

HOV Services Ltd. (Consolidated)

Regd. Office: 3rd Floor, Sharada Arcade, Pune Satara Road, Bibwewadi, Pune-411037

Audited Consolidated Financial Results for the Year Ended March 31, 2007

(Amounts Rs. in Millions)

Particulars	Nine months ended December 31,	Quarter ended March 31,		Year Ended	
				March 31, 2007	March 31, 2006
	2006	2007	2006		
	Unaudited	Unaudited	Unaudited	Audited	Audited
1. Net Sales/Income from Operations	1,386.63	1,104.00	479.22	2,489.96	1,638.42
2. Other Income	4.04	9.16	(27.33)	13.33	12.28
3. Total Income	1,390.67	1,113.15	451.89	2,503.29	1,650.70
4. Expenditure					
a) Staff cost	478.93	536.56	332.69	1,073.51	823.89
b) Other expenditure	698.67	414.75	59.38	1,054.24	616.82
5. Interest	21.02	49.35	8.14	70.46	26.31
6. Depreciation	27.93	19.32	7.77	47.23	32.93
7. Profit (+)/Loss(-) before tax (3-4-5-6)	164.13	93.17	43.91	257.84	150.75
8. Provision for taxation	25.04	12.96	4.92	38.05	34.82
9. Net Profit (+)/Loss (-) (7-8)	139.09	80.20	38.99	219.79	115.93
10. Minority interest	-	12.49	-	12.49	-
11. Net profit after Minority Interest	139.09	67.71	38.99	207.30	115.93
12. Paid-up equity share capital (Face Value Rs.10/- each)	125.54	125.54	85.04	125.54	85.04
13. Reserves excluding Revaluation reserves	672.45	678.50	-	678.50	29.11
14. Basic & Diluted EPS (not annualized)	13.97	5.39	18.59	19.47	26.47
15. Non Promoter shareholding					
- Number of shares	5,606,114	5,606,114	-	5,606,114	-
- Percentage of shareholding	44.66	44.66	-	44.66	-

Notes:

- The above Audited Financial Results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on May 28, 2007.
- Since implementaion of revised Accounting Standard 15 - Employees Benefits has been deferred , the same will be complied with effective April 1, 2007.
- The consolidated financial statements of the Company and its wholly owned domestic and foreign subsidiaries are prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.
- The results of business entities which have been consolidated with the results of the Company include the following subsidiaries as on March 31, 2007:
Bay Area Credit Service (I) Pvt. Ltd., HOV Services, LLC, Bay Area Credit Service, LLC, Glen Daniels Corporation, HOV Enterprise Services, Inc., Meridian Consulting Group, LLC, Complex Property Advisors Corporation, TRAC Holdings, LLC and Lason, Inc.
- Segmental reporting is not required as we operate under the Finance and Accounting segment of the BPO industry only.

Place: Mumbai
Date: May 28, 2007

For and on behalf of the Board
-sd-
Surinder Rametra
Chairman

HOV Services Ltd. (Standalone)

Regd. Office: 3rd Floor, Sharada Arcade, Pune Satara Road, Bibewadi, Pune-411037

Audited Financial Results for the Year Ended March 31, 2007

(Amounts Rs. in Millions)

Particulars	Nine months ended December 31,	Quarter ended March 31,		Year Ended	
		2007	2006	March 31, 2007	March 31, 2006
	2006	2007	2006	March 31, 2007	March 31, 2006
	Unaudited	Unaudited	Unaudited	Audited	Audited
1. Net Sales/Income from Operations	54.49	15.35	16.46	69.83	44.71
2. Other Income	4.47	1.58	0.01	6.06	1.81
3. Total Income	58.96	16.93	16.47	75.89	46.52
4. Expenditure					
a) Staff cost	14.10	5.25	3.77	19.34	10.10
b) Other expenditure	7.29	1.95	2.78	9.24	4.81
c) Consultancy Charges	5.01	0.04	0.09	5.05	0.33
d) Travelling & conveyance	3.99	2.51	0.85	6.50	1.66
e) Rent	3.53	1.25	1.35	4.78	2.05
5. Interest	0.60	0.19	0.12	0.80	0.26
6. Depreciation	0.83	0.24	0.33	1.07	1.12
7. Profit (+)/Loss(-) before tax (3-4-5-6)	23.62	5.50	7.16	29.11	26.18
8. Provision for taxation					
Taxation pertaining to earlier years	(0.04)	-	(0.01)	(0.04)	(0.01)
Current tax	0.73	0.04	-	0.76	0.01
FBT	0.29	0.03	0.04	0.32	0.11
Deferred tax	(0.21)	0.32	(0.04)	0.11	(0.04)
Total Tax	0.77	0.39	(0.01)	1.16	0.07
9. Net Profit (+)/Loss (-) (7-8)	22.85	5.11	7.17	27.95	26.11
10. Paid-up equity share capital (Face Value Rs.10/- each)	125.54	125.54	85.04	125.54	85.04
11. Reserves excluding Revaluation reserves	672.45	677.64	-	677.64	29.11
12. Basic & Diluted EPS (not annualized)	2.28	0.41	3.42	2.63	5.96
13. Non Promoter shareholding					
- Number of shares	5,606,114	5,606,114	-	5,606,114	-
- Percentage of shareholding	44.66	44.66	-	44.66	-

Notes:

- The above Audited Financial Results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on May 28, 2007.
- Since implementation of revised Accounting Standard 15 - Employees Benefits has been deferred, the same will be complied with effective April 1, 2007.
- The Company had made Initial Public Issue and issued 4,050,000 equity shares of Rs.10 each at a premium of Rs.190 per share. The shares of the Company were listed on September 27, 2006.
- The details of investor complaints received by the Company are as follows;
Pending at the beginning of the Quarter-0; Received during the Quarter-3; Disposed during the Quarter-3; Pending at the end of the Quarter-0.
- Figures of the earlier periods, wherever necessary, have been regrouped and rearranged to conform to those of the current period.
- Segmental reporting is not required as we operate under the Finance and Accounting segment of the BPO industry only.

Place: Mumbai
Date: May 28, 2007

For and on behalf of the Board
-sd-
Surinder Rametra
Chairman