Spice Mobility Limited
CIN No.-L72900UP1986PLC008448
S Global Knowledge Park, 19A & 19B, Sector 125,
Noida - 201301, UP, India, India, | Tel: +91 120 3355131
www.spicemobility.in | complianceofficer@smobility.in

Date: 12.01.2018

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001
Scrip Code: 517214

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block
Bandra – Kurla Complex, Bandra (E)
Mumbai – 400 051
Scrip Code: SPICEMOBI

Sub: Notice of Postal Ballot - Intimation under Regulation 30 of Listing Regulations, 2015

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Company is seeking the approval of Members by way of Postal Ballot (Copy of Postal Ballot Notice dated 28th December, 2017 is attached) for the proposed Employees Stock Option Scheme and sale of entire stake in Omniventures Private Limited.

In terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of The Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to the Members, the facility to exercise their right to vote by means of Ballot Papers or by remote e-voting services provided by National Securities Depository Ltd. (NSDL). The remote e-voting period commences on Saturday, the 13th January, 2018 at 9:00 A.M. and ends on Sunday, the 11th February, 2018 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. on Friday, the 5th January, 2018, may cast their votes electronically.

Kindly take the above information on record and acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For **Spice Mobility Limited**

M.R. Bothra
Vice President – Corporate Affairs
& Company Secretary

Encl: a/a

SPICE MOBILITY LIMITED

Regd. Office: S Global Knowledge Park, 19A & 19B, Sector-125, Noida,
District Gautam Budh Nagar, U.P.- 201301, **Tel. No. :** +91 120 3355131,
Email: complianceofficer@smobility.in
CIN: L72900UP1986PLC008448, **Website:** www.spicemobility.in

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

Notice is hereby given that pursuant to the provisions of Section 110 of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with the Companies (Management and Administration) Rules, 2014 (hereinafter referred to as 'the Rules') (including any statutory modification(s) or amendment(s) thereto) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as 'Listing Regulations') the Company hereby seeks your approval through Postal Ballot for the matters as detailed in the proposed respective resolutions. The Resolutions and the relevant Statement pursuant to Section 102 of the Act setting out the material facts and the reasons for the proposed resolutions are appended herewith along with a Postal Ballot Form for your consideration.

The Company has, in compliance with Rule 22(5) of the aforesaid Rules, appointed Mr. Sanjay Grover, FCS, Company Secretary in whole-time practice (Membership No. FCS 4223), as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to read carefully the instructions printed on the Postal Ballot Notice sent herewith and return the Postal Ballot Form duly completed in the attached self addressed postage prepaid envelope so as to reach the Scrutinizer not later than 5:00 P.M. on Sunday, the 11th February, 2018. The Scrutinizer will submit his report to the Chairman of the Company or to any person authorized by him after completion of the scrutiny of the Postal Ballot Forms (including remote e-voting). The result of the Postal Ballot will be announced by the Chairman or in his absence by a person authorized by him on Monday, the 12th February, 2018 at 5:15 P.M. at the Registered Office of the Company and the resolutions will be deemed to have been passed w.e.f. 11th February, 2018 i.e. the last date for receipt of duly completed Postal Ballot Forms, if approved by the requisite majority. The Notice of the Postal Ballot has been placed on the website of the Company and the result of the Postal Ballot along with the Scrutinizer's Report will also be placed on the website of the Company (www.spicemobility.in) besides communication to BSE Limited and National Stock Exchange of India Limited where the equity shares of the Company are presently listed and National Securities Depository Ltd.(NSDL).

In compliance with Regulation 44 of the 'Listing Regulations' and the provisions of Section 110 of 'the Act' read with 'the Rules', the Company is pleased to offer remote **e-voting facility** as an alternate to its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Remote e-voting is optional. In case you desire to exercise your vote by using remote e-voting facility, you are required to carefully follow the instructions printed in the Postal Ballot Notice for remote e-voting.

All documents referred to in the accompanying Notice and Statement are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and public holidays during normal business hours up to the date of declaration of result of the Postal Ballot.

Item No. 1: Approval of SML Employees Stock Option Plan - 2018

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Section 62 (1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/ Circulars in that behalf and subject to such other approval(s), consent(s), permission(s), and sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s) and may be agreed by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board or any other Committee constituted and empowered by the Board for the purpose, hereinafter referred to as 'the Committee') the consent of the members of the Company be and is hereby accorded to formulate and implement **"SML Employees Stock Option Plan – 2018"** (hereinafter referred to as **"SML ESOP – 2018" or "the Plan" or "the Scheme")** and the Board be and is hereby authorised to create, grant, offer, issue and allot, in one or more tranches, a maximum of 2,53,18,220 (Two Crore Fifty Three Lakhs Eighteen Thousand Two Hundred Twenty Only) options (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) exercisable into 2,53,18,220 (Two Crore Fifty Three Lakhs Eighteen Thousand Two Hundred Twenty Only) equity shares of Rs. 3/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to or for the benefit of permanent employees whether working in India or outside India and directors whether a whole-time director or not (other than promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company)

of the Company and present and future holding and subsidiary Company(ies) of the Company and such other employees as may be permitted under the applicable laws (hereafter collectively referred as "Identified Employees") and as may be approved by the Committee, from time to time at such price or prices in one or more tranches and on such terms and conditions as may be determined by the Board in accordance with the applicable laws, and as per the terms of the Scheme and to provide for grant and subsequent vesting and exercise of options by Identified Employees in the manner and method as contained in the Scheme.

Resolved further that the equity shares to be issued and allotted under the Plan to the Identified Employees shall rank pari-passu inter se and with the existing Equity Shares of the Company for all purposes.

Resolved further that the Board be and is hereby authorized to take requisite steps for listing of the Equity Shares allotted under the Scheme, from time to time, on the Stock Exchanges where the Equity Shares of the Company are listed.

Resolved further that the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

Resolved further that the Board of the Company, subject to compliance of the applicable laws and regulations, be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Plan not prejudicial to the interests of the Identified Employees and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental to and ancillary thereof.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution."

Item No. 2: Approval for grant of options to the employees of the holding and subsidiary company (ies) under SML Employees Stock Option Plan - 2018

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Section 62 (1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Memorandum of Association and Articles of Association of the Company and any other applicable and other prevailing statutory Guidelines/ Circulars in that behalf and subject to such other approval(s), consent(s), permission(s), and sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s) and may be agreed by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board or any other Committee constituted and empowered by the Board for the purpose, hereinafter referred to as 'the Committee') the consent of the members of the Company be and is hereby accorded to extend the benefits of the **"SML Employees Stock Option Plan – 2018"**(hereinafter referred to as **"SML ESOP – 2018"or"the Plan" or "the Scheme")**, including the issuance of shares thereunder, to or for the benefit of permanent employees whether working in India or outside India and directors whether a whole-time director or not (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) of the present and future holding and subsidiary company(ies) of the Company, and such other employees as may be permitted under the applicable laws (hereafter collectively referred as "Identified Employees") and as may be approved by the Board from time to time, on such terms and conditions, as contained in the Scheme.

Resolved further that the equity shares to be issued and allotted under the Plan to the Identified Employees shall rank pari-passu inter se and with the existing Equity Shares of the Company for all purposes.

Resolved further that the Company shall conform to the Accounting Policies, Guidelines or Accounting Standards as applicable from time to time, including the disclosure requirements prescribed therein.

Resolved further that the Board of the Company, subject to compliance with the applicable laws and regulations, be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Plan not prejudicial to the interests of the Identified Employees and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental to and ancillary thereof.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Scheme and to take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution."

Item No 3: Approval for grant of options equal to or exceeding 1% of the issued capital of the Company under SML Employees Stock Option Plan - 2018

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Section 62 (1) (b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Memorandum of Association and Articles of Association of the Company and any other applicable and other prevailing statutory Guidelines/ Circulars in that behalf and subject to such other approval(s), consent(s), permission(s), and sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s) and may be agreed by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board or any other Committee Constituted and empowered by the Board for the purpose, hereinafter referred to as 'the Committee') the approval of the members of the Company be and is hereby accorded to the Board of the Company to create, grant, offer and issue during any one year, Options equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions, if any) of the Company, to such employee(s) and/or directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) of the Company and the present and future holding and subsidiary company(ies) of the Company as may be identified by the Board from time to time.

Resolved further that the equity shares to be issued and allotted under the Plan shall rank pari-passu inter se and with the existing Equity Shares of the Company for all purposes.

Resolved further that the Company shall conform to the Accounting Policies, Guidelines or Accounting Standards applicable from time to time, including the disclosure requirements prescribed therein.

Resolved further that the Board of the Company, subject to compliance of the applicable laws and regulations, be and is hereby authorized to modify, change, vary, alter, amend, suspend or terminate the Plan not prejudicial to the interests of the Identified Employees and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental to and ancillary thereof.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Scheme and to take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution."

Item No. 4: Approval for sale of entire stake in Omniventures Private Limited, a wholly owned subsidiary company

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"Resolved that pursuant to Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as 'Listing Regulations') and in accordance with the applicable provisions of the Companies Act, 2013 read with the applicable Rules prescribed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company and other applicable statutory provisions, if any, as amended from time to time, and subject to the necessary approvals, consents, permissions and sanctions required, from any institution or statutory authority, and subject to such conditions or modifications as may be imposed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the Board of directors of the Company, the approval of members of the Company be and is hereby accorded to the Board of directors (hereinafter referred to as the 'Board' which expression shall include a Committee of directors duly authorised by the Board in this behalf) to sell the entire stake i.e. 10,000 equity shares of Rs.10/- each in Omniventures Private Limited, a wholly owned subsidiary of the Company, to Emma Innovation & Technology Private Limited, for an aggregate consideration of Rs. 1,00,000 (Rupees One Lakh only) payable in cash and on such terms and conditions as may be agreed by the Board as it may deem fit and appropriate in the interest of the Company.

Resolved further that all acts, deeds, and things done by the Company and/or any of its directors or officers for and on behalf of the Company in this regard be and are hereby noted, ratified and approved.

Resolved further that the Board be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such documents or writings as are necessary or expedient in the matter on behalf of the Company and to settle all questions, difficulties and doubts that may arise for giving effect to the above resolution.

Resolved further that the Board be and is hereby authorised to delegate all or any of the power(s) conferred on it by or under this Resolution to any Committee of directors or to any director(s) or any other officer(s) or authorized signatory (ies) of the Company as it may consider appropriate and necessary in connection with any matter relating to this resolution."

By Order of the Board of Directors
For SPICE MOBILITY LIMITED

M R Bothra
Vice President – Corporate Affairs &
Company Secretary

Place: Noida
Date: 28th December, 2017

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The statement setting out the material facts relating to the resolutions is given below:

Item Nos. 1, 2 and 3

The Company has been on its journey to transform itself from a hardware company to a digital technology service company. Equity based remuneration includes alignment of personal goals of the employees with organisational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the employee engagement, to reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company. In order to reward and retain the key employees and to create a sense of ownership and participation amongst them, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, has in its meeting held on 22nd December 2017,approved "SML Employees Stock Option Plan – 2018" (hereinafter referred to as "SML ESOP -2018" or "the Plan" or "the Scheme") for the present and/or future permanent employees and directors whether a whole-time director or not (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) of the Company and its holding and subsidiary company(ies) hereinafter referred to as 'Identified Employees'.

In terms of Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Section 62 and other applicable provisions of the Companies Act, 2013, for issue of Shares to persons other than the existing Members of the Company the approval of the existing Members by way of Special Resolution is required. The Special Resolution included in Item No. 1 is seeking your approval for the formulation and implementation of the "SML Employee Stock Option Plan – 2018" and issue of shares under the said Plan to the Identified Employees of the Company, its holding and its subsidiary Company(ies) as detailed in the resolution.

As per Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 approval of the shareholders by way of separate Special Resolution is also required:

I. for grant of options to the employees of holding and subsidiary company(ies); and

II. for grant of options to the identified employees during any one year equal to or exceeding 1% of the issued capital of the Company.

The Special Resolutions set out at Item Nos. 2 and 3 are seeking your approval for the said purposes respectively.

The salient features and other details of the Scheme as required pursuant to Regulation 6(2) of Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 are as under:

1. Brief description of the Plan

The Plan shall be called as the "SML Employees Stock Option Plan – 2018" and shall extend its benefits to the present and/or future permanent employees and/or directors whether a Whole-time Director or not (other than promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) of the Company and its present and future holding Company and subsidiary Company(ies) (hereinafter referred to as "Identified Employees"), in accordance with the applicable laws.

The Scheme will be implemented via Direct Route wherein the Company will allot fresh equity shares of the Company to the Identified Employees of the Company. The Plan will be administrated by the Nomination and Remuneration Committee constituted by the Board which for the purpose of this Scheme is designated as "Compensation Committee" as required under the SEBI (Share Based Employee Benefit) Regulations, 2014.

2. Total number of Options to be granted under the Scheme

The maximum number of options to be granted under this Plan shall not exceed 2,53,18,220 (Two Crore Fifty Three Lakhs Eighteen Thousand Two Hundred and Twenty only) options convertible into equal number of Equity Shares of the Company. The vested options lapsed due to non exercise and/or unvested options which get cancelled due to resignation/termination or otherwise would be available for re-grant at the future date(s) as per the provisions of the Scheme.

3. Identification of classes of employees entitled to participate and be beneficiaries in the Scheme

Present and future permanent employees whether working in India or outside India, Director whether a whole-time director or not (other than promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) of the company and its present and future holding Company and subsidiary company(ies) as may be decided by the Committee from time to time.

4. Requirement of Vesting and period of Vesting

The Options granted under this Scheme would vest based upon the performance criteria or any other criteria as may be decided by the Committee and specified in the Grant Letter. The vesting period shall commence any time after the expiry of 1 (one) year from the Grant date of such options. The specific vesting schedule and vesting conditions subject to which vesting would take place would be outlined in the document given to the Option Grantee at the time of Grant of Options.

5. Maximum period within which the options shall be vested

The options granted under the Scheme shall have a vesting period as may be decided by the Nomination and Remuneration Committee subject to a maximum period of 3 (three) years from the date of grant. Vesting of Options would be subject to continued employment with the Company as detailed in the Scheme.

6. Exercise Price or Pricing Formula

The Exercise Price shall be based on the Market Price of the Company which shall mean the latest closing price on a recognised stock exchange on which the shares of the company are listed on the date immediately prior to the date of the meeting of the Committee in which the grant of options is approved.

Since the equity shares of the Company are listed on more than one stock exchange, the closing price on the stock exchange having higher trading volume shall be considered as the market price. The Nomination and Remuneration Committee may provide suitable discount or charge premium on such price as arrived above. However, in any case the Exercise Price shall not go below the par value of Equity Share of the Company.

7. Exercise period and process of Exercise

The Employee Stock Options granted may be exercised by the Option Grantee within a maximum period of 5 (five) Years from the date of vesting of the respective Options in such trenches and proportion as may be decided by the Committee at the time of grant.

The mode and manner of the Exercise of the Options shall be communicated to the employees individually. On exercise of the Options, the employee shall forthwith pay to the Company the price which includes the grant price. The options shall lapse if not exercised within the specified exercise period.

8. Appraisal process for determining the eligibility of the Employees for the Scheme

The appraisal process for determining the eligibility of the employees will be in accordance with the Scheme or on the basis of such criteria as may be determined by the Committee at its sole discretion from time to time.

9. The Maximum number of Options to be issued per employee and in aggregate

The Nomination and Remuneration Committee will determine the maximum options that can be granted to the employees and it may grant options to some eligible employees, equal to or exceeding 1% in any one year of the issued capital of the Company at the time of grant of Options, for which a separate approval has been placed at Item No. 3. The maximum number of options to be granted under this plan shall not exceed 2,53,18,220 (Two Crore Fifty Three Lakhs Eighteen Thousand Two Hundred and Twenty only).

10. The Maximum quantum of benefits to be provided per employee under the scheme

The maximum quantum of benefit that will be provided to every eligible Employee under the Scheme will be the difference between the Market value of Company's Share on the Stock Exchange as on the date of exercise of options and the Exercise Price paid by the employee to the Company.

11. Implementation and administration of the Scheme

The scheme shall be implemented and administered directly by the Nomination & Remuneration Committee of the Company.

12. Whether the scheme involves new issue of shares by the company or secondary acquisition by the Trust or both

New issue of shares by the Company.

13. The amount of loan to be provided for implementation of the scheme by the company to the trust, its tenure, utilization, repayment terms, etc.

Not Applicable

14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme

Not Applicable

15. Disclosure and Accounting Policies

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 or as may be prescribed by regulatory authorities from time to time.

16. The method which the Company shall use to value its Options

Fair Value Method or any other method as per applicable statutory provisions from time to time.

17. Statement with regard to Disclosure in Director's Report

In case the Company opts for Intrinsic Value for expensing of the benefits of the Scheme, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the Fair Value, will be disclosed in the Directors' Report and the impact of this difference on profits and on Earnings Per Share (EPS) of the Company will also be disclosed in the Directors' Report.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of Equity Shares held by them in the Company or the options those may be granted under the said Scheme.

The Board of Directors recommends the aforesaid 3 resolutions for approval of the members. A copy of the "SML Employees Stock Options Plan – 2018" and other documents referred to in the aforesaid resolutions are available for inspection at the registered office the Company on all working days except Saturday, Sunday and Public holidays, during normal working hours.

Item No. 4

Omniventures Private Limited (OVPL) is a wholly owned subsidiary of the Company and has a paid up capital of Rs. 1,00,000 (Rupees One Lakh only) divided into 10,000 equity shares of Rs.10/- each. OPVL has two subsidiaries namely Spice Online Private Limited (SOPL) and Hotspot Sales & Solutions Private Limited (HSSPL) through which the Retail Business is being operated. OVPL and its subsidiary companies has a total income of approx. Rs. 514.73 Crore and total losses of Rs. 16.17 Crore for the financial year ended 31st March, 2017. It has a negative Net Worth of Rs. 87.80 Crore as on 31.03.2017. The total income is 57.75% of total income of the Company at consolidated level for the year ended on that date.

The retail business of the Company has been continuously incurring losses and in spite of various steps taken by the management in the past, the situation could not be improved. The Company has received a proposal from Emma Innovation & Technology Private Limited (hereinafter referred to as 'Purchaser') for acquiring entire share capital of OVPL. The Audit Committee in its meeting held on the 22nd December, 2017 has approved the proposed sale of entire stake in OVPL and recommended the same to the Board. The Board in its meeting held on same date has, subject to the approval of the shareholders, approved the proposal of sale of entire stake in OVPL. The Company has executed a Share Purchase Agreement for sale of entire stake in OVPL with the purchaser on 22nd December, 2017. The Purchaser does not belong to the promoter/promoter group of the Company.

Consequent to the said sale of stake in OVPL, both the subsidiary companies of OVPL viz. SOPL and HSSPL would also cease to be the subsidiaries of the Company.

As per Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no company can sell its shareholding in a material subsidiary which would reduce its shareholding to less than 50% without passing a special resolution. HSSPL's income exceeds 20% of the consolidated income of the Company in the immediately preceding accounting year. Therefore, it is a material subsidiary of the Company. Hence, approval of members by way of special resolution is required for the proposed transaction.

Further, in terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, such Special Resolution is required to be passed by way of Postal Ballot. Therefore, approval of the members is, being sought by voting through Postal Ballot for Sale of entire stake in OVPL.

None of the Directors and Key Managerial Personnel or their relatives is in any way concerned or interested, financially or otherwise in this resolution.

The Board of Directors is of the view that the sale of OVPL is a strategic decision and this will be beneficial to the Members and other stakeholders of the Company in the long run as this will enable the Company to enhance its focus on its core business.

The Board of Directors of the Company recommends the above resolution for approval of the members by way of Special Resolution.

By Order of the Board of Directors
For SPICE MOBILITY LIMITED

M R Bothra
Vice President – Corporate Affairs &
Company Secretary

Place: Noida
Date: 28th December, 2017

INSTRUCTIONS

1. A member desiring to exercise vote by Postal Ballot should complete the Postal Ballot Form in all respects and send it to the Scrutinizer in the attached self-addressed postage pre-paid envelope which shall be properly sealed with adhesive or adhesive tape. The members residing outside India should stamp the envelope appropriately. The envelope containing Postal Ballot Form if sent by courier or by Registered Post at the expense of the member will also be accepted. The Postal Ballot Form may also be deposited personally at the address provided on the attached envelope.
2. The self-addressed postage pre-paid envelope bears the postal address of the Scrutinizer appointed by the Board of Directors of the Company.
3. The voting period commences at 9:00 A.M. on Saturday, the 13th January, 2018 and ends at 5:00 P.M. on Sunday, the 11th February, 2018. The Postal Ballot Form duly completed and signed (as per specimen signature registered with the Company) should be sent to the Scrutinizer appointed by the Company at the registered office of the Company on or before the close of the working hours i.e. by 5:00 P.M. on Sunday, the 11th February, 2018.
4. Postal Ballot(s) received after 5:00 P.M. of the last date i.e. the 11th February, 2018 will be treated as if the reply from the member has not been received and the same will not be considered. Likewise, the remote e-voting module shall be disabled by NSDL for e-voting after that time.
5. In case shares are jointly held, this Form should be completed and signed by the first named member and in his/her absence, by the next named member.

6. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/Authority Letter together with attested specimen signature(s) of the authorized signatory/ies, giving requisite authority to the person voting on the Postal Ballot Form.

7. The Postal Ballot Notice is being sent to all the members whose names appear in the Register of Members/Records of depositories as on cut off date i.e. 5th January, 2018. The voting rights shall be reckoned on the paid up value of equity shares registered in the name of members as on Friday, the 5th January, 2018.

8. Members are requested not to send any paper (other than the resolution/authority letter/copy of nomination/power of attorney as mentioned in instruction No. 6 above) along with the Postal Ballot Form in the enclosed business reply self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelopes would be destroyed by the Scrutinizer.

9. A tick (√) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before mailing the Postal Ballot Form. Postal Ballot Form bearing tick (√) mark in both the columns will render the same invalid.

10. A member, including the member who has opted to receive the documents electronically may seek duplicate Postal Ballot Form from the Registered office of the Company. However, the duly filled in and signed duplicate Postal Ballot Form should reach the Scrutinizer not later than the time and date specified at instruction No. 3.

11. The vote in this Postal Ballot cannot be exercised through proxy.

12. There will be only one Postal Ballot Form for every Folio/ Client ID.

13. Incomplete, unsigned, improperly or incorrectly tick marked Postal Ballot Form will be rejected.

14. The Scrutinizer's decision on the validity or otherwise of the Postal Ballot will be final.

15. In case of any queries or grievances relating to remote e-voting, please contact at evoting@nsdl.co.in and relating to voting by way of physical ballot, please contact at complianceofficer@smobility.in

16. A member can opt only one mode for voting i.e. either by Physical Ballot or remote e-voting. In case you are opting for remote e-voting, then do not vote by Physical Ballot and vice versa. However, in case member(s) cast their vote both by Physical Ballot and remote e-voting, then the voting done through remote e- voting shall prevail and voting done by Physical Ballot will be treated as invalid.

Process and Manner for members opting for remote e-voting on NSDL e-Voting system consists of two steps as details hereunder:

Step 1 : Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details will be as per details given below :

   a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).

   b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12********** then your user ID is 12**********).

   c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).

5. Your password details are given below:

   a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

   c. How to retrieve your 'initial password'?

      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a. Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b. **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of the Company.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to contact@cssanjaygrover.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

SPICE MOBILITY LIMITED

Regd. Office: S Global Knowledge Park, 19A & 19B, Sector-125, Noida, District Gautam Budh Nagar, U.P.- 201301, **Tel. No. :** +91 120 3355131,
Email: complianceofficer@smobility.in
CIN: L72900UP1986PLC008448**, Website:** www.spicemobility.in

POSTAL BALLOT FORM

Sr. No.:.....

1. Name & Registered Address of the Sole/ First named Member
2. Name(s) of the Joint Member(s), if any
3. Registered Folio No./DP ID No. & Client ID No*.
   *(Applicable to Members holding shares in Dematerialized Form)
4. Number of share(s) held
5. I/We hereby exercise my / our vote in respect of the Special Resolutions to be passed through postal ballot for the business stated in the Notice dated 28th December, 2017 of the Company by recording my / our assent or dissent to the said Resolutions, by placing the tick (✓) mark at the appropriate box below: -

Sl. No.	Description of the Resolution	No. of share(s) for which Vote cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Approval of SML Employees Stock Option Plan - 2018			
2	Approval for grant of options to the employees of the holding and subsidiary company (ies) under SML Employees Stock Option Plan – 2018			
3	Approval for grant of options equal to or exceeding 1% of the issued capital of the company under SML Employees Stock Option Plan - 2018			
4	Approval for sale of entire stake in Omniventures Private Limited, a wholly owned subsidiary company			

Place:

Date:

(Signature of the Member)

ELECTRONIC VOTING PARTICULARS

EVEN (ELECTRONIC VOTING EVENT NUMBER)	USER ID	PASSWORD

Notes:

1. Please read carefully the instructions printed in the Postal Ballot Notice before exercising the vote.
2. If the voting rights are exercised electronically, there is no need to use this Form.