

S MOBILITY LIMITED
(Formerly Spice Mobility Limited)
Regd. Office : 19A & 19B, Sector - 125, Noida 201301, District Gautam Budh Nagar, Uttar Pradesh

Unaudited Consolidated Financial Results for the Quarter & Half year ended September 30, 2011

Sl.No.	Particulars	Consolidated (Rs. in Millions)				
		3 months ended		6 months ended		12 months ended
		30.9.2011 (Unaudited)	30.9.2010 (Unaudited)	30.9.2011 (Unaudited)	30.9.2010 (Unaudited)	31.03.2011 (Audited)
1	a. Net Sales/Income from operation					
	b. Other Operating Income	5,348	4,792	10,674	9,577	20,005
		59	15	89	31	100
	Total	5,407	4,807	10,663	9,608	20,105
2	Expenditure:					
	a. Decrease/(Increase) in stock in trade	(585)	599	(643)	851	627
	b. Purchase of Finished/Traded Goods	4,175	2,907	7,506	6,197	13,934
	c. Consumption of Raw Materials	314	20	137	20	359
	d. Connectivity and Content Cost	261	218	512	367	784
	e. Staff Cost	350	257	663	524	1,096
	f. Depreciation/Amortisation	79	117	149	166	334
	g. Branding Expenses	256	104	463	340	651
	h. Other expenditure	430	271	733	614	1,463
	Total expenditure	5,280	4,493	10,260	9,999	19,238
3	Profit from Operations before other income, interest and finance expenses, exceptional item and taxes (1-2)	127	314	403	509	927
4	Other Income	50	139	113	168	317
5	Profit before interest and finance expenses, exceptional item and taxes (3+4)	177	453	516	677	1,244
6	Interest and finance expenses	12	20	24	35	68
7	Profit before exceptional items and taxes (5-6)	165	433	492	642	1,176
8	Exceptional Items					
	- Gain on sale of investment in a Joint Venture Company	-	-	-	239	239
	- Branding Expenses charged back	-	208	-	-	-
9	Profit from ordinary activities before taxes (7+8)	165	641	492	881	1,415
10	Provision for Taxation	45	101	113	150	288
11	Net Profit for the period (9-10)	120	540	379	731	1,127
12	Minority Interest	18	20	34	32	77
13	Net Profit after Minority Interest (11-12)	102	520	345	699	1,050
14	Paid up Equity Share Capital (Face value of Rs.3/- each)	714	224	714	224	714
15	Equity Share Suspense Account	-	490	-	490	-
16	Reserves excluding revaluation reserves	-	-	-	-	7,491
17	Basic and Diluted Earnings Per Share (in Rs.) (Not Annualised)	0.43	2.18	1.45	2.94	4.37
18	Total Public Shareholding					
	- No. of Shares	74,638,000	74,638,000*	74,638,000	74,638,000*	74,638,000
	- Percentage of Shares	31.35%	31.35%	31.35%	31.35%	31.35%
19	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	163,448,285	163,448,285*	163,448,285	163,448,285*	163,448,285
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the Company)	68.65%	68.65%	68.65%	68.65%	68.65%

* including equity shares appearing under equity share suspense account, allotted on November 13, 2010



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

Sl.No.	Particulars	(Rs. in Millions)				
		3 months ended		6 months ended		12 months ended
		30.9.2011 (Unaudited)	30.9.2010 (Unaudited)	30.9.2011 (Unaudited)	30.9.2010 (Unaudited)	31.03.2011 (Audited)
1	Segment Revenue (Net):					
a	Mobile Devices					
b	Services	4,784	4,279	9,443	8,633	18,050
	Total	623	544	1,221	1,010	2,160
	Less: Inter-Segment Revenue	8,407	4,821	10,664	9,643	20,210
	Total Revenue	-	15	1	35	45
		8,407	4,807	10,663	9,608	20,165
2	Segment Results -Profit before tax and interest:					
a	Mobile Devices					
b	Services	21	396	197	253	379
	Less: Interest expense	83	119	174	234	517
	Add: Other unallocable income net of unallocable expense	(1)	(7)	(1)	(16)	(26)
	Total Profit Before Tax	62	150	122	410	545
		185	641	492	881	1,415
3	Capital Employed (Segment Assets- Segment Liabilities):					
a	Mobile Devices					
b	Services	4,311	3,219	4,311	3,210	3,007
	Unallocated Capital Employed	1,770	1,283	1,770	1,283	1,392
	Total	2,556	3,778	2,556	3,778	3,746
		8,639	8,280	8,639	8,280	8,206

- The above results were reviewed by the Audit Committee and thereafter were approved and taken on record by the Board of Directors in their meeting held on 10th November, 2011 and have undergone "Limited Review" by the Statutory Auditors of the Company.
- With a vision to switch as a leader in Mobile Internet space, the Company has begun investing in people and market, reflected in the higher manpower, branding and administrative cost in the quarter.
- The number of investor complaints received during the quarter were 13 and all have been resolved / disposed off and there were nil investor complaints pending either at the beginning or at the end of the quarter ended September 30, 2011.
- The Board of Directors of Spice Retail Limited and Spice Distribution Limited (Subsidiaries of the Company) at their respective Board Meetings held today have, subject to approvals of Shareholders, Creditors, Hon'ble High Court and other approvals as may be necessary, approved the scheme of amalgamation of Spice Distribution Limited with Spice Retail Limited w.e.f 1st April, 2011 (the appointed date). The said proposed amalgamation does not have any effect on the financial results of the Company and necessary accounting adjustments, which would not be significant, would be carried out once the amalgamation becomes effective.
- The Consolidated Financial results for the quarter ended September 30, 2011 represents consolidated results of the Company and its subsidiaries.
- During the quarter ended September 30, 2011, a subsidiary of the Company has subscribed for 100% equity in S Retail Fze Ltd. Accordingly, S Retail Fze Ltd. has been Consolidated from the date of Incorporation. Further a subsidiary of the Company has also subscribed for 100% equity in Spice VAS Zambia Ltd. The operations of Spice VAS Zambia Ltd and S Mobility(IK) Ltd. are yet to be started, hence these have not been Consolidated.
- During the quarter ended September 30, 2011, the Company has, based on a waiver letter received from trustees of Independent Non-Promoter Trust, where the Company is the beneficiary, reversed liability of proposed dividend of Rs.62 Million (including tax thereon) for the year ended March 31, 2011.
- Provision for tax is inclusive of net of deferred tax charge/ credit, fringe benefit tax and tax adjustments for earlier years.

9 Key Standalone Financial Information is given below:

Particulars	(Rs. in Millions)				
	3 months ended		6 months ended		12 months ended
	30.9.2011 (Unaudited)	30.9.2010 (Unaudited)	30.9.2011 (Unaudited)	30.9.2010 (Unaudited)	31.3.2011 (Audited)
Net Sales / Income from Operations	2,204	2,045	4,699	4,487	9,458
Profit before tax	6	511	172	580	915
Net Profit after tax	7	465	124	493	782

- The standalone financials results have been filed with the Stock Exchanges where the equity are listed and are also available at the Company's website www.spice-mobile.com.
- Previous period / year figures have been regrouped and/or recasted wherever considered necessary to conform to the current period presentation.

Place : New Delhi
Dated : 10th November,2011

By order of the Board
S Mobility Limited

Preeti Malhotra
Executive Director



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STATEMENT OF ASSETS AND LIABILITIES

Sl.No.	Particulars	(Rs. In Millions)		
		Consolidated		
		As at 30.09.2011 (Unaudited)	As at 30.09.2010 (Unaudited)	Year ended 31.03.2011 (Audited)
1	Sources of Funds			
	Share Capital			
	Equity Share Suspense	714	224	714
	Reserves & Surplus	-	490	-
	Minority Interest	7,925	7,566	7,491
	Loan Funds	595	498	555
	Deferred Tax Liability	-	528	-
		1	6	7
	Total	9,235	9,312	8,767
2	Application of Funds			
	Goodwill on consolidation			
	Fixed Assets (Including Intangibles)	2,624	2,031	2,616
	Investments	1,857	970	1,388
	Deferred Tax Assets	834	2,615	1,566
	Amount recoverable from Employee Benefit Trust	-	5	7
	Current Assets, Loans and Advances	126	-	126
	Inventories			
	Sundry Debtors	1,724	838	1,156
	Cash and Bank Balances	2,170	985	1,489
	Other Current Assets	1,949	1,765	2,169
	Loans and Advances	552	1,113	549
	Total	1,368	1,854	1,214
	Less : Current Liabilities and Provisions	7,763	6,555	6,577
	Current Liabilities			
	Provisions	3,357	2,563	2,840
	Net Current Assets	812	301	673
	Total	9,235	9,312	8,767

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