

S MOBILITY LIMITED

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

Audited Consolidated Results for the fifteen months period ended June 30,2012

(Rs. In Millions)

PART I STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE FIFTEEN MONTHS PERIOD ENDED JUNE 30,2012

Sl.No.	Particulars	Consolidated				
		3 months ended			15 months ended	12 months ended
		30.6.2012	31.3.2012	30.6.2011	30.6.2012	31.3.2011
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	a. Net Sales/Income from operation	5,113	5,533	5,230	27,379	20,082
	b. Other Operating Income	2	0	26	42	108
	Total	5,115	5,533	5,256	27,421	20,190
2	Expenditure:					
	a. Decrease/(increase) in stock in trade	(195)	507	(58)	(66)	627
	b. Purchase of Finished/Traded Goods	3,796	3,635	3,411	19,399	13,960
	c. Consumption of Raw Materials and components	348	309	423	1,635	359
	d. Connectivity and Content Cost	231	268	251	1,285	784
	e. Staff Cost	312	332	313	1,719	1,086
	f. Depreciation/Amortisation	96	90	70	413	334
	g. Branding Expenses	154	114	207	961	651
	h. Other expenditure	453	486	375	2,225	1,504
	Total expenditure	5,195	5,741	4,992	27,571	19,305
3	Profit/(Loss) from Operations before other income, interest expenses, exceptional items and taxes (1-2)	(80)	(208)	264	(150)	885
4	Other Income	67	29	63	249	317
5	Profit/(Loss) before interest expenses, exceptional items and taxes (3+4)	(13)	(179)	327	99	1,202
6	Interest expenses	0	3	1	3	26
7	Profit/(Loss) before exceptional items and taxes (5-6)	(13)	(182)	326	96	1,176
8	Exceptional Items					
	- Gain on sale of Investment in a Joint Venture Company	-	-	-	-	239
	- Provision for diminution in the value of long term investments	(23)	-	-	(23)	-
9	Profit/(Loss) from ordinary activities before taxes (7+8)	(36)	(182)	326	73	1,415
10	Provision for Taxation	1	16	68	109	298
11	Net Profit/(Loss) for the period (9-10)	(37)	(198)	258	(36)	1,117
12	Minority Interest	15	3	16	61	77
13	Net Profit/(Loss) after Minority Interest (11-12)	(52)	(201)	242	(97)	1,040
14	Paid up Equity Share Capital (Face value of Rs.3/- each)	714	714	714	714	714
15	Reserves excluding revaluation reserves	-	-	-	7,148	7,491
16	Basic and Diluted Earnings Per Share (in Rs.) (Not Annualised)	(0.22)	(0.84)	1.02	(0.41)	4.37

PART II SELECT INFORMATION FOR THE QUARTER AND FIFTEEN MONTHS PERIOD ENDED JUNE 30,2012

A. PARTICULARS OF SHAREHOLDING						
1	Public Shareholding					
	- No. of Shares	68,720,309	74,638,000	74,638,000	68,720,309	74,638,000
	- Percentage of Shareholding	28.86%	31.35%	31.35%	28.86%	31.35%
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	169,365,976	163,448,285	163,448,285	169,365,976	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)	71.14%	68.65%	68.65%	71.14%	68.65%
B. INVESTOR COMPLAINTS						
	Pending at the beginning of the quarter	Nil				
	Received during the quarter	10				
	Disposed off during the quarter	10				
	Remaining unresolved at the end of the quarter	Nil				

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

(Rs. in Millions)

Sl.No.	Particulars	Consolidated				
		3 months ended			15 months ended	12 months ended
		30.6.2012 (Unaudited)	31.3.2012 (Unaudited)	30.6.2011 (Unaudited)	30.6.2012 (Audited)	31.3.2011 (Audited)
1	Segment Revenue (Net):					
a	Mobile Devices					
b	Services	4,539	4,975	4,660	24,510	18,075
	Total	5,117	5,533	5,258	27,425	2,160
	Less : Inter-Segment Revenue	2	-	2	4	45
	Total Revenue	5,115	5,533	5,256	27,421	20,190
2	Segment Results -Profit/(Loss) before tax and Interest:					
a	Mobile Devices					
b	Services	(149)	(229)	175	(451)	379
	Less: Interest expense	63	3	91	252	517
	Add : Other unallocable income net of unallocable expense	0	(3)	1	(3)	(26)
	Total Profit/(Loss) Before Tax	(36)	(182)	326	73	1,415
3	Capital Employed (Segment Assets- Segment Liabilities):					
a	Mobile Devices					
b	Services	3,829	3,947	3,599	3,829	3,067
	Unallocated Capital Employed	1,924	1,855	1,525	1,924	1,392
	Total	2,109	2,469	3,326	2,109	3,746
	Total	7,862	8,271	8,450	7,862	8,205

Notes :

- The above results were reviewed by the Audit Committee in their meeting held on Aug 23, 2012 and were approved and taken on record by the Board of Directors in their meeting held on Aug 24, 2012.
- Pursuant to the Scheme of Amalgamation ["the Scheme"] U/s 391/394 of the Companies Act, 1956, one subsidiary of the Company i.e. Spice Distribution Limited ("Transferor Company"); stands merged with another subsidiary Company i.e. Spice Retail Limited ("Transferee Company") w.e.f April 01, 2011 ["the Appointed date"]. The Hon'ble High Court of Himachal Pradesh vide its order dated July 10, 2012 has sanctioned the said Scheme and the same has become effective from July 31, 2012. With effect from the Appointed date, all the business undertakings, assets, liabilities, rights and obligations of the Transferor Company stood transferred to and vested in the Transferee Company. The amalgamation has been accounted for by applying the pooling of interest method of accounting, wherein all the assets and liabilities of the Transferor Company have been accounted for at their book values as on March 31, 2011. The above results incorporate the effect of the amalgamation of the Transferor Company with the Transferee Company w.e.f April 1, 2011.
- The Company has changed its Financial Year from Twelve months period ended March 31, 2012 to Fifteen months period ended June 30, 2012.
- The Consolidated Financial results for the quarter ended and fifteen months period June 30, 2012 represents consolidated results of the Company and its subsidiaries.
- The Company has subscribed for 100% Equity shares in S Mobile Devices Limited and a subsidiary of the Company has acquired 100% Equity of Spice Online Retail Private Limited. Accordingly these Companies have become wholly owned subsidiaries of the Company from the date of incorporation/acquisition respectively. As these acquisition/subscriptions have been done after the closing of the financial year, these have not been consolidated in the Consolidated financial result of the Company.
- Subsequent to the period end, the members of the Company has accorded their approval with requisite majority by Postal Ballot for sale/transfer of mobile handset business of the Company to "S Mobile Devices Limited" a wholly subsidiary Company of the Company.
- Ms. Divya Modi has ceased to be a director w.e.f. 17th July, 2012.
- Provision for tax is inclusive of/ net of deferred tax charge/ credit, fringe benefit tax and tax adjustments for earlier years.
- The Board of directors has recommended a dividend of 50 % (Rs 1.5 per share) on the paid up capital of the Company for the financial year 2011-12, subject to the approval by the members of the Company. Independent Non-promoter Trust which holds 35,301,215 equity shares of the Company has waived off its right to receive entire dividend on the equity shares held by them. Accordingly, no dividend has been provided on these shares in the current period.

10 Key Standalone Financial Information is given below:

Particulars	3 months ended			15 months ended	12 months ended
	30.6.2012	31.3.2012	30.6.2011	30.6.2012	31.3.2011
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Net Sales / Income from Operations	1,591	1,836	2,406	10,086	9,484
Profit/(Loss) before tax	(135)	(217)	164	(467)	934
Net Profit/(Loss) after tax	(135)	(217)	116	(474)	781

- 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.
- Previous period / year figures have been regrouped and/or recasted wherever considered necessary to conform to the current period presentation.
- The figures of the last quarter are the balancing figures in respect of the full financial year and the published year to date figures upto the fourth quarter of the current financial year.

By order of the Board
S Mobility Limited

Preeti Malhotra
Executive Director

Dated : August 24, 2012

STATEMENT OF ASSETS AND LIABILITIES

(Rs. In Millions)

SNo.	Particulars	Consolidated	
		As at	As at
		30.06.2012 (Audited)	31.03.2011 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholder's funds		
	(a) Share Capital	714	714
	(b) Reserves & Surplus	7,148	7,491
	Total Shareholder's funds	7,862	8,205
2	Minority Interest / Non Controlling Interest	565	555
3	Non-current liabilities		
	(a) Other long-term liabilities	83	77
	(b) Long-term provisions	36	67
	(c) Deffered Tax Liabilities	6	7
	Total Non-current liabilities	125	151
4	Current Liabilities		
	(a) Short-term borrowings	20	-
	(b) Trade Payables	2,798	2,490
	(c) Other current liabilities	216	274
	(d) Short term provisions	596	605
	Total Current liabilities	3,630	3,369
	TOTAL- EQUITY AND LIABILITIES	12,182	12,280
B	ASSETS		
1	Non- current assets		
	(a) Fixed assets	2,014	1,382
	(b) Goodwill on consolidation	2,656	2,616
	(c) Non- current Investments	451	475
	(d) Deffered tax assets (net)	-	7
	(e) Long-term loans and advances	694	463
	(f) Other non-current assets	11	221
	(g) Amount recoverable from Employee Benefit Trust	126	126
	Total Non-current assets	5,952	5,290
2	Current assets		
	(a) Current Investment	701	1,091
	(b) Inventories	1,117	1,156
	(c) Trade Receivables	1,572	1,489
	(d) Cash and cash equivalents	1,174	1,947
	(e) Short term loans and advances	1,150	758
	(f) Other Current assets	516	549
	Total Current Assets	6,230	6,990