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

May 8, 2014

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
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: SMOBILITY

Sub: Un-audited Financial Results for the Quarter and nine months period ended March 31, 2014 and Limited Review Report thereon

Dear Sir,

In pursuance to Clause 41 of the Listing Agreement, please find enclosed herewith the Un-Audited Financial Results both consolidated as well as standalone for the quarter and nine months period ended March 31, 2014, as reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on May 8, 2014.

The Limited Review Reports issued by M/s S.R. Batliboi & Co. LLP, the Statutory Auditors of the Company on both the results, consolidated as well as standalone, are also attached.

You are requested to kindly take the above on record and acknowledge receipt of the same.

Thanking you.

Yours faithfully,
For **S Mobility Limited**

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

Encl: As above

S MOBILITY LIMITED

Regd. Office : S Global Knowledge Park, 19A &19B, Sector - 125, Noida 201301, District Gautam Budh Nagar , Uttar Pradesh
Email Id: customercare@smobility.in, Website: www.spice-mobile.com
Tel: +91 120 3355131, CIN No - L72900UP1986PLC008448

Unaudited Consolidated Financial Results for the quarter and nine months period ended March 31, 2014

PART I STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2014

(Rs. in Lacs)

Sl.No.	Particulars	Consolidated					
		3 months ended			9 months ended		12 months ended
		31.03.2014 (Unaudited)	31.12.2013 (Unaudited)	31.03.2013 (Unaudited)	31.03.2014 (Unaudited)	31.03.2013 (Unaudited)	30.6.2013 (Audited)
1	a. Net Sales/Income from operation	46,841	56,704	39,388	156,947	142,357	186,895
	b. Other Operating Income	58	57	42	138	88	99
	Total	46,899	56,761	39,430	157,085	142,445	186,994
2	**Expenditure:**						
	a. (Increase) / Decrease in stock in trade	2,734	836	2,703	(1,739)	4,679	2,670
	b. Purchase of Finished/Traded Goods	34,105	44,278	25,768	124,148	102,513	136,924
	c. Consumption of Raw Materials and components	-	-	-	-	-	2
	d.Connectivity and Content Cost	1,504	1,666	2,031	4,996	6,865	8,945
	e. Staff Cost	2,894	2,876	2,727	8,589	8,718	11,970
	f. Depreciation/Amortisation	970	977	1,012	2,826	2,761	3,625
	g. Branding Expenses	2,171	1,518	921	5,388	2,983	4,126
	h. Other expenditure	4,513	4,605	4,172	14,019	14,260	16,932
	Total expenditure	48,891	56,756	39,334	158,227	142,779	185,194
3	**Profit/(Loss) from Operations before other income, finance cost, exceptional items and taxes (1-2)**	(1,992)	5	96	(1,142)	(334)	1,800
4	Other Income	253	520	313	1,150	1,133	1,455
5	**Profit/(Loss) before finance cost, exceptional items and taxes (3+4)**	(1,739)	525	409	8	799	3,255
6	Finance Cost	20	21	51	87	99	103
7	**Profit/(Loss) before exceptional items and taxes (5-6)**	(1,759)	504	358	(79)	700	3,152
8	**Exceptional Items**						
	- Provision against claims / expected claims for earlier periods	-	-	-	-	(1,142)	(227)
	- Impairment of Goodwill of a subsidiary company	-	-	-	-	-	(1,045)
	- Additional Depreciation due to change of useful life (Refer Note no. 4 below)	(10)	(16)	-	(290)	-	-
	- Reversal of revenue pertaining to earlier periods	-	(276)	-	(276)	-	-
9	**Profit/(Loss) from ordinary activities before taxes (7+8)**	(1,769)	212	358	(645)	(442)	1,880
10	**Provision for Taxation**	52	104	45	257	180	1,410
11	**Net Profit/(Loss) for the period (9-10)**	(1,821)	108	313	(902)	(622)	470
12	**Minority Interest**	46	6	89	50	(178)	(78)
13	**Net Profit/(Loss) after Minority Interest (11-12)**	(1,867)	102	224	(952)	(444)	548
14	**Paid up Equity Share Capital (Face value of Rs.3/- each)**	6,836	6,836	7,143	6,836	7,143	7,143
15	**Reserves excluding revaluation reserves**						67,556
16	**Basic and Diluted Earnings Per Share (in Rs.) (Not Annualised)**	(0.81)	0.04	0.10	(0.41)	(0.19)	0.23

PART II SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2014

A.	**PARTICULARS OF SHAREHOLDING**						
1	**Public Shareholding**						
	- No. of Shares	58,417,112	58,418,512	68,638,715	58,417,112	68,638,715	68,638,715
	- Percentage of Shareholding	25.64%	25.64%	28.83%	25.64%	28.83%	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	169,447,570	169,447,570	169,447,570	169,447,570
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	74.36%	74.36%	71.17%	74.36%	71.17%	71.17%

B.	**INVESTOR COMPLAINTS**	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	6
	Disposed off during the quarter	6
	Remaining unresolved at the end of the quarter	Nil

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

(Rs. In Lacs)

Sl.No.	Particulars	Consolidated					
		3 months ended			9 months ended		12 months ended
		31.03.2014 (Unaudited)	31.12.2013 (Unaudited)	31.03.2013 (Unaudited)	31.03.2014 (Unaudited)	31.03.2013 (Unaudited)	30.6.2013 (Audited)
1	**Segment Revenue (Net):**						
a	Mobile Devices	42,159	51,720	33,538	142,184	124,827	163,119
b	Services (without considering prior period items)	4,872	5,199	5,892	15,366	17,629	24,019
	Total	47,031	56,919	39,430	157,550	142,456	187,138
	Less : Inter-Segment Revenue	132	158	-	465	11	144
	Total Revenue	46,899	56,761	39,430	157,085	142,445	186,994
2	**Segment Results -Profit/(Loss) before tax and Interest:**						
a	Mobile Devices	(1,793)	(147)	(543)	(1,257)	(974)	(44)
b	Services	486	402	521	1,439	(939)	(11)
	Less: Finance cost	(20)	(21)	(51)	(87)	(99)	(103)
	Add : Other unallocable income net of unallocable expense	(442)	(22)	431	(740)	1,570	2,038
	Total Profit/(Loss) Before Tax	(1,769)	212	358	(645)	(442)	1,880
3	**Capital Employed (Segment Assets- Segment Liabilities):**						
a	Mobile Devices	23,318	24,031	32,768	23,318	32,768	32,790
b	Services	14,045	15,128	18,952	14,045	18,952	16,129
	Unallocated Capital Employed	32,847	32,674	25,784	32,847	25,784	25,780
	Total	70,210	71,833	77,504	70,210	77,504	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 May 08, 2014 and have undergone limited review by the Statutory Auditors of the Company.

2 The Consolidated Financial results for the quarter and nine months period ended on March 31, 2014 represents consolidated results of the Company and its subsidiaries.

3 The Group has taken a strategic decision to invest in brand building through enhanced media spends and distribution infrastructure to grow the business.This has impacted the profitability in current quarter.

4 During the nine months period ended March 31, 2014, two subsidiaries have reassesed the useful life of certain office equipments from 10 years earlier to 5 years w.e.f July 1, 2013. Due to this change depreciation for the nine months period is higher by Rs 290 lacs, which has been shown under exceptional items in the results.

5 During the quarter, the Company has bought back 1,300 Equity shares of face value of Rs. 3/- each under the ongoing Buy Back offer of the Company and out of them 1,200 Equity shares have been extinguished till 31st March, 2014 and the issued and paid-up share capital of the Company as on that date stands reduced accordingly.

6 During the quarter, Spice VAS (Africa) Pte. Ltd. , a step down subsidiary of the Company, has issued 218,610 ordinary shares. Consequently the stake of the Company in this subsidiary company has reduced from 65.39% to 62.09% .

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			9 months ended		12 months ended
	31.03.2014 (Unaudited)	31.12.2013 (Unaudited)	31.03.2013 (Unaudited)	31.03.2014 (Unaudited)	31.03.2013 (Unaudited)	30.6.2013 (Audited)
Net Sales / Income from Operations	594	6,234	15,817	6,828	53,368	71,304
Profit/(Loss) before tax	(518)	1,488	1,411	588	5,737	7,037
Net Profit/(Loss) after tax	(413)	1,518	1,411	823	5,737	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.

By order of the Board
S Mobility Limited

Preeti Malhotra
Director

Dated : May 08, 2014
Place : Noida

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 ('the Company') and its subsidiaries (together, 'the Group'), for the quarter ended **March 31, 2014** (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. We did not review revenues and assets of Rs. 3,602 lacs and Rs. 11,047 lacs respectively, included in the accompanying unaudited consolidated financial results relating to 21 subsidiaries. The financial information for 9 subsidiaries has been taken based on the management accounts and for 12 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. 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.

5. Without qualifying our conclusion, we draw attention to the fact that the group has recognized goodwill of Rs. 450 lacs in respect of wholly owned subsidiary, Spice VAS Kenya Limited. Based on the financial statements of the subsidiary, its net worth is negative. No provision for impairment has been made against the above in view of strategic long term investment of the Group in the subsidiary and its profitable future projections.

6. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results , 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 Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs 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

per Anil Gupta
Partner
Membership No.:87921

Place: New Delhi
Date: 8th May 14

S.R. Batliboi & Co. LLP New Delhi

S MOBILITY LIMITED

Regd. Office : S Global Knowledge Park, 19A &19B, Sector - 125, Noida 201301, District Gautam Budh Nagar , Uttar Pradesh
Email Id: customercare@smobility.in, Website: www.spice-mobile.com
Tel: +91 120 3355131, CIN No - L72900UP1986PLC008448

Unaudited Standalone Financial Results for the quarter and nine months period ended March 31, 2014

PART I STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2014 (Rs. In Lacs)

Sl.No.	Particulars	Standalone					
		3 months ended			9 months ended		12 months ended
		31.03.2014 (Unaudited)	31.12.2013 (Unaudited)	31.03.2013 (Unaudited)	31.03.2014 (Unaudited)	31.03.2013 (Unaudited)	30.6.2013 (Audited)
1	a. Net Sales/Income from operation	575	6,234	15,812	6,809	53,360	70,979
	b. Other Operating Income	19	-	5	19	7	325
	Total	**594**	**6,234**	**15,817**	**6,828**	**53,368**	**71,304**
2	**Expenditure:**						
	a. (Increase) / Decrease in stock in trade	-	-	(520)	-	980	(608)
	b. Purchase of Finished/Traded Goods	548	6,089	12,078	6,638	39,342	54,340
	c. Consumption of Raw Materials and components	-	-	-	-	2	2
	d. Staff Cost	288	247	558	756	1,686	2,491
	e. Depreciation/Amortisation	120	131	222	382	591	817
	f. Branding Expenses	(2)	56	718	55	2,206	3,360
	g. Other expenditure	490	400	1,681	1,254	5,597	6,938
	Total expenditure	**1,444**	**6,923**	**14,735**	**9,085**	**50,404**	**67,340**
3	**Profit/(Loss) from Operations before other income, finance cost and taxes (1-2)**	**(850)**	**(689)**	**1,082**	**(2,258)**	**2,964**	**3,964**
4	Other Income	344	2,296	332	2,977	2,773	3,087
5	**Profit/(Loss) before finance cost and taxes (3+4)**	**(506)**	**1,607**	**1,416**	**719**	**5,737**	**7,051**
6	Finance Cost	12	-	5	12	-	14
7	**Profit/(Loss) from ordinary activities before taxes (5-6)**	**(518)**	**1,607**	**1,411**	**707**	**5,737**	**7,037**
8	**Exceptional Items**						
	- Provision for diminution in the value of investment in a subsidiary company	-	(119)	-	(119)	-	-
9	**Profit/(Loss) from ordinary activities before taxes (7+8)**	**(518)**	**1,488**	**1,411**	**588**	**5,737**	**7,037**
10	**Provision for Taxation**	(105)	(30)	-	(235)	-	780
11	**Net Profit/(Loss) for the period (9-10)**	**(413)**	**1,518**	**1,411**	**823**	**5,737**	**6,257**
12	**Paid up Equity Share Capital (Face value of Rs.3/- each)**	6,836	6,836	7,143	6,836	7143	7,143
13	**Reserves excluding revaluation reserves**						56,256
14	**Basic and Diluted Earnings Per Share (in Rs.) (Not Annualised)**	(0.18)	0.66	0.59	0.35	2.41	2.63

PART II SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARHC 31, 2014

A.	**PARTICULARS OF SHAREHOLDING**						
1	**Public Shareholding**						
	- No. of Shares	58,417,112	58,418,512	68,638,715	58,417,112	68,638,715	68,638,715
	- Percentage of Shareholding	25.64%	25.64%	28.83%	25.64%	28.83%	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	169,447,570	169,447,570	169,447,570	169,447,570
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	74.36%	74.36%	71.17%	74.36%	71.17%	71.17%
B.	**INVESTOR COMPLAINTS**						
	Pending at the beginning of the quarter	Nil					
	Received during the quarter	6					
	Disposed off during the quarter	6					
	Remaining unresolved at the end of the quarter	Nil					

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 May 08, 2014 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 financials of this quarter and nine months period ended on March 31, 2014 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 1,300 Equity shares of face value of Rs. 3/- each under the ongoing Buy Back offer of the Company and out of them 1,200 Equity shares have been extinguished till 31st March, 2014 and the issued and paid-up sharecapital of the Company as on that date stands reduced accordingly.

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

5. Previous period's figures have been regrouped and/or recast wherever considered necessary to conform to the current period's presentation.

By order of the Board
S Mobility Limited

Preeti Malhotra
Director

Dated : May 08, 2014
Place : Noida

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 March 31, 2014 (the "Statement"), 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 provide 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 Rs. 8,784 lacs in, given unsecured interest free loans of Rs. 24,341 lacs to and has other receivables of Rs. 2,448 lacs from 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 investment 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.

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 Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs, and other recognized 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: 8/5/2014

