



May 20, 2016

National Stock Exchange of India Limited

Exchange Plaza
Bandra Kurla Complex
Bandra (E) Mumbai-400 051

Scrip Code: SPICEMOBI

Sub. Clarification regarding intimation for incorporation of Adgyde Solutions Private Limited

Dear Sir,

This is with reference to your email dated June 17, 2016 seeking clarification on the announcement made by us on May 10, 2016 regarding incorporation of a Joint Venture Company by Spice Digital Limited, one of our subsidiary companies.

Our pointwise submission is as under:

1. Name(s) of parties with whom the agreement is entered;

Agreement was entered into by Spice Digital Limited, a subsidiary company, with MoMagic Technologies Private Limited to incorporate a new Company in the name of Adgyde Solutions Private Limited (JVC).

2. Purpose of entering into the agreement;

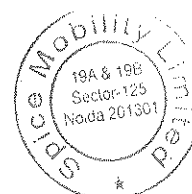
The purpose of entering into the agreement is to build analytics based solutions for device companies and to create and demonstrate a new business model for device companies.

3. Shareholding, if any, in the entity with whom the agreement is executed;

The Company or any of its subsidiary company does not hold any share in MoMagic Technologies Private Limited.

4. Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;

There will be 2 Directors in JVC. Spice Digital Limited and MoMagic Technologies Private Limited shall have 1:1 representation on the Board of JVC.



On incorporation of JVC, Spice Digital Limited and MoMagic Technologies Private Limited hold shares in the ratio of 49% and 51% respectively. In case of further issue of shares by JVC, each of the parties shall have the right to be offered and to subscribe, the shares in proportion of the then shareholding ratio between the parties.

Further, parties agreed that until mutually agreed in writing by and between the parties, the JVC shall not:

- I. Increase or recognise its authorised capital
- II. Amend the Memorandum of Association & Articles of Association
- III. Dissolve or liquidate the said company
- IV. In any manner transfer, assign, dispose off or create any changes with regards to the assets or rights of the said Company or its business.
- V. Amalgamate with any other company
- VI. To stand and guarantee in any manner for any other parties or any other person/s

5. Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;

Spice Digital Limited is a subsidiary of the Company and hence is a Related Party. MoMagic Technologies Private Limited is not a related party to any promoter/promoter group/ group companies in any manner.

6. Whether the transaction would fall within related party transactions? If yes, whether the same is done at ?arms length?;

No.

7. In case of issuance of shares to the parties, details of issue price, class of shares issued;

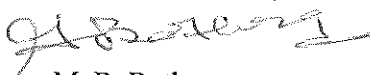
JVC has issued shares at par (i.e. at Rs.10/- per share) to both the parties and the class of shares is Equity Shares only.

8. Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;

N.A.

We hope you will find the above in order.

Yours faithfully,
For Spice Mobility Limited



M. R. Bothra
Vice President- Corporate Affairs and
Company Secretary

