BAGARIA & CO LLP
Chartered Accountants

701, Stanford,
Junction of S. V. Road &
Barfiwala Marg, Andheri (W)
Mumbai 400058, INDIA

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Independent Auditor's Review Report On standalone unaudited quarterly financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of
HOV Services Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **HOV Services Limited** ('the Company') for the quarter and half year ended September 30, 2021 ("the Statement") 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').

   The statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on this financial Statement based on our review.

2. 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.

3. **Emphasis of Matter:**

   We draw your attention to the Note 5 of the standalone financial results regarding the assessment made by Management relating to impact of COVID-19 pandemic on the operations of the Company.

   Our conclusion is not modified in respect of this matter.

4. 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 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

BAGARIA & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS

Vinay Somani
Partner
Membership No. 143503
UDIN: 21143503AAAAPG9706

Place: Mumbai
Date: November 13, 2021

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Chartered Accountants

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Independent Auditor's Review Report On consolidated unaudited quarterly financial results of the Group Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To The Board of Directors
HOV Services Limited

1. We have reviewed the accompanying statement of Consolidated Unaudited Financial Results of **HOV Services Limited** ("the Holding Company") and its subsidiaries (together referred to as "the Group") for the quarter and half year ended September 30, 2021 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulations 33 of the SEBI (Listing, Obligations and Disclosure requirements) Regulations, 2015 ('Listing regulations'), as amended.

   The statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on this financial Statement based on our review.

2. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

3. We are not required to perform procedures (as there is no significant component which in the aggregate represents at least eighty percent of each of the consolidated Revenue, assets and Profits) in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

4. 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

5. (a) We did not review the financial results of 2 subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs.198.99 lakhs as at September 30, 2021 and total revenues of Rs.3.04 lakhs and Rs 5.72 lakhs, total net profit after tax of Rs. 2.90 lakhs and Rs.2.49 lakhs and total comprehensive Income of Rs. 2.90 lakhs and Rs. 2.49 lakhs for the quarter and half year ended September 30, 2021, respectively, and net cash inflow of Rs.150.23 lakhs, disclosed as discontinued operations in the consolidated unaudited financial results-Refer note no.4. These financial statements have been certified by the Holding 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 subsidiaries are based solely on these certified financial statements

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(b) We draw your attention to the Note 5 of the consolidated financial results regarding the assessment made by Management relating to impact of COVID-19 pandemic on the operations of the Group.

Our conclusion on the Statement is not modified in respect of the matters referred above.

6. Based on our review conducted and procedures performed as stated in paragraph 3 , nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, 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

BAGARIA & CO LLP * MUMBAI * CHARTERED ACCOUNTANTS

Vinay Somani
Partner
Membership No. 143503
UDIN: 21143503AAAAPH1407

Place: Mumbai
Date: November 13, 2021

HOV SERVICES LIMITED

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STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

(Rs. In Lakhs)

Particulars	STANDALONE					
	Quarter Ended			Half Year Ended		Year Ended
	Sep 30,2021	Jun 30,2021	Sep 30,2020	Sep 30,2021	Sep 30,2020	Mar 31,2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
Revenue from operations	245.42	245.52	235.34	490.94	482.96	965.51
Other income	28.85	32.62	23.98	61.00	43.93	96.28
Total Income	**274.27**	**278.14**	**259.32**	**551.94**	**526.89**	**1,061.79**
Expenses						
Employee Benefits Expense	156.36	153.58	149.32	309.94	296.39	581.15
Finance Costs	2.56	2.92	4.30	5.48	8.79	11.76
Depreciation and Amortisation Expense	15.72	15.78	15.39	31.50	31.28	62.37
Other Expenses	36.33	34.32	53.76	70.18	80.48	150.01
Total Expenses	**210.97**	**206.60**	**222.77**	**417.10**	**416.94**	**805.29**
Profit before exceptional items	**63.30**	**71.54**	**36.55**	**134.84**	**109.95**	**256.50**
Exceptional items: Reversal/(Provision) for Diminution in Value of Investment in subsidiary (Refer note No.3)	(544.98)	-	(2,292.95)	(544.98)	2,219.34	6,068.66
Profit / (Loss) after exceptional items	**(481.68)**	**71.54**	**(2,256.40)**	**(410.14)**	**2,329.29**	**6,325.16**
Tax Expense :						
-Current Tax	(17.00)	(20.60)	(10.80)	(37.60)	(32.20)	(71.00)
-Deferred Tax	(1.13)	1.46	1.94	0.33	(1.20)	(2.62)
-Relating to earlier years	-	-	-	-	-	(1.41)
Profit/(Loss) for the period	**(499.81)**	**52.40**	**(2,265.26)**	**(447.41)**	**2,295.89**	**6,250.13**
Other Comprehensive Income / (Loss)						
Items that will not be reclassified subsequently to Profit or loss:						
Remeasurement of net defined benefit plans	-	-	(1.50)	-	(3.00)	3.28
Tax impact of Items that will not be reclassified subsequently to Profit or loss	-	-	0.42	-	0.84	(0.91)
Total Other Comprehensive Income / (Loss)	**-**	**-**	**(1.08)**	**-**	**(2.16)**	**2.37**
Total Comprehensive Income / (Loss) For The Period	**(499.81)**	**52.40**	**(2,266.34)**	**(447.41)**	**2,293.73**	**6,252.50**
Paid-up equity share capital (Face Value of Rs. 10 each)	1,258.90	1,258.90	1,258.90	1,258.90	1,258.90	1,258.90
Other Equity					-	7,182.86
Basic and Diluted Earnings Per Share :						
Before exceptional item	0.36	0.42	0.22	0.78	0.61	1.44
After exceptional item	(3.97)	0.42	(17.99)	(3.55)	18.24	49.65

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STATEMENT OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

(Rs. In Lakhs)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	Sep 30,2021	Jun 30,2021	Sep 30,2020	Sep 30,2021	Sep 30,2020	Mar 31,2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
Revenue from operations	245.42	245.52	235.34	490.94	482.96	965.51
Other income	28.85	32.62	23.98	61.00	43.93	154.24
Total Income	**274.27**	**278.14**	**259.32**	**551.94**	**526.89**	**1,119.75**
Expenses						
Employee Benefits Expense	156.36	153.58	149.32	309.94	296.39	581.15
Finance Costs	2.56	2.92	29.87	5.48	60.44	11.76
Depreciation and Amortisation Expense	15.72	15.78	15.39	31.50	31.28	62.37
Other Expenses	36.33	34.32	53.76	70.18	80.48	150.01
Total Expenses	**210.97**	**206.60**	**248.34**	**417.10**	**468.59**	**805.29**
Profit before tax from continuing operations	**63.30**	**71.54**	**10.98**	**134.84**	**58.30**	**314.46**
Tax Expense :						
-Current Tax	(17.00)	(20.60)	(10.80)	(37.60)	(32.20)	(71.00)
-Deferred Tax	(1.13)	1.46	1.94	0.33	(1.20)	(2.62)
-Relating to earlier years	-	-	-	-	-	(1.41)
Profit/(Loss) for the period from continuing operations	**45.17**	**52.40**	**2.12**	**97.57**	**24.90**	**239.43**
Discontinued Operations (Refer note 4)						
Profit/(Loss) from discontinued operations before tax	2.90	(0.41)	8.73	2.49	10.82	17.81
Tax expense of discontinued operations	-	-	-	-	-	-
Profit/(Loss) after tax from continuing & discontinued operations	**48.07**	**51.99**	**10.85**	**100.06**	**35.72**	**257.24**
Other Comprehensive Income / (Loss)						
Items that will not be reclassified subsequently to Profit or loss :						
Remeasurement of net defined benefit plans	-	-	(1.50)	-	(3.00)	3.28
Changes in fair value of FVOCI equity instruments (Refer note No.3)	(1,916.17)	895.30	(2,151.94)	(1,020.87)	2,385.31	6,596.66
Tax impact of Items that will not be reclassified subsequently to Profit or loss	613.17	(293.25)	0.42	319.93	0.83	(591.16)
Total Other Comprehensive Income / (Loss)	**(1,303.00)**	**602.05**	**(2,153.02)**	**(700.94)**	**2,383.14**	**6,008.78**
Total Comprehensive Income / (Loss) For The Period	**(1,254.93)**	**654.04**	**(2,142.17)**	**(600.88)**	**2,418.86**	**6,266.02**
Paid-up equity share capital (Face Value of Rs. 10 each)	1,258.90	1,258.90	1,258.90	1,258.90	1,258.90	1,258.90
Other Equity						8,334.84
Basic and Diluted Earnings Per Share :						
Continuing Operations	0.36	0.42	0.02	0.78	0.20	1.90
Discontinued Operations	0.02	(0.01)	0.07	0.01	0.08	0.14
Continued and Discontinued Operations	0.38	0.41	0.09	0.79	0.28	2.04

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HOV Services Limited

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CASH FLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2021

(Rs. in Lakhs)

CONSOLIDATED		Particulars	STANDALONE	
Half Year Ended September 30,			Half Year Ended September 30,	
2021	2020		2021	2020
Unaudited	Unaudited		Unaudited	Unaudited
		A Cash flow from Operating Activities:		
137.33	69.12	Net profit/(loss) before tax & before exceptional items	134.84	109.95
(2.49)	(10.82)	Less: Net profit/(loss) before tax from discontinued operations	-	-
134.84	**58.30**	**Net profit/(loss) before tax & exceptional items from continuing operations**	**134.84**	**109.95**
		Add: Adjustments for :		
40.90	40.68	Depreciation & amortisation	40.90	40.68
(17.71)	(13.32)	Interest income	(17.71)	(13.32)
(38.40)	(30.61)	Rent income (net)	(38.40)	(30.61)
14.10	76.81	Finance cost	14.10	25.20
(4.79)	10.96	Foreign exchange (gain)/loss, net	(4.88)	10.24
128.94	**142.82**	**Operating profit before working capital changes**	**128.85**	**142.14**
		Adjustments for changes in working capital :		
17.50	94.59	(Increase)/decrease in trade receivable	17.50	94.59
2.46	(158.96)	(Increase)/decrease in other receivables	2.46	(158.96)
15.56	39.98	Increase/(decrease) in trade and other payable	15.56	(10.75)
164.46	**118.43**	**Cash generated from operations**	**164.37**	**67.02**
(27.64)	(33.63)	Taxes paid (including TDS) (net of refund)	(27.64)	(33.63)
136.82	**84.80**	**Net cash from/(used in) operating activities - A**	**136.73**	**33.39**
		B Cash flow from investing activities:		
-	(0.53)	Purchase of property, plant and equipment	-	(0.53)
38.40	30.61	Rent income received (net)	38.40	30.61
17.71	13.32	Interest income	17.71	13.32
56.11	**43.40**	**Net cash from/(used in) investing activities - B**	**56.11**	**43.40**
		C Cash flow from financing activities:		
(8.61)	(68.10)	Finance cost	(8.61)	(16.49)
(30.66)	(30.81)	Payment of lease liabilities	(30.66)	(30.81)
(65.62)	(57.74)	Repayments of borrowings	(65.62)	(57.74)
(104.89)	**(156.65)**	**Net cash from/(used in) financing activities - C**	**(104.89)**	**(105.04)**
		Net increase/(decrease) in cash and cash equivalents :		
88.04	**(28.45)**	**from continuing operations (A+B+C)**	**87.95**	**(28.25)**
150.23	**1.14**	**from discontinued operations**	**-**	**-**
234.36	191.25	Opening cash and cash equivalents	210.43	160.54
472.63	**163.94**	**Closing cash and cash equivalents at the period end.**	**298.38**	**132.29**
307.92	141.77	- from Continuing Operations	298.38	132.29
164.71	22.17	- from Discontinuing operations	-	-

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(Rs. In Lakhs)

CONSOLIDATED		STATEMENT OF ASSETS AND LIABILITIES	STANDALONE	
As at September 30, 2021	As at March 31, 2021	Particulars	As at September 30, 2021	As at March 31, 2021
Unaudited	Audited		Unaudited	Audited
		ASSETS		
		Non-current assets		
15.61	20.75	Property, Plant and Equipment	15.61	20.75
-	876.33	Investment Property	-	876.33
0.26	0.35	Intangible Assets	0.26	0.35
61.86	84.88	Right of Use -assets	61.86	84.88
		Financial assets		
-	-	Investments in subsidiaries	6,062.79	6,607.77
8,260.81	9,188.96	Other Investments	-	-
340.39	118.23	Other Financial assets	340.39	118.23
1.40	4.56	**Income Tax Assets**	-	-
126.11	125.78	**Deferred Tax Assets**	126.11	125.78
1.10	0.98	**Other Non-Current Assets**	1.10	0.98
		Current assets		
		Financial assets		
482.36	494.97	Trade Receivables	482.36	494.97
472.63	234.36	Cash and cash equivalents	298.38	210.43
106.28	466.98	Other bank balances	78.59	304.29
36.83	41.29	Other financial assets	34.41	32.13
38.84	40.13	**Other Current Assets**	37.42	38.74
866.92	-	**Non-current assets classified as held for sale**	866.92	-
10,811.40	**11,698.55**	**TOTAL - ASSETS**	**8,406.20**	**8,915.63**
		EQUITIES AND LIABILITIES		
		EQUITY		
1,258.90	1,258.90	Equity Share Capital	1,258.90	1,258.90
7,819.93	8,334.84	Other Equity	6,735.46	7,182.86
		LIABILITIES		
		Non-current liabilities		
		Financial liabilities		
-	69.21	Borrowings	-	69.21
19.68	41.76	Lease Liabilities	19.68	41.76
269.25	590.25	Deferred Tax Liabilities (net)	-	-
		Current liabilities		
		Financial liabilities		
138.14	134.55	Borrowings	138.14	134.55
51.94	51.95	Lease Liabilities	51.94	51.95
		Trade payables		
0.30	1.48	Micro, Small and Medium Enterprises	0.30	1.48
106.21	76.46	Others	101.65	72.12
1,074.22	1,075.61	Other financial liabilities	27.30	39.26
9.14	8.39	Other Current liabilities	9.14	8.39
39.02	40.44	Provisions	39.02	40.44
24.67	14.71	Current Tax Liabilities	24.67	14.71
10,811.40	**11,698.55**	**TOTAL - EQUITY AND LIABILITIES**	**8,406.20**	**8,915.63**

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HOV Services Limited

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Notes :

1 The above Financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 13, 2021. The statutory auditors of the Company have reviewed the financial results for the quarter and half year ended September 30, 2021 in terms of Regulations 33 of SEBI (Listing and Other Disclosure Requirements) Regulations, 2015 and have issued their review reports with unmodified conclusion on the Consolidated and Standalone Financial Results.

2 Other Income includes net rental Income as follows : (Rs. In Lakhs)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	Sep 30,2021	Jun 30,2021	Sep 30,2020	Sep 30,2021	Sep 30,2020	Mar 31,2021
Rent Income	28.21	28.21	28.21	56.42	56.42	112.84
Less: Finance and borrowing cost	(3.83)	(4.78)	(7.65)	(8.61)	(16.40)	(28.71)
Less: Amortisation expense	(4.70)	(4.70)	(4.70)	(9.40)	(9.40)	(18.81)
Total	**19.68**	**18.73**	**15.86**	**38.41**	**30.62**	**65.32**

3 The Group holds 5,734,490 shares of Exela Technologies, Inc. (Listed on NASDAQ) having quoted fair value of Rs 8,260.81 lakhs as on September 30, 2021. Exela has raised additional capital during the quarter, resulting in Group's percentage holding coming down from 8.3% as on June 30, 2021 to 3.5% as on September 30, 2021 though the number of shares held by the Group remains the same. During the quarter and half year ended September 30, 2021, the fair value of investments has fallen below the carrying cost of invetsments and accordingly, provision for diminution in its value is recognised in standalone financial results -Refer exceptional item.

In consolidated financial results, the said investment in Equity is a financial instrument designated as Fair Value through Other Comprehensive Income (FVOCI),however, is not to be reclassified to profit and loss subsequently and accordingly, the change in fair value is recognised net off deferred tax liability in Other Comprehensive Income.

4 As required under IND AS 105- "Non-current Assets Held for Sale and Discontinued Operations", the results of the Environment Segment is considered and disclosed as discontinued operations.
The details thereof are as under: (Rs. In Lakhs)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	Sep 30,2021	Jun 30,2021	Sep 30,2020	Sep 30,2021	Sep 30,2020	Mar 31,2021
Total Income	3.04	2.68	8.89	5.72	11.64	18.44
Total Expenses	(0.14)	(3.09)	(0.16)	(3.23)	(0.82)	(0.63)
Profit/(Loss) before tax	2.90	(0.41)	8.73	2.49	10.82	17.81
Tax Expenses	-	-	-	-	-	-
Profit/(Loss) after tax	**2.90**	**(0.41)**	**8.73**	**2.49**	**10.82**	**17.81**

5 The Company has considered the possible impact of COVID-19 in preparation of the above results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these result. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

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

7 In compliance with Ministry of Corporate Affairs notification with respect to amendment in Schedule III to the Companies Act, 2013 effective from April 1, 2021, figures for comparative previous periods have been regrouped/reclassified, wherever necessary.

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

For **HOV Services Limited**

HOV Services Limited

Vikram Negi
Chairman & Executive Director
(DIN:01639441)

BAGARIA & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

Place: Pune
Date: November 13, 2021