S MOBILITY LIMITED

Regd. Office : 19A &19B, Sector - 125, Noida 201301, District Gautam Budh Nagar , Uttar Pradesh

Unaudited Consolidated Financial Results for the quarter ended September 30, 2013

(Rs. In Lacs)

PART I STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2013					
Sl.No.	Particulars	Consolidated			
		3 months ended			12 months ended
		30.09.2013 (Unaudited)	30.6.2013 (Audited) (refer note 10)	30.09.2012 (Unaudited)	30.6.2013 (Audited)
1	a. Net Sales/Income from operation	53,402	44,540	54,342	186,895
	b. Other Operating Income	76	11	43	99
	Total	**53,478**	**44,551**	**54,385**	**186,994**
2	**Expenditure:**				
	a. (Increase) / Decrease in stock in trade	(5,309)	(2,009)	2,553	2,670
	b. Purchase of Finished/Traded Goods	45,765	34,409	39,440	136,924
	c. Consumption of Raw Materials and components	-	-	2	2
	d.Connectivity and Content Cost	1,826	2,080	2,356	8,945
	e. Staff Cost	2,819	3,252	2,974	11,970
	f. Depreciation/Amortisation	879	865	873	3,625
	g. Branding Expenses	1,699	1,142	976	4,126
	h. Other expenditure	4,955	2,675	4,891	16,932
	Total expenditure	**52,633**	**42,414**	**54,065**	**185,194**
3	**Profit from Operations before other income, finance cost, exceptional items and taxes (1-2)**	**845**	**2,137**	**320**	**1,800**
4	Other Income	377	322	403	1,455
5	**Profit before finance cost, exceptional items and taxes (3+4)**	**1,222**	**2,459**	**723**	**3,255**
6	Finance Cost	46	4	7	103
7	**Profit before exceptional items and taxes (5-6)**	**1,176**	**2,455**	**716**	**3,152**
8	**Exceptional Items**				
	- Provision against claims / expected claims for earlier periods	-	910	(227)	(227)
	- Impairment of Goodwill of a subsidiary company	-	(1,045)	-	(1,045)
	- Additional Depreciation due to change of useful life (Refer Note no. 4 below)	(264)		-	-
9	**Profit from ordinary activities before taxes (7+8)**	**912**	**2,320**	**489**	**1,880**
10	**Provision for Taxation**	101	1,230	34	1,410
11	**Net Profit for the period (9-10)**	**811**	**1,090**	**455**	**470**
12	**Minority Interest**	(2)	99	49	(78)
13	**Net Profit/(Loss) after Minority Interest (11-12)**	**813**	**991**	**406**	**548**
14	**Paid up Equity Share Capital (Face value of Rs.3/- each)**	7,027	7,143	7,143	7,143
15	**Reserves excluding revaluation reserves**				67,556
16	**Basic and Diluted Earnings Per Share (in Rs.) (Not Annualised)**	0.34	0.42	0.17	0.23
PART II	**SELECT INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2013**				
A.	**PARTICULARS OF SHAREHOLDING**				
1	**Public Shareholding**				
	- No. of Shares	64,772,131	68,638,715	68,660,069	68,638,715
	- Percentage of Shareholding	27.65%	28.83%	28.84%	28.83%
2	**Promoters & promoter group shareholding**				
	a) Pledged / Encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoters & promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-
	b) Non-encumbered				
	- Number of shares	169,447,570	169,447,570	169,426,216	169,447,570
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	72.35%	71.17%	71.16%	71.17%
B.	**INVESTOR COMPLAINTS**				
	Pending at the beginning of the quarter	Nil			
	Received during the quarter	2			
	Disposed off during the quarter	2			
	Remaining unresolved at the end of the quarter	Nil			

S Mobility Limited 19A & 19B Sector 125 Noida 201301

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT

(Rs. In Lacs)

Sl.No.	Particulars	Consolidated			
		3 months ended			12 months ended
		30.09.2013 (Unaudited)	30.6.2013 (Audited) (refer note 10)	30.09.2012 (Unaudited)	30.6.2013 (Audited)
1	**Segment Revenue (Net):**				
a	Mobile Devices	48,305	38,292	48,335	163,119
b	Services	5,348	6,390	6,050	24,019
	Total	**53,653**	**44,682**	**54,385**	**187,138**
	Less : Inter-Segment Revenue	175	131	-	144
	Total Revenue	**53,478**	**44,551**	**54,385**	**186,994**
2	**Segment Results -Profit/(Loss) before tax and Interest:**				
a	Mobile Devices	683	930	(115)	(44)
b	Services	551	928	64	(11)
	Less: Finance cost	(46)	(4)	(7)	(103)
	Add : Other unallocable income net of unallocable expense	(276)	466	547	2,038
	Total Profit Before Tax	**912**	**2,320**	**489**	**1,880**
3	**Capital Employed (Segment Assets- Segment Liabilities):**				
a	Mobile Devices	20,633	32,790	36,756	32,790
b	Services	15,881	16,129	18,599	16,129
	Unallocated Capital Employed	38,119	25,780	23,577	25,780
	Total	**74,633**	**74,699**	**78,932**	**74,699**

Notes :

1 The above results were reviewed by the Audit Committee and were approved and taken on record by the Board of Directors in their respective meetings held on November 1, 2013 and have undergone limited review by the Statutory Auditors of the Company.

2 The Consolidated Financial results for the quarter ended on September 30, 2013 represents consolidated results of the Company and its subsidiaries.

3 The Mobile Handset business of the Company has been sold/transferred to Spice Retail Limited (SRL), a Wholly Owned Subsidiary of the Company, as a going concern w.e.f. 1st July, 2013 by way of slump sale.

4 During the quarter ended September 30, 2013, two subsidiaries have reassesed the useful life of office equipments from 10 years earlier to 5 years. Due to this change depreciation for the current quarter is higher by Rs 264 lacs, which has been shown under exceptional items in the results.

5 During the quarter, the Company has bought back 38,71,784 Equity shares of face value of Rs. 3/- each under the Buy Back offer of the Company which commenced on 10th July, 2013 and out of them 38,66,584 Equity shares have been extinguished till 30th September, 2013 and the issued and paid-up share capital of the Company as on that date has reduced accordingly.

6 The Board of Directors of the Company has declared an interim dividend of 5% (i.e. Rs. 0.15/- per Equity share of face value of Rs. 3/- each) on the paid-up Capital of the Company as on the date of Board Meeting for the financial year ending June 30, 2014. Independent Non Promoter Trust which holds 35,301,215 equity shares of the Company has waived off its right to receive dividend on the shares held by them. Accordingly, no interim dividend has been declared on these shares. The Interim Dividend will be paid/dispatched on or before November 22, 2013 to the equity shareholders of the Company whose names appear in the Register of Members of the Company or in the records of the Depositories as beneficial owners of the said shares as on November 11, 2013 being the Record Date fixed for the purpose.

7 Provision for income tax is inclusive of/ net of deferred tax charge/ credit and tax adjustments for earlier years.

8 Key Standalone Financial Information is given below:

(Rs. In Lacs)

Particulars	3 months ended			12 months ended
	30.09.2013 (Unaudited)	30.6.2013 (Audited) (refer note 10)	30.09.2012 (Unaudited)	30.6.2013 (Audited)
Net Sales / Income from Operations	-	17,937	19,647	71,304
Profit/(Loss) before tax	(382)	1,312	852	7,037
Net Profit/(Loss) after tax	(282)	532	852	6,257

9 The standalone financials results have been filed with The BSE Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed and are also available at the Company's website www.spice-mobile.com.

10 Previous period's figures have been regrouped and/or recast wherever considered necessary to conform to the current period presentation.The figures of the quarter ended June 30, 2013 are the balancing figures between audited figures in respect of the full financial year upto June 30, 2013 and the unaudited published year to date figures upto March 31, 2013 being the date of end of the third quarter of that financial year which was subjected to limited review.

By order of the Board
S Mobility Limited

Preeti Malhotra
Director

Dated : November 1, 2013
Place : New Delhi

S Mobility Limited 19A & 19B Sector 125 Noida 201301

S.R. BATLIBOI & CO. LLP
Chartered Accountants

6th Floor, HT House
18-20, Kasturba Gandhi Marg
New Delhi-110 001, India
Tel : +91 11 4363 3000
Fax : +91 11 4363 3200

Limited Review Report

Review Report to
The Board of Directors
S Mobility Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of S Mobility Limited Group comprising S Mobility Limited ('the Company') and its subsidiaries (together, 'the Group'), for the quarter ended September 30, 2013 (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. In respect of unaudited quarter ended consolidated financial results, we did not review the statement of unaudited financial results of 21 subsidiaries, whose unaudited quarter ended financial results reflect total revenue of INR 2678 lacs for the quarter ended September 30, 2013 and total assets of INR 11,218 lacs as at September 30, 2013. The financial information for 8 subsidiaries has been taken based on the management accounts and for 13 subsidiaries has been reviewed by other auditors whose reports have been furnished to us, and our conclusion on the quarterly financial results is based solely on the reports of the other auditors.

4. Without qualifying our conclusion, we draw attention to the fact that the group has recognized goodwill of Rs. 20,893 lacs in respect of Hindustan Retail India Private Limited, a wholly owned subsidiary of the Company and its three subsidiaries and Rs.473 lacs in respect of Spice Vas Kenya Limited, a downstream wholly owned subsidiary company. Based on the financial statements of these subsidiaries, their net worth is substantially lower than the group's investment in these companies. No provision for impairment has been made against the above in view of strategic long term investment of the Group in these subsidiaries, their future profitable projections and/or the fair value of these Companies as at September 30, 2013.

5. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in **Accounting Standard 25 (Interim Financial Reporting) notified under the provisions of the Companies Act, 1956** and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E
Chartered Accountants

Anil Gupta

per Anil Gupta
Partner
Membership No.: 87921

Place : New Delhi
Date : 1/11/2013

S.R. Batliboi & Co. LLP New Delhi

S.R. Batliboi & Co. (a partnership firm) converted into S.R. Batliboi & Co. LLP (a Limited Liability Partnership with LLP Identity No. AAB-4294) effective 1st April, 2013
Regd. Office : 22, Camac Street, Block 'C', 3rd Floor, Kolkata-700 016

S MOBILITY LIMITED

Regd. Office : 19A &19B, Sector - 125, Noida 201301, District Gautam Budh Nagar , Uttar Pradesh

Unaudited Standalone Financial Results for the quarter ended September 30, 2013

(Rs. In Lacs)

PART I STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2013					
Sl.No.	Particulars	Standalone			
		3 months ended			12 months ended
		30.09.2013 (Unaudited)	30.6.2013 (Audited) (refer note 6)	30.09.2012 (Unaudited)	30.6.2013 (Audited)
1	a. Net Sales/Income from operation	-	17,619	19,647	70,979
	b. Other Operating Income	-	318	-	325
	Total	-	**17,937**	**19,647**	**71,304**
2	**Expenditure:**				
	a. (Increase) / Decrease in stock in trade	-	(1,588)	433	(608)
	b. Purchase of Finished/Traded Goods	-	14,997	15,043	54,340
	c. Consumption of Raw Materials and components	-	-	2	2
	d. Staff Cost	221	692	780	2,491
	e. Depreciation/Amortisation	131	226	188	817
	f. Branding Expenses	2	1,154	742	3,360
	g. Other expenditure	365	1,463	1,928	6,938
	Total expenditure	**719**	**16,944**	**19,116**	**67,340**
3	**Profit/(Loss) from Operations before other income, finance cost and taxes (1-2)**	**(719)**	**993**	**531**	**3,964**
4	Other Income	337	319	321	3,087
5	**Profit/(Loss) before finance cost and taxes (3+4)**	**(382)**	**1,312**	**852**	**7,051**
6	Finance Cost	-	-	-	14
7	**Profit/(Loss) from ordinary activities before taxes (5-6)**	**(382)**	**1,312**	**852**	**7,037**
8	**Provision for Taxation**	(100)	780	-	780
9	**Net Profit/(Loss) for the period (7-8)**	**(282)**	**532**	**852**	**6,257**
10	**Paid up Equity Share Capital (Face value of Rs.3/- each)**	7,027	7,143	7,143	7,143
11	**Reserves excluding revaluation reserves**				56,256
12	**Basic and Diluted Earnings Per Share (in Rs.) (Not Annualised)**	(0.12)	0.22	0.36	2.63
PART II SELECT INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2013					
A.	**PARTICULARS OF SHAREHOLDING**				
1	**Public Shareholding**				
	- No. of Shares	64,772,131	68,638,715	68,660,069	68,638,715
	- Percentage of Shareholding	27.65%	28.83%	28.84%	28.83%
2	**Promoters & promoter group shareholding**				
	a) Pledged / Encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoters & promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-
	b) Non-encumbered				
	- Number of shares	169,447,570	169,447,570	169,426,216	169,447,570
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	72.35%	71.17%	71.16%	71.17%
B.	**INVESTOR COMPLAINTS**				
	Pending at the beginning of the quarter	Nil			
	Received during the quarter	2			
	Disposed off during the quarter	2			
	Remaining unresolved at the end of the quarter	Nil			

S Mobility Limited 19A & 19B Sector 125 Noida 201301

Notes :

1. The above results were reviewed by the Audit Committee and were approved and taken on record by the Board of Directors in their respective meetings held on November 1, 2013 and have undergone limited review by the Statutory Auditors of the Company.

2. The Mobile Handset business of the Company has been sold/transferred to Spice Retail Limited (SRL), a Wholly Owned Subsidiary of the Company, as a going concern w.e.f. 1st July, 2013 by way of slump sale and accordingly the results of this quarter are excluding the figures of that business and are not comparable with the corresponding/ earlier quarter/ period.

3. During the quarter, the Company has bought back 38,71,784 Equity shares of face value of Rs. 3/- each under the Buy Back offer of the Company which commenced on 10th July, 2013 and out of them 38,66,584 Equity shares have been extinguished till 30th September, 2013 and the issued and paid-up share capital of the Company as on that date has reduced accordingly.

4. The Board of Directors of the Company has declared an interim dividend of 5% (i.e. Rs. 0.15/- per Equity share of face value of Rs. 3/- each) on the paid-up Capital of the Company as on the date of Board Meeting for the financial year ending June 30, 2014. Independent Non Promoter Trust which holds 35,301,215 equity shares of the Company has waived off its right to receive dividend on the shares held by them. Accordingly, no interim dividend has been declared on these shares. The Interim Dividend will be paid/dispatched on or before November 22, 2013 to the equity shareholders of the Company whose names appear in the Register of Members of the Company or in the records of the Depositories as beneficial owners of the said shares as on November 11, 2013 being the Record Date fixed for the purpose.

5. Provision for income tax is inclusive of/ net of deferred tax charge/ credit and tax adjustments for earlier years.

6. Previous period's figures have been regrouped and/or recast wherever considered necessary to conform to the current period presentation.The figures of the quarter ended June 30, 2013 are the balancing figures between audited figures in respect of the full financial year upto June 30, 2013 and the unaudited published year to date figures upto March 31, 2013 being the date of end of the third quarter of that financial year which was subjected to limited review.

By order of the Board
S Mobility Limited

Preeti Malhotra
Director

S Mobility Limited
19A & 19B
Sector 12
Noida 2013

Dated : November 1, 2013
Place : New Delhi

S.R. BATLIBOI & CO. LLP
Chartered Accountants

6th Floor, HT House
18-20, Kasturba Gandhi Marg
New Delhi-110 001, India
Tel : +91 11 4363 3000
Fax : +91 11 4363 3200

Limited Review Report

Review Report to
The Board of Directors
S Mobility Limited

1. We have reviewed the accompanying statement of unaudited financial results of S Mobility Limited ('the Company') for the quarter ended September 30, 2013 (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Without qualifying our conclusion, we draw attention to the fact that the Company has made investments of INR 8,784 lacs and, given unsecured interest free loans of INR 24,056 lacs to its two subsidiary companies (including one subsidiary of a subsidiary company) whose net worth as per books is lower than the carrying value of the Company's investments in these companies. No provision has been made against the above in view of strategic long term investment of the Company in these subsidiaries, their future profitable projections and/or the fair value of these Companies as at September 30, 2013.

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 recognition and measurement principles laid down in **Accounting Standard 25 (Interim Financial Reporting) notified under the provisions of the Companies Act, 1956** and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP
ICAI Firm registration number: 301003E
Chartered Accountants

Anil Gupta

per Anil Gupta
Partner
Membership No.: 87921

Place : New Delhi
Date : 1/11/2013

S.R. Batliboi & Co. LLP New Delhi

S.R. Batliboi & Co. (a partnership firm) converted into S.R. Batliboi & Co. LLP (a Limited Liability Partnership with LLP Identity No. AAB-4294) effective 1st April, 2013
Regd. Office : 22, Camac Street, Block 'C', 3rd Floor, Kolkata-700 016