairs. Reconciliation of financial results between previously reported in accordance with Generally Accepted Accounting Principles in India (referred to as " Previous GAAP") and IND-AS for the quarter and year ended March 31, 2017 are as under:

(Rs in Lakhs)

Particulars	Standalone			Consolidated	
	Quarter ended March 31, 2017	Year ended March 31, 2017	Equity Reconciliation as on March 31, 2017	Year ended March 31, 2017	Equity Reconciliation as on March 31, 2017
Net Profit/(Loss) under Previous GAAP/Equity as per previous GAAP	22.14	116.08	8,790.24	(14,552.81)	3,403.17
Add : Net loss on financial liabilities fair valued through statement of profit and loss	(0.21)	0.01	0.04	0.01	0.04
Total Comprehensive Income/(Loss) under Ind-AS/Equity under IND AS	21.93	116.09	8,790.28	(14,552.80)	3,403.21

4 "Exceptional items" for the quarter and year ended March 31, 2018 represents provision made towards receivable including interest thereon from a subsidiary in view of the substantial slow-down in its business activities.

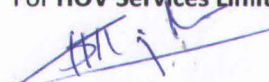
5 As part of the SourceHOV Business Combination Agreement, the Company's wholly owned subsidiary HOVS, LLC received equity stake in Exela Technologies, Inc. through Ex-Sigma LLC a special purpose vehicle formed for this transaction.

6 * The figures of the Current quarter and corresponding quarter of the previous year are the balancing figures between audited figures for the full financial year and unaudited published year to date figures up to the third quarter.

7 In terms of SEBI circular CIR/CFD/CMD/56/2016 dated 27th May, 2016, the Company/Group hereby declares that the Auditors have issued audit report with un-modified opinion on annual audited standalone/consolidated financial results for the year ended March 31, 2018.



For HOV Services Limited


Sunil Rajadhyaksha
Chairman & Executive Director
(DIN:00011683)

Place: Mumbai

Date: May 29, 2018