

**Review Report to
The Board of Directors
Spice Mobility Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Spice Mobility Group comprising Spice Mobility Limited ('the Company') and its subsidiaries (together, 'the Group') and its associates for the quarter ended June 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. 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. 2,026 Lacs and Rs. 10,201 lacs respectively, included in the accompanying unaudited consolidated financial results relating to 23 subsidiaries and 3 associates. The unaudited financial results for 16 subsidiaries has been reviewed by other auditors whose reports have been furnished to us and for 7 subsidiaries unaudited financial results has been taken based on the management certified accounts. Our conclusion on the unaudited quarterly financial results, in so far as it relates to such subsidiaries and associates is based solely on the reports of the other auditors/management accounts.
4. 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 the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, 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/E300005

Chartered Accountants

per Anil Gupta
Partner

Membership No.: 87921



Place: New Delhi

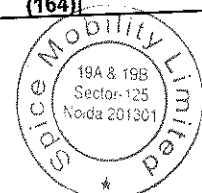
Date:

10/07/2016

Unaudited Consolidated Financial Results for the quarter ended June 30, 2016

(Rs. In Lakhs)

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016			
Sl.No.	Particulars	Consolidated	
		3 months ended	
		30.06.2016 (Unaudited)	30.06.2015 (Unaudited)
1	Income from Operations	31,555	48,896
	a. Net Sales/Income from operation	134	6
	b. Other Operating Income	31,689	48,902
	Total income from Operations (net)		
2	Expenses	22,032	36,257
	a. Purchase of stock in trade	2,033	3,195
	b. Changes in inventories of stock-in-trade	2,579	2,912
	c. Employee benefits expense	596	723
	d. Depreciation and amortisation expense	2,077	1,877
	e. Connectivity and Content Cost	219	705
	f. Branding Expenses	3,697	5,062
	g. Other expenses	33,233	50,731
	Total Expenses		
3	(Loss) from operations before other income, finance costs and exceptional items (1-2)	(1,544)	(1,829)
4	Other Income	336	359
5	(Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(1,208)	(1,470)
6	Finance Costs	159	76
7	(Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(1,367)	(1,546)
8	Exceptional Items	(500)	-
	- Provision for diminution in value of Long term investment in an associate company		
9	(Loss) from ordinary activities before taxes (7+8)	(1,867)	(1,546)
10	Tax expense	192	225
11	Net (Loss) from ordinary activities after tax (9 - 10)	(2,059)	(1,771)
12	Extraordinary items (net of tax expense)		
13	Net (Loss) for the period (11 + 12)	(2,059)	(1,771)
14	Share of Profit/(Loss) of associates	(46)	16
15	Minority Interest	20	10
16	Net (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15)	(2,125)	(1,765)
17	Net (Loss) after taxes, minority interest and share of profit / (loss) of associates but before exceptional items (16-8)	(1,625)	(1,765)
18	Other Comprehensive Income/(Loss) (including relating to associates (after tax)) (OCI)	(683)	26
19	Share of minority interest in other comprehensive income/(loss)	(164)	-



20	Total Comprehensive Loss (after tax)	(2,644)	(1,739)
21	Paid up Equity Share Capital (Face value of Rs.3/- each) (refer note 6)	5,420	5,420
22i	Earnings Per Share (in Rs.) (before exceptional items) (of Rs. 3/- Each) (Not Annualised)		
	a) Basic	(0.90)	(0.98)
	b) Diluted	(0.90)	(0.98)
22ii	Earnings Per Share (in Rs.) (after exceptional items) (of Rs. 3/- Each) (Not Annualised)		
	a) Basic	(1.18)	(0.98)
	b) Diluted	(1.18)	(0.98)

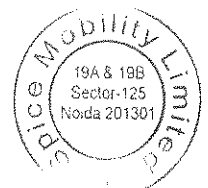
SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES UNDER REGULATION 33 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

(Rs. In Lakhs)

Sl.No.	Particulars	Consolidated 3 months ended	
		30.06.2016	30.06.2015
		(Unaudited)	(Unaudited)
1	Segment Revenue (Net):		
		25,546	43,180
a	Mobile Devices	6,219	5,852
b	Services	31,765	49,032
	Total	76	130
	Less : Inter-Segment Revenue	31,689	48,902
	Net sales/Income From Operations		
2	Segment Results -(Loss) before tax and Interest:	(1,413)	(1,395)
a	Mobile Devices	200	8
b	Services	(159)	(76)
	Less: Finance Costs	(496)	(83)
	Less : Other unallocable expense net of unallocable income	(1,868)	(1,546)
	Total (Loss) Before Tax		
3	Segment Assets:	10,631	21,208
a	Mobile Devices	19,027	17,419
b	Services	28,794	36,706
	Unallocated	58,452	75,333
	Total		
4	Segment Liabilities:	19,398	32,017
a	Mobile Devices	6,927	5,618
b	Services	8,138	6,205
	Unallocated	34,463	43,840
	Total		

Notes :

- 1 The above results were reviewed by the Audit Committee in its meeting held on August 9, 2016 and were approved by the Board of Directors in its meeting held on August 10, 2016
- 2 The Consolidated Financial results for the quarter ended on June 30, 2016 represents consolidated results of the Company, its subsidiaries and associates .
- 3 Provision for income tax is inclusive of/ net of deferred tax charge/ credit and tax adjustments for earlier years.



- 4 The Company has adopted Indian Accounting Standards ("Ind AS") from 1st April, 2016 and accordingly the financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules issued thereunder and the other accounting principles generally accepted in India. Financial results for the current and corresponding previous year quarter presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34. The date of transition to Ind AS is 1st April, 2015. The impact of transition has been accounted for in opening reserves and the comparative period has been reinstated accordingly.
The Ind AS compliant financial results for the preceding quarter ended 31st March, 2016 and previous year ended 31st March, 2016 have not been provided, as per the exemption provided vide SEBI circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016.

5 Key Standalone Financial Information is given below:

Particulars	(Rs. In Lakhs)	
	3 months ended	
	30.06.2016 (Unaudited)	30.06.2015 (Unaudited)
Net Sales / Income from Operation	6,482	-
Profit/(Loss) before tax	(44)	(320)
Net Profit/(Loss) after tax	(44)	(320)

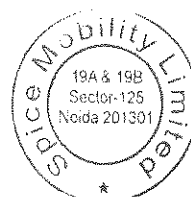
- 6 Pursuant to the adoption of "Ind AS", in accordance with "Ind AS 32", the paid up equity share capital of Rs.6,836 lakhs has been reduced by Rs. 1,416 lakhs being the face value of 47,202,967 equity shares of Rs. 3/- each held by two trusts viz. Independent Non Promoter Trust and Independent Non Promoter (Spice Employee Benefit) Trust.

- 7 Reconciliation of statement of Profit and Loss account between Ind AS and Indian GAAP for the quarter ended 30.06.2015

S.No	Nature of Adjustments	Quarter Ended 30.06.2015
		(1760)
	Net Loss as per Indian GAAP	
		(2)
1	Effect of straight lining of rent reversed	
2	Effect of discounting of security deposit paid	(10)
	- Rent Expense	10
	- Other Income	
3	Effect of discounting of security deposit received	2
	- Rent income	(2)
	- Finance Cost	(3)
4	Effect of measuring mutual fund investments at fair value through profit & loss	0
5	Tax impact of above adjustments	(1,765)
	Net loss as per Ind AS	26
	Effect of measuring equity investments at fair value through other comprehensive income	
		(1,739)
	Total Comprehensive Loss for the period	

- 8 One of the step down overseas subsidiaries has, outstanding loan in foreign currency of USD 13,42,115 (equivalent Rs. 908 lakhs) in another step down overseas subsidiary. During the quarter the said loan has been converted into a long term loan from short term receivable. Accordingly, the exchange difference arising on the translation of said loan of Rs 432 lakhs has been taken to other comprehensive income as per para 32 of Ind AS 21.

Dated : August 10, 2016
Place : Noida



By order of the Board
Spice Mobility Limited

Dilip Modi
Chairman

**Review Report to
The Board of Directors
Spice Mobility Limited**

We have reviewed the accompanying statement of unaudited financial results of Spice Mobility Limited ('the Company') for the quarter ended June 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

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.

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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, 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/E300005

Chartered Accountants

Anil Gupta

per Anil Gupta

Partner

Membership No.: 87921



Place: New Delhi

Date:

10/07/2016

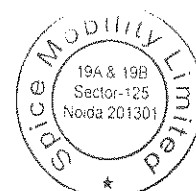
Unaudited Standalone Financial Results for the quarter ended June 30, 2016

(Rs. In Lakhs)

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016		Standalone	
Sl.No.	Particulars	3 months ended	
		30.06.2016	30.06.2015
		Unaudited	Unaudited
1	Income from Operations	6,482	-
	Net Sales/Income from operation	6,482	-
	Total income from Operations (net)		
2	Expenses	6,352	-
	a. Purchase of stock-in-trade	0	-
	b. Changes in inventories of stock-in-trade	52	190
	c. Employee benefits expense	176	188
	d. Depreciation and amortisation expense	78	84
	e. Rent expenditure	207	210
	f. Other expenses	6,865	672
	Total Expenses		
3	(Loss) from operations before other income and finance costs (1-2)	(383)	(672)
4	Other Income	344	355
5	Profit / (Loss) from ordinary activities before finance costs (3 + 4)	(39)	(317)
6	Finance Cost	5	3
7	Profit / (Loss) from ordinary activities before tax (5 - 6)	(44)	(320)
8	Tax expense/(credit)	-	-
9	Net Profit / (Loss) from ordinary activities after tax (7 - 8)	(44)	(320)
10	Extraordinary items (net of tax expense)	-	-
11	Net Profit / (Loss) for the period (9 + 10)	(44)	(320)
12	Other Comprehensive Income/(Loss) (after tax) (OCI)	(251)	27
13	Total Comprehensive Income (after tax)	(295)	(293)
14	Paid up Equity Share Capital (Face value of Rs.3/- each) (Refer note 5)	5,420	5,420
15i	Earnings Per Share (in Rs.) (before extraordinary items) (of Rs. 3/- each) (not annualised)		
	(a) Basic	(0.02)	(0.18)
	(b) Diluted	(0.02)	(0.18)
15ii	Earnings Per Share (in Rs.) (after extraordinary items) (of Rs. 3/- each) (not annualised)		
	(a) Basic	(0.02)	(0.18)
	(b) Diluted	(0.02)	(0.18)

Notes :

- The above results were reviewed by the Audit Committee in its meeting held on August 09, 2016 and were approved by the Board of Directors in its meeting held on August 10, 2016.
- The Company has adopted Indian Accounting Standards ("Ind AS") from 1st April, 2016 and accordingly the financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for current and corresponding previous year quarter presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34. The date of transition to Ind AS is 1st April, 2015. The impact of transition has been accounted for in opening reserves and the comparative period has been reinstated accordingly. The Ind AS compliant financial results for the preceding quarter ended 31st March, 2016 and previous year ended 31st March, 2016 have not been provided, as per the exemption provided vide SEBI circular no. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- As the Company's business activities fall within a single primary business segment viz. "Mobile Devices Business", the disclosure requirement of Indian Accounting Standard (Ind AS-108) 'Operating Segments' prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules issued thereunder.
- Pursuant to the adoption of "Ind AS", in accordance with "Ind AS 32", the paid up equity share capital of Rs.6,836 lakhs has been reduced by Rs. 1,416 lakhs being the face value of 47,202,967 equity shares of Rs. 3/- each held by two trusts viz. Independent Non Promoter Trust and Independent Non Promoter (Spice Employee Benefit) Trust.



6 **Reconciliation of statement of Profit and Loss account between Ind AS and Indian GAAP for the quarter ended 30 June, 2016:**

S.No	Nature of Adjustments	(Rs. in Lakhs)	
			Quarter Ended 30.06.2015
			(233)
	Net Loss as per Indian GAAP		(87)
1	Effect of straight lining of rent reversed		(2)
2	Effect of discounting of security deposit paid		2
	- Rent Expense		
	- Other Income		
3	Effect of discounting of security deposit received		2
	- Rent Income		(2)
	- Finance Cost		
			(320)
	Net loss as per Ind AS		27
	Effect of measuring equity investments at fair value through other comprehensive income		
			(293)
	Total Comprehensive Loss for the period		

By order of the Board
Spice Mobility Limited

DHJ Modi
Chairman

Dated : August 10, 2016
Place : Noida

