

Spice Mobility Limited

CIN No.-L72900DL1986PLC330369

Regd. Office: 622, 6th Floor, DLF Tower A, Jasola Distt Centre,

New Delhi – 110025. | Tel: 011 41251965

www.spicemobility.in | complianceofficer@smobility.in

spice

Date: September 11, 2018

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001
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: SPICEMOBI

Sub: Notice of Meeting of the Equity Shareholders of Spice Mobility Limited convened in pursuant to the Order of Hon'ble National Company Law Tribunal in respect of Comprehensive Scheme of Arrangement between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors under Sections 230 - 232 and other applicable provisions, if any, of the Companies Act, 2013

Dear Sir,

As required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that pursuant to the Order dated August 10, 2018 of the Special Bench of the Hon'ble National Company Law Tribunal, New Delhi ("the Hon'ble NCLT/ the Tribunal"), a meeting of the Equity Shareholders of Spice Mobility Limited for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Arrangement between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors is scheduled to be held at Air Force Auditorium, Subroto Park, New Delhi - 110010 on Monday, 15th day of October, 2018 at 11:00 A.M.

We are enclosing herewith the Copy of the Notice along with enclosures of the aforesaid Meeting. The said Notice along with enclosures is also available on the Company website www.spicemobility.in

Further, we wish to inform you that the Company in compliance with provisions of Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable Rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is pleased to offer voting by way of Postal Ballot or alternatively by way of E-Voting facility to enable the members to cast their vote electronically. For this purpose, necessary arrangements have been made with National Securities Depository Limited ("NSDL") to facilitate e-voting. The remote e-voting period commences on Saturday, the 15th September, 2018 at 9:00 A.M. and ends on Sunday, the 14th October, 2018 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. on Friday, the 31st August, 2018, may cast their votes electronically.

Kindly take the above information on record and acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For **Spice Mobility Limited**



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

Encl: a/a



SPICE MOBILITY LIMITED

Regd. Office: 622, 6th Floor, DLF Tower A, Jasola Distt. Centre, New Delhi -110025
Corporate Office: Spice Global Knowledge Park, 19A & 19B, Sector -125, Noida 201301
CIN: L72900DL1986PLC330369
Tel.: 0120- 3355131; **Email:** complianceofficer@smobility.in
Website: www.spicemobility.in

MEETING OF THE EQUITY SHAREHOLDERS OF SPICE MOBILITY LIMITED

(Convened pursuant to Order dated August 10, 2018 passed by the Hon'ble National Company Law Tribunal ("NCLT" or "Tribunal"), New Delhi)

DETAILS OF THE MEETING

Day	Monday
Date	15 th day of October, 2018
Time	11:00 A.M.
Venue	Air Force Auditorium, Subroto Park, New Delhi – 110010

POSTAL BALLOT AND REMOTE E-VOTING

Start Date	Saturday, 15 th day of September, 2018 at 09:00 A.M.
End date	Sunday, 14 th day of October, 2018 at 05:00 P.M.

DOCUMENTS ENCLOSED:

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT NEW DELHI
COMPANY APPLICATION C.A. (CAA) 123(PB)/ 2018**

In the matter of the Companies Act, 2013 (18 of 2013)

And

In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Comprehensive Scheme of Arrangement between Comprehensive Scheme of Arrangement between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors

And

Spice Mobility Limited (hereinafter referred to as "SML")

Company registered under the Companies Act, 1956

Having its registered office at:

622, 6th Floor, DLF Tower A, Jasola District Centre,

New Delhi - 110025

CIN: L72900DL1986PLC330369

(Transferee Company /

Applicant Company I)

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF
SPICE MOBILITY LIMITED**

NOTICE is hereby given that by an Order dated August 10, 2018, Special Bench of the Hon'ble National Company Law Tribunal, New Delhi ("the Hon'ble NCLT/ the Tribunal") has directed that a meeting of the Equity Shareholders of Spice Mobility Limited be held for the purpose of considering and if thought fit, approving with or without modifications, the arrangement proposed to be made between Spice Mobility Limited ("**Transferee Company**" or "**Applicant Company I**" or "**SML**") and Spice Digital Limited ("**Transferor Company I**" or "**Applicant Company II**" or "**SDL**") and Spice IOT Solutions Private Limited ("**Transferor Company II**" or "**Applicant Company III**" or "**Spice IOT**") and Mobisoc Technology Private Limited ("**Transferor Company III**" or "**Applicant Company IV**" or "**Mobisoc**") and Spice Labs Private Limited ("**Transferor Company IV**" or "**Applicant Company V**" or "**Spice Labs**") and their respective shareholders and creditors.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the Equity Shareholders of Spice Mobility Limited will be held at Air Force Auditorium, Subroto Park, New Delhi - 110010 on Monday, 15th day of October, 2018 at 11:00 A.M., at which date, time and place the said equity shareholders are requested to attend to consider, and if thought fit, to approve, with or without modification(s), the following resolution:

"RESOLVED THAT pursuant to the provisions of Sections 230-232 and other applicable provisions, if any, of the Companies Act, 2013, to the extent applicable, including Rules made thereunder, and any statutory modification(s) or re-enactment(s) thereof for the time being in force, and subject to the relevant provisions of the Memorandum & Articles of Association of the Company and subject to the requisite approvals and permissions of the relevant Stock Exchanges (i.e. BSE Limited and National Stock Exchange of India Limited) including the Observation Letters received from these Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other appropriate authority as may be required and subject to the sanction by the jurisdictional National Company Law Tribunal ("NCLT" or "Tribunal"), as the case may be, and in accordance with the Regulations/Guidelines, if any, prescribed by the SEBI or any relevant authority(ies) from time to time to the extent applicable and subject to such approvals, consents, permissions and sanctions of the appropriate authorities as may be necessary/required and subject to such condition(s) as may be prescribed, directed or made by any of them while granting such approvals, consents and permissions, and may be agreed by the Board of Directors (hereinafter referred to as the 'Board' which expressions shall include one or more committee(s) of directors or any other person duly authorized by

the Board in this behalf), the approval of the shareholders of Company be and is hereby accorded to the Comprehensive Scheme of Arrangement between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors ("Comprehensive Scheme of Arrangement" / "Scheme"/ "Scheme of Arrangement").

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper".

TAKE FURTHER NOTICE that you may attend and vote at the meeting in person / authorized representative or by proxy provided that all proxies in the prescribed form are deposited at the registered office of the Applicant Company I i.e. 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi - 110025 ("**Registered Office**") **not later than 48 hours before the time fixed for the Meeting**. Proxy Form is enclosed herewith and can be obtained free of charge between 10:00 A.M. to 6:00 P.M. on any day (except Saturday, Sunday and public holidays at the Registered Office of the Applicant Company I.

TAKE FURTHER NOTICE that in compliance with the provisions of (i) Section 230(4) read with Sections 108 and Section 110 of the Companies Act, 2013; (ii) Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 20, Rule 22, Rule 25 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, issued by the Securities and Exchange Board of India (referred to as "**SEBI Circular**"), the Applicant Company I has provided the facility to cast votes either by way of Postal Ballot or by Remote e-voting facility offered by National Securities Depository Limited ("NSDL"). The voting rights shall be reckoned based on the paid-up value of equity shares registered in the name of the equity shareholders as on cut-off date i.e. 31st August, 2018. Accordingly, equity shareholders of the Applicant Company I can vote either by way of (i) Postal Ballot or (ii) remote e-voting system or (iii) ballot paper at the venue of the meeting. The equity shareholders may refer to Notes to this Notice for further details on Postal Ballot and Remote e-voting.

TAKE FURTHER NOTICE that the shareholders who have cast their vote by remote e-voting or through Postal Ballot prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

TAKE FURTHER NOTICE that the Hon'ble Tribunal has appointed Mr. Kunwar Jai Singh, Advocate as the Chairperson and Mr. G. S. Parashar, Advocate as the Alternate Chairperson for the said meeting of the Equity Shareholders.

The Explanatory Statement under Section 230(3) read with Section 232(2) and Section 102 of the Companies Act, 2013 along with copy of the Comprehensive Scheme of Arrangement and other annexures including Attendance Slip, Proxy Form, and Postal Ballot Form are enclosed herewith.

The abovementioned Scheme, if approved at the meeting, will be subject to the subsequent approval of the Tribunal.

Dated this 5th day of September, 2018

Sd/-

Kunwar Jai Singh, Advocate

Chairperson appointed for the Meeting

Registered Office: 622, 6th Floor, DLF Tower A,
Jasola Distt. Centre, New Delhi -110025

NOTES:

1. **AN EQUITY SHAREHOLDER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY/ PROXIES SO APPOINTED NEED NOT BE AN EQUITY SHAREHOLDER OF THE COMPANY. THE FORM OF PROXY DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE AFORESAID MEETING. A BLANK PROXY FORM IS ANNEXED TO THIS NOTICE.**
2. As per Section 105 of the Companies Act, 2013 and Rules made thereunder, a person can act as proxy on behalf of Equity Shareholders not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. Further, equity shareholders holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. All alterations made in the Form of Proxy should be signed/ initialed.
4. During the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, an Equity Shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 (three) days of notice in writing is given at the Registered Office of the Company.
5. Equity Shareholders are advised to bring their photo identity document for verification. Only registered members carrying the attendance slip and the holders of valid proxies registered with the Company will be permitted to attend the Meeting.
6. Equity Shareholders / Proxies / Authorised representative(s) may kindly note the following: (i) Copies of the Notice will not be distributed at the venue of the Meeting; (ii) Attendance Slip, sent herewith, is required to be produced at the venue duly filled-in and signed, for attending the Meeting; (iii) Entry to the hall will be in exchange for duly completed and signed Attendance Slips; and (iv) In all correspondence with the Company and/or Registrar, please quote Folio No. or DP & Client Id No., as the case may be.
7. Equity Shareholders may please note that briefcase, bag, mobile phone, and/or eatables shall not be allowed to be taken inside the hall for security reasons.
8. A body corporate may attend and vote through its authorized representative provided a certified copy of the resolution of its Board of Directors or other governing body authorizing such representative to attend and vote at the meeting is deposited with the Company.
9. Foreign Institutional Investors are required to deposit certified copies of Custodial resolutions / Power of Attorney, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on their behalf.
10. Equity Shareholders are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of the Company in respect of such joint holding will be entitled to vote.
11. Hon'ble NCLT vide its Order dated 10th day of August, 2018 has directed that a Meeting of the Equity Shareholders of the Transferee Company shall be convened and held at Air Force Auditorium, Subroto Park, New Delhi - 110010 on Monday, the 15th day of October, 2018 at 11:00 AM for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme.
12. The quorum of the Meeting of the Equity Shareholders of the Company shall be 500 or 75 % in value, whichever is higher. In case the quorum is not present in the Meeting at the scheduled time, then the Meeting shall be adjourned by half an hour, and thereafter, the person present at the Meeting shall be deemed to constitute the quorum.
13. The Statement under Sections 230(3), 232(1) & (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Explanatory Statement") is annexed hereto.
14. The Notice along with Explanatory Statement and other Annexures will be sent to all the equity shareholders by permitted mode and also through electronic mode to those equity shareholders whose e-mail addresses are registered with the Depository or the Company's RTA. The Notice, will be sent to those equity shareholders/beneficial owners whose name will appear in the Register of Members/list of beneficiaries received from the depositories as on 31st August 2018. A person who is not an equity shareholders as on this date shall not be eligible to vote through any mode and treat this notice for information purposes only.

15. An equity shareholder who has opted to receive the documents electronically and who wishes to vote through Postal Ballot may seek duplicate Postal Ballot Form from the Registered office of the Company. However, the duly filled in and signed duplicate Postal Ballot Form should reach the Scrutinizer on or before 5:00 P.M. on Sunday, the 14th day of October, 2018.
16. An equity shareholder desiring to exercise his vote by Postal Ballot Form are requested to carefully read the instructions printed in the Postal Ballot Form. Duly completed and signed Postal Ballot Form should reach the Scrutinizer on or before 5:00 P.M. on Sunday, the 14th day of October, 2018. Incomplete, unsigned, improperly or incorrectly tick marked Postal Ballot Form will be rejected.
17. All documents, including those required to be kept for inspection, referred to in the accompanying Notice are open for inspection at the Registered Office of the Company upto one day prior to the date of Meeting between 10:00 A.M. to 6:00 P.M. on all working days, except Saturdays, Sundays and holidays.
18. MAS Services Ltd. is the Registrar & Share Transfer Agent of the Company. All investor related communication may be addressed to MAS Services Ltd. at the following address T-34, 2nd Floor, Okhla Industrial Area Phase-II, New Delhi-110020.
19. As directed by the Hon'ble Tribunal, the Scrutinizer for Meeting shall be Mr. Gopal Prasad Agrawal, to scrutinize votes cast either by Postal Ballot Form or remote e-voting or through Ballot Paper at the venue of the Meeting. The Scrutinizer will submit its Report to the NCLT appointed Chairperson of the Meeting.
20. The Scrutinizer shall after the conclusion of the Meeting submit the Consolidated Scrutinizer's Report (i.e. votes cast through Postal Ballot Form or Remote e-voting or Ballot Paper at the venue of the meeting) of the total votes cast in favour or against the resolution and invalid votes, to the NCLT appointed Chairperson of the Meeting. Thereafter, the Chairperson shall file his report with Hon'ble NCLT within two weeks of the conclusion of the Meeting as per the directions contained in Order dated August 10, 2018.
21. The Route Map of the Venue for the Meeting of the Company is annexed hereto and forms part of this Notice.
22. **Remote E - voting**
 - i. In compliance with provisions of Section 108, Section 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable Rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to offer voting by way of Postal Ballot or alternatively by way of E-Voting facility as a mode of voting for its Members, to enable them to cast their vote electronically. For this purpose, necessary arrangements have been made with National Securities Depository Limited ("NSDL") to facilitate e-voting.
 - ii. An equity shareholder cannot exercise his / her vote through proxy on Postal Ballot. An equity shareholder can opt only one mode of voting i.e. either by Physical Ballot or Remote e-voting or in the meeting to be held on Monday, the 15th of October, 2018. If an equity shareholder has opted for Remote e-voting, then he / she should not vote by Postal Ballot Form and vice-versa. However, in case an equity shareholder cast his vote both via Postal Ballot Form and Remote e-voting both, then voting through Remote e-voting shall prevail and voting done by Postal Ballot Form shall be treated as invalid.
 - iii. The facility for voting through ballot paper shall be made available at the meeting and the members attending the meeting who have not cast their vote either by Postal Ballot Form or by remote e-voting shall be able to exercise their vote at the meeting through ballot paper.
 - iv. In the event of any grievance relating to the remote e-voting, the equity shareholders may contact Mr. Amit Vishal, Senior Manager, NSDL through e-mail at evoting@nsdl.co.in or amitv@nsdl.co.in or on toll free No.: 1800-222-990 or Mr. Sharwan Mangla, General Manager, MAS Services Limited, RTA at info@masserve.com or on Telephone No.: 011 – 26387281.
 - v. The remote e-voting facility commences on Saturday, the 15th day of September, 2018 at 9:00 A.M. and ends on Sunday, the 14th October, 2018 at 5:00 P.M. During this period, the Equity Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off date, i.e. August 31, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL upon expiry of aforesaid period. Once the vote on the resolution is cast by an Equity Shareholder, he or she will not be allowed to change it subsequently. Equity Shareholders are requested to carefully read the instructions given below.

Process and Manner for members opting for Remote e-voting on NSDL e-Voting system consists of two steps as detailed hereunder:

Step 1 : Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/>.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
 - a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
 - b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).
5. Your password details are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need enter the ‘initial password’ and the system will force you to change your password.
 - c. How to retrieve your ‘initial password’?
 - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii. If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a. Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b. “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to gpaorissa@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Enclosures: As above

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT NEW DELHI
COMPANY APPLICATION C.A. (CAA) 123(PB)/ 2018**

In the matter of the Companies Act, 2013 (18 of 2013)

And

In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Comprehensive Scheme of Arrangement between

Spice Mobility Limited (hereinafter referred to as "SML")

Company registered under the Companies Act, 1956

Having its registered office at:

622, 6th Floor, DLF Tower A, Jasola District Centre,

New Delhi - 110025

CIN: L72900DL1986PLC330369

(Transferee Company /
Applicant Company I)

And

Spice Digital Limited (hereinafter referred to as "SDL")

Company registered under the Companies Act, 1956

Having its registered office at:

622, 6th Floor, DLF Tower A, Jasola District Centre,

New Delhi - 110025

CIN: U72900DL2000PLC104989

(Transferor Company II /
Applicant Company II)

And

Spice IOT Solutions Private Limited (hereinafter referred to as "Spice IOT")

Company registered under the Companies Act, 2013

Having its registered office at:

622, 6th Floor, DLF Tower A, Jasola District Centre,

New Delhi - 110025

CIN: U72900DL2016PTC330061

(Transferor Company II /
Applicant Company III)

And

Mobisoc Technology Private Limited (hereinafter referred to as "Mobisoc")

Company registered under the Companies Act, 1956

Having its registered office at:

622, 6th Floor, DLF Tower A, Jasola District Centre,

New Delhi - 110025

CIN: U72300DL2006PTC151960

(Transferor Company III /
Applicant Company IV)

And

Spice Labs Private Limited (hereinafter referred to as "Spice Labs")

Company registered under the Companies Act, 1956

Having its registered office at:

622, 6th Floor, DLF Tower A, Jasola District Centre,

New Delhi - 110025

CIN: U72300DL2009PTC311320

(Transferor Company IV /
Applicant Company V)

And

their respective shareholders and creditors

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to Order dated August 10, 2018 passed by Special Bench of the Hon'ble National Company Law Tribunal at New Delhi, in Company Application No. CA(CAA)-123(PB)/2018 filed by Spice Mobility Limited, a meeting of the Equity Shareholders of Spice Mobility Limited, is being convened and to be held at Air Force Auditorium, Subroto park, New Delhi - 110010 on Monday, the 15th day of October, 2018 at 11:00 A.M., for the purpose of considering and if thought fit, approving, with or without modification(s), the arrangement embodied in the proposed Comprehensive Scheme of Arrangement between Spice Mobility Limited ("**Transferee Company**" or "**Applicant Company I**" or "**SML**") and Spice Digital Limited ("**Transferor Company I**" or "**Applicant Company II**" or "**SDL**") and Spice IOT Solutions Limited ("**Transferor Company II**" or "**Applicant Company III**" or "**Spice IOT**") and Mobisoc Technology Private Limited ("**Transferor Company III**" or "**Applicant Company IV**" or "**Mobisoc**") and Spice Labs Private Limited ("**Transferor Company IV**" or "**Applicant Company V**" or "**Spice Labs**") and their respective shareholders and creditors (hereinafter referred to as the "**Scheme**" or "**Comprehensive Scheme of Arrangement**").
2. This statement is being furnished as required under Sections 230 - 232 of the Companies Act, 2013 (the "Act") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
3. The Scheme envisages the arrangement between SML and SDL and Spice IOT and Mobisoc and Spice Labs and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013.
4. A copy of the Scheme, which has been approved unanimously by the Board of Directors of the Applicant Company I, II, III, IV and V at their respective Board Meetings, held on December 22, 2017 is attached as **Annexure - I**.

5. Particulars of Spice Mobility Limited

5.1. Spice Mobility Limited (i.e. Applicant Company I)

- a) Spice Mobility Limited (hereinafter referred to as "SML" or "Applicant Company I") was incorporated on December 23, 1986 under the Companies Act, 1956, having its registered office at 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025. The Applicant Company I is a Public Limited Company having Corporate Identity Number L72900DL1986PLC330369, the e-mail id is complianceofficer@smobility.in and the Permanent Account Number of the Company is AABCM5619D.
- b) SDL and Spice IOT are the subsidiary companies of SML within the meaning of Section 2(87) of the Companies Act, 2013. It may be noted that Spice IOT is the wholly-owned subsidiary company of SML.

The main objects of the Applicant Company I are set out in Clause III (A) of its Memorandum of Association, which are as given below:

- To carry on trade or business of manufacturers of and dealers of computers and their peripherals of every kind, description and activation, accounting, reckoning, registering, recording, perforating, tabulating, sorting, adding, subtracting, dividing, multiplying, printing, typewriting, copying, reproducing and distributing machines and machinery, systems, apparatus, appliances and any products and component parts thereof or material and articles used in connection therewith, and any and all other machines, machinery, appliances, apparatus, devices, materials, substances, articles or things of a character similar or analogous to the foregoing, or any of them or connected therewith.
- To develop, design, acquire, apply, install, maintain, sell, purchase, distribute, export, import, market, deal in all types of software (whether Application or System), programs, websites, portals, etc. including providing value added services to cellular phones or fixed line telephones or for any other wireline or wireless devices and provide customer support thereto.
- To set-up, maintain, run, operate, take on lease or hire, or to give on lease or hire any equipment, whether electrical, electronic, telecommunication or otherwise including punch card equipment, computers,

peripherals, related equipment, information processing and word processing equipment such as copying machines, electronic telephone exchanges, typewriters advanced and otherwise, and with or without memory and dictating equipment related to data processing.

- To manufacture, assemble, distribute, operate, sell, purchase, export, import, trade, maintain, run, improve, repair, service, research, develop all types of Electronic, Telecommunication, Telephonic and Telegraphic gadgets and systems, cellular telephone equipment and units and systems, pagers, components, accessories, assemblies, apparatus, consumables, spares, hardware, software and services.
- To acquire, develop, install, maintain, provide and run all types of services in Telecommunications, Information Technology {whether in relation to Information Technology Enabled Services (ITES) or not} including, without limitation, transaction processing, remote help desk management, remote hardware and/or software management, remote customer interaction, customer relationship management and customer servicing through contact / call center, Business Process Outsourcing, Back Office Operation and Management Services, Network Management Support and any other activity related to the business of the Company.
- To carry on the business as manufacturers, distributors, importers, exporters, buyers, sellers, agents, stockists of and to market, transport, supply, assemble, alter, service, repair, store and deal in office automation products including, but not limited to, printing machinery and equipment and their systems, components, plasma screens & projectors, spiral punching and / or binding machines, laminating machines, lettering machines, duplicating machines, ID card systems and office equipment including shredders, xerographic products, photocopiers including cleaning platers, inks, spare parts, components of xerographic equipment & systems and consumable items used therein.
- To carry on the business of maintenance, repair and reconditioning of all articles and things mentioned in the above paragraphs.
- To invest in and acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or granted by any Company or body corporate and to render and provide consultancy to such companies or bodies corporate.

Further, Sub Clause 10 of Clause III (B) of the Memorandum of Association of the Applicant Company I authorizes the Applicant Company I as under:

- Subject to sections 391 & 394 of the Companies Act, 1956 to amalgamate with any other company or companies having objects altogether or in any part similar to those of this Company.

(c) The details of change in the name, object and the registered office address of the Applicant Company I in the last five (5) years is given as under:

- **Change in Name:** The name of company was changed from S Mobility Limited to Spice Mobility Limited with effect from July 21, 2014.
- **Change in Object:** There has been no change in the objects of the company in the last five (5) years; and
- **Change in Registered Office:** The Registered Office of the Company was changed from S Global Knowledge Park, 19A & 19B, Sector 125, Noida, Uttar Pradesh – 201301 to 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025 with effect from February 14, 2018.

(d) It may be noted that the Applicant Company I is a listed public company and its equity shares are listed on BSE Limited and National Stock Exchange of India Limited.

(e) The Share Capital of Applicant Company I as on March 31, 2018 is as under:

Particulars	Amount in Rs.
Authorised Capital	
33,00,00,000 Equity Shares of Rs. 3/- each	99,00,00,000
Total Authorised Capital	99,00,00,000
Issued, Subscribed and Paid-up Capital	
22,78,63,982 Equity Shares of Rs.3/- each fully paid up	68,35,91,946
Total Issued, Subscribed and Paid-up Capital	68,35,91,946

(f) The list of Directors of the Applicant Company I as on August 31, 2018 is given below:

S. No.	Name	Address	DIN No.	Date of Appointment
1.	Mr. Dilip Kumar Modi	36, Amrita Shergill Marg , New Delhi-110003	00029062	21-08-2006
2.	Mr. Hanif Mohamed Dahya	5 Beechwood Road, Allendale, New Jersey,07401 United States of America	01068575	26-08-2013
3.	Mr. Subramanian Murali	2001, ATS Greens Village, Sector - 93A Noida –201304, Uttar Pradesh, India	00041261	07-05-2015
4.	Mr. Suman Ghose Hazra	E-604, Krishna Apra Residency, Sector-61, Noida – 201301	00012223	07-05-2015
5.	Mr. Umang Das	1B Jangpura, Mathura Road, New Delhi –110014	00027912	07-05-2015
6.	Mr. Shrenik Mahendra Khasgiwala	19, Ashok Niwas, Subhash Nagar Estate 390, N.M. Joshi Marg Mumbai 400011	08136159	17-05-2018

(g) List of promoters of Applicant Company I as on March 31, 2018 is as under:

S. No.	Name	Address
1.	Spice Connect Private Limited	622, 6 th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025

(h) Pursuant to SEBI Circular and the SEBI LODR Regulations, the detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of the Applicant Company I, as per the scheme filed with NCLT, is given herein below:

Authorized Share Capital

Particulars	Amount in Rs.	Amount in Rs.
Authorised Capital	Pre Scheme	Post Scheme
Equity Shares (Rs.3 each)	99,00,00,000 (33,00,00,000 equity shares)	124,05,00,000 (41,35,00,000 equity shares)
Total Authorised Capital	99,00,00,000	124,05,00,000

Issued, Subscribed and Paid up Capital

Category of Shareholder	No. of Shares held		Total Shareholding as a % of total no. of Shares	
	Pre-Scheme	Post-Scheme (indicative)	Pre-Scheme	Post-Scheme (indicative)
Promoter <ul style="list-style-type: none"> • Individuals / Hindu Undivided Family • Bodies Corporate • Trusts 	16,94,47,570	16,94,47,570	74.36	74.35
Non Promoter <ul style="list-style-type: none"> • Institutions • Bodies Corporate • Public (Individuals) • Others (NRI/CM/Trust / HUF) 	5,84,16,412	5,84,50,492	25.64	25.65
Total	22,78,63,982	22,78,98,062	100.00	100.00

- (j) The Scheme has been approved unanimously by the Board of Directors of the Applicant Company I at their Meeting held on December 22, 2017. Details of voting at such meeting of by the Board of Directors is as under-

Name of the Director	Vote (favour/ against/ abstain from voting)
Mr. Dilip Kumar Modi	In favour
Mr. Hanif Mohamed Dahya	Leave of absence
Ms. Preeti Malhotra	Leave of absence
Mr. Subramanian Murali	In favour
Mr. Suman Ghose Hazra	In favour
Mr. Umang Das	In favour

6. Particulars of Spice Digital Limited

6.1. Spice Digital Limited (i.e. Applicant Company II)

- (a) Spice Digital Limited (hereinafter referred to as “SDL” or “Applicant Company II”) was incorporated on April 04, 2000 under the Companies Act, 1956, having its registered office at 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025. The Applicant Company II is a Public Limited Company having Corporate Identity Number U72900DL2000PLC104989, the e-mail id is kokila.arora@spicedigital.in and the Permanent Account Number of the Company is AABCC9662Q.
- (b) Spice Labs and Mobisoc are the subsidiary companies of SDL within the meaning of Section 2(87) of the Companies Act, 2013. It may be noted that Mobisoc is the wholly-owned subsidiary company of SDL.

The main objects of the Applicant Company II are set out in Clause III (A) of its Memorandum of Association which are as given below:

- To design, develop, maintain, sell, distribute, market and licence computer software and programmes for educational, commercial and Industrial use, service and other applications and to provide business, commercial and productivity solutions and network based information and other services including licensing of computer software and programmes and to provide customer support, training and consultancy services relating to all or any of the foregoing matters and things including relating or incidental thereto.
- To design, develop, invent improve, carry out research, prepare, own, make use of, manufacture, buy, sell, import, export, maintain, repair, alter, convert, distribute, market, licence, hire, lease and otherwise

deal in all kinds of computer software and programmes and for applications of any kind or for any purpose including computers, data processing machines, cards, memory equipments or any other equipments and materials including computer peripherals and accessories of every kind and description useful in connection with computer and electronic hardware and software, programmes, design or other substance or thing used in or with computers and in telecommunications and in data processing, preparation and retrieval products and equipments and telecommunication equipment and products.

- To develop systems applications, general purposes and all kinds of software including micro-programming for demonstration, sales within and outside the country and to carry on research or assist in the carrying on of research by individuals, research institutes and other institutions and to do all such acts connected therewith.
- To plan, design, develop, programme and implement:
 - ❖ Systems for the use of all kind of data processing equipments and techniques.
 - ❖ Systems for the collection arrangement and analysis of any information.
 - ❖ The application of data processing techniques and equipments.
- To assist, set up, operate and supervise the operation of the data processing departments of other organizations.
- To design and develop websites and portals of varied contents for targeting different communities, wherever located for information dissemination, community building and other commercial applications, accessible through personal computers, mobile phones or any other wireline or wireless devices.
- To provide value added services to Cellular and Fixed Line Subscribers like SMS, SMS based Content Services, Games, Interactive Voice Response Systems for content, entertainment services, Voice Mail System, Alert Services.
- To assemble, distribute, operate, sell, export, import, trade, maintain, run, improve, repair, service, research, develop all type of telecommunication and electronic system, cellular telephone units and equipments and systems, pagers, components, accessories, assemblies, apparatus, spares, hardware software and services including subscribers and telecommunication equipment and apparatus for line telephony / telegraphy.
- The provision, operation and maintenance of telepoint service and the sale of telephone handset units and equipment.
- To render consultancy and technical services in areas of telecommunications, electronics, multimedia etc.
- To provide Services {whether in relation to Information Technology Enabled Services (ITES) or not} including, without limitation, remote help desk management, remote hardware and/or software management, remote customer interaction, customer relationship management and customer servicing through contact / call centre, Business Process Outsourcing, Back Office Operation and Management Services, Network Management Support, and any other activities related to the business of the Company.
- To acquire, develop, install, maintain and run all types of services in the telecommunication (including cellular mobile telephone or fixed telephone), electronics and multimedia and also to manufacture, produce, acquire, import, export and deal in any manner in any product relating to telecommunication electronics and multimedia.
- To provide, develop, design, establish, maintain, organize, undertake, facilitate, manage, operate, purchase, sell, resell, distribute, market, promote, import, export and deal in the business of all types of services and products for the enterprises, through the medium of M-Commerce, E-commerce, electronic and virtual payments, data transfer and communication, transaction processing, systems and technologies, Information Technology, Computer hardware and software including but not limited to recharge and

payments for mobile and landline phone connection, Movie ticketing, Travel Bookings, Flower Delivery, DVD Rental, Shopping, Utility Bill payment, Entertainment services, Direct to Home(DTH) services and to act as dealers, distributors, agents, representatives of Indian and foreign concerns dealing in said services and products and allied activities related thereto.

- To act as business correspondent or an intermediary for banks, financial institutions and other organizations, in accordance with the guidelines rules and regulations prescribed by Reserve Bank of India or any other regulatory and / or governmental authority in India.
- To own, establish, run, manage and develop training curriculum and course content, research centres, to provide quality learning spaces and opportunities to suitable candidates, to strengthen the theory- practice linkage, to help in local capacity building and to educate, train and equip them, by electronic mode or otherwise, with enhanced employability skills in the company or industry.
- To act as Point of Presence (POP), Point of Service (POS), Collection Centre, Facilitation Centre, contact centre, contact points, Tax Information Network Centre (TIN-FC), PAN Centre, Central Recordkeeping Agency Facilitation Centre (CRA-FC) and any other intermediary (including but not limited to, as a contractor, sub-contractor, agent, or sub-agent) under or in relation to any services provided by the Central Government, State Government, Public Institutions, any regulatory authority or any other autonomous body of the state and any Government agency including but not limited to Pension Fund Regulatory Development Authority (PFRDA), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), Central Recordkeeping Agency (CRA) and National Skill Registry and to render services relating to collecting, receiving, processing, recording & digitization of the specified data(s)/information in relation to the foregoing services and forwarding and transmitting of the same.
- To provide, develop, establish, maintain, organize, undertake, facilitate, manage, operate, distribute, market, promote and deal in all types of services, products, system and solutions relating to governance, e-governance, m-governance or government to consumer products, services, system, solutions and projects of Central Government, State Government, Municipal authorities, Public Institutions, regulatory authority or any other autonomous body.

Further, Sub Clause 2 and Sub Clause 5 of Clause III (B) of the Memorandum of Association of the Applicant Company II authorizes the Applicant Company II respectively as under:

- To enter into partnership or into any arrangement for joint working in business or for sharing profits or to amalgamate with any person, firm or Company carrying on or proposing to carry on any business.
- To acquire, purchase, takeover and/or amalgamate business of Companies which under existing circumstances, from time to time, may conveniently or advantageously be combined with the business of the Company, to amalgamate or merge with companies whose business are so acquired, purchased or taken over and/or to enter into agreement with the object of acquisition of such undertaking and/or business.

(c) The details of change in the name, object and the registered office address of the Applicant Company II in the last five (5) years is given as under:

- **Change in Name:** There has been no change in the name of the company in the last five (5) years;
- **Change in Object:** The main objects were changed by passing the requisite resolution in the Extraordinary General Meeting held on 7th March, 2014, by substituting the then Clause 14 and insertion of new Clauses 17 and 18 as detailed below:

Clause 14: To provide, develop, design, establish, maintain, organize, undertake, facilitate, manage, operate, purchase, sell, resell, distribute, market, promote, import, export and deal in all types of services, products, systems and solutions, through the medium of M-commerce, E-Commerce, electronic and virtual payments, data transfer and communication, transaction processing, systems and technologies, Information Technology, Computer hardware and software including but not limited to Travel and Tourism Services, Hotel and Cab Booking, Travel ticketing, Movie ticketing and all other types of ticketing and

booking, Flower Delivery, DVD Rental, Shopping, Utility Bill Payment, Entertainment services, domestic and International remittances, Mobile Electronic and payment systems, issue of payment instructions, enterprise security solutions and recharge and payments for mobile and landline phone connection, Data Cards, Direct to Home (DTH) services and all other types of services and products and to act as dealers, distributors, agents, representatives of Indian and Foreign concerns dealing in said services, products, systems and solutions and allied activities related thereto.

Clause 17: to act as Point of Presence (POP), Point of Service (POS), Collection Centre, Facilitation Centre, contact centre, contact points, Tax Information Network Facilitation Centre (TIN-FC), PAN centre, Central Record keeping Agency Facilitation Centre (CRA-FC) and any other intermediary (including but not limited to, as a contractor, sub-contractor, agent or sub-agent) under or in relation to any services provided by the Central Government, state government and any Government agency including but not limited to Pension Fund Regulatory Development Authority (PFRDA), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), Central Recordkeeping Agency (CRA) and National Skill registry and to render services relating to collecting, receiving, processing, recording & digitalization of the specified data(s)/ information in relation to the foregoing services and forwarding and transmitting of the same.

Clause 18: to provide, develop, design establish, maintain, organize, undertake, facilitate, manage, operate, distribute, market, promote and deal in all types of services, products, system and solutions relating to governance, e-governance, m-governance or government to consumer products, services, system, solutions and projects of Central Government, state Government, Municipal Authorities, Public Institutions, regulatory authority or any other autonomous body.

- **Change in Registered Office:** The Registered Office of the Applicant Company II was changed from 60-D, Street No. C-5, Sainik Farms, New Delhi – 110062 to 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025 with effect from March 07, 2018

(d) The Share Capital of Applicant Company II as on March 31, 2018, is as under:

Particulars	Amount in Rs.
Authorised Capital	
10,00,00,000 Equity Shares of Rs. 10/- each	100,00,00,000
Total Authorised Capital	100,00,00,000
Issued, Subscribed and Paid-up Capital	
4,33,47,338 equity shares of Rs. 10/- each fully paid up	43,34,73,380
Total Issued, Subscribed and Paid-up Capital	43,34,73,380

(e) The list of Directors of the Applicant Company II as on August 31, 2018 is given below:

S. No.	Name	Address	DIN No.	Date of Appointment
1.	Mr. Dilip Kumar Modi	36, Amrita Shergill Marg, New Delhi-110003	00029062	11-05-2017
2.	Mr. Subramanian Murali	2001, ATS Greens Village, Sector 93A, Noida- 201304, U.P.	00041261	04-07-2012
3.	Mr. Suman Ghose Hazra	E-604, Krishna Apra Residency, Sector-61, Noida-201301, U.P.	00012223	24-03-2015
4.	Mr. Suresh Kumar Jain	H.No. B 105, Sector 26 Noida, PS- Sector 20, Teh. Dadri, District Gautam Budh Nagar 201301 U.P.	01308010	16-04-2015
5.	Mr. Umang Das	1 - B Jang Pura, Mathura Road, New Delhi-110014	00027912	24-03-2015

- (f) The list of Promoters of the Applicant Company II as on March 31, 2018 is as under:

S. No.	Name	Address
1.	Spice Mobility Limited	622, 6 th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025

- (g) Pursuant to SEBI Circular and the SEBI LODR Regulations, the detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of the Applicant Company II, as per the scheme filed with NCLT, is given herein below

Authorized Share Capital

Particulars	Amount in Rs.	Amount in Rs.
Authorised Capital	Pre Scheme	Post Scheme
Equity Shares (Rs.10 each)	100,00,00,000 (10,00,00,000 equity shares)	100,00,00,000 (10,00,00,000 equity shares)
Total Authorised Capital	100,00,00,000	100,00,00,000

Issued, Subscribed and Paid up Capital

Category of Shareholder	No. of Shares held		Total Shareholding as a % of total no. of Shares	
	Pre-Scheme	Post-Scheme (indicative)	Pre-Scheme	Post-Scheme (indicative)
Promoter • Individuals / Hindu Undivided Family • Bodies Corporate • Trusts	3,97,63,121	3,97,63,121	99.98	99.98
Non Promoter • Institutions • Bodies Corporate • Public (Individuals) • Others (NRI/CM/Trust / HUF)	7,863	7,863	0.02	0.02
Total	3,97,70,984	3,97,70,984	100.00	100.00

- (h) The Scheme has been approved unanimously by the Board of Directors of the Applicant Company II at their Meeting held on December 22, 2017. Details of voting at such meeting of by the Board of Directors is as under-

Name of the Director	Vote (favour/ against/ abstain from voting)
Mr. Dilip Kumar Modi	In favour
Mr. Subramanian Murali	In favour
Mr. Suman Ghose Hazra	In favour
Mr. Suresh Kumar Jain	In favour
Mr. Umang Das	In favour

7. Particulars of Spice IOT Solutions Private Limited

7.1. Spice IOT Solutions Private Limited (i.e. Applicant Company III)

- (a) Spice IOT Solutions Private Limited (hereinafter referred to as “Spice IOT” or “Applicant Company III”) was incorporated on October 29, 2016 under the Companies Act, 2013, having its registered office at 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025. The Applicant Company III is a Private Limited Company having Corporate Identity Number U72900DL2016PTC330061, the e-mail id is rohit.ahuja@spiceglobal.com and the Permanent Account Number of the Company is AAXCS7948H.
- (b) The main objects of the Applicant Company III are set out in Clause III (A) of its Memorandum of Association, which are as given below:
- To Carry on business of Manufacturing, Trading, Export, Import, Service, Solution of Hardware and Software accelerator, Product of Internet Of Things (IOT), E-commerce, Internet, media, allied items, computer personnel etc. To hold and run seminars, courses, training institutions, conferences, workshops for training in computer programming, computer, computer engineering, system analysis, operation research, computer operation and other computer related activities in India and abroad.
 - To provide services in India and abroad in matters of computer hardware, software accelerator for Industries, Enterprises, Government, Corporates and other Statutory & Non Statutory bodies.
 - To carry on in India or abroad the business of developing and maintenance of Hardware, Software and Communication Infrastructure.
 - To carry on in India or abroad the business of activities related to System Integrator for solution deployment across various IOT verticals.
 - To carry in India or abroad the business of developing, designing , maintaining, selling software, packages and applications, client applications, enterprise resource planning, network management, consulting, outsourcing related services for various IOT projects.

Further, Sub Clause 1 of Clause III (B) of the Memorandum of Association of the Applicant Company III authorizes the Applicant Company III as under:

- To amalgamate with any other company of which all or any of their objects companies having similar to the objects of the Company in any manner whether with or without the liquidation.
- (c) The details of change in the name, object and the registered office address of the Applicant Company III in the last five (5) years is given as under:
- **Change in Name:** There has been no change in the name of the company in the last five (5) years;
 - **Change in Object:** There has been no change in the objects of the company in the last five (5) years; and
 - **Change in Registered Office:** The Registered Office of the Applicant Company III was changed from S Global Knowledge Park 19A & 19B, Sector 125, Noida, Uttar Pradesh – 201301 to 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025 with effect from February 13, 2018.
- (d) The Share Capital of Applicant Company III as on March 31, 2018, is as under:

Particulars	Amount in Rs.
Authorised Capital	
10,000 Equity Shares of Rs. 10/- each	1,00,000
Total Authorised Capital	1,00,000
Issued, Subscribed and Paid-up Capital	
10,000 equity shares of Rs. 10/- each fully paid up	1,00,000
Total Issued, Subscribed and Paid-up Capital	1,00,000

(e) The list of Directors of the Applicant Company III as on August 31, 2018 is follows:

S. No.	Name	Address	DIN No.	Date of Appointment
1.	Mr. Dilip Kumar Modi	36, Amrita Shergill Marg , New Delhi-110003	00029062	29-10-2016
2.	Mr. Rohit Ahuja	A – 27, Sector – 26, Noida - 201301	00065417	29-10-2016

(f) The list of Promoters of the Applicant Company III as on March 31, 2018 is as under:

S. No.	Name	Address
1.	Spice Mobility Limited	622, 6 th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025

(g) Pursuant to SEBI Circular and the SEBI LODR Regulations, the detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of the Applicant Company III, as per the scheme filed with NCLT, is given herein below:

Authorized Share Capital

Particulars	Amount in Rs.	Amount in Rs.
Authorised Capital	Pre Scheme	Post Scheme
Equity Shares (Rs.10 each)	1,00,000 (10,000 equity shares)	Applicant Company III will be dissolved pursuant to the Proposed Comprehensive Scheme of Arrangement
Total Authorised Capital	1,00,000	

Issued, Subscribed and Paid up Capital

Category of Shareholder	No. of Shares held		Total Shareholding as a % of total no. of Shares	
	Pre-Scheme	Post-Scheme (indicative)	Pre-Scheme	Post-Scheme (indicative)
Promoter • Individuals / Hindu Undivided Family • Bodies Corporate • Trusts	10,000	N.A.	100.00	N.A.
Non Promoter • Institutions • Bodies Corporate • Public (Individuals) • Others (NRI/CM/Trust / HUF)	0	N.A.	0.00	N.A.
Total	10,000	N.A.	100.00	N.A.

- (h) The Scheme has been approved unanimously by the Board of Directors of the Applicant Company III at their Meeting held on December 22, 2017. Details of voting at such meeting of by the Board of Directors is as under-

Name of the Director	Vote (favour/ against/ abstain from voting)
Mr. Dilip Kumar Modi	In favour
Mr. Rohit Ahuja	In favour

8. Particulars of Mobisoc Technology Private Limited

8.1. Mobisoc Technology Private Limited (i.e. Applicant Company IV)

- (a) Mobisoc Technology Private Limited (hereinafter referred to as “Mobisoc” or “Applicant Company IV”) was incorporated on August 12, 2006 under the Companies Act, 1956, having its registered office at 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025. The Applicant Company IV is a Private Limited Company having Corporate Identity Number U72300DL2006PTC151960, the e-mail id is sunil.kapoor@spicemoney.com and the Permanent Account Number of the Company is AAECM7582L.
- (b) The main objects of the Applicant Company IV are set out in Clause III (A) of its Memorandum of Association, which are as given below:
- To carry on in India or outside the business of developing, selling and providing software solutions in the field of telecommunication like mobile and internet services and other related areas to various users.
 - To develop, design, acquire, apply, install, maintain, sell, purchase, distribute, export, import, market, deal in all types of software (whether Application or System), programs, websites, portals, etc. including providing value added services to cellular phones or fixed line telephones or for any other wire line or wireless devices and provide customer support thereto.
 - To provide retail and consulting oriented services using technologies that are availing in the field of telecommunication today and to develop new technologies that will enable us to provide services in efficient manner in future in India or anywhere in the world.
 - To provide services in the field of telecommunication technology maintain, provide services in the form of remote help desk management, remote hardware, software management, customer servicing through contact/ call center, business. Process outsourcing, back office operations, management services, network management support in India or outside India.
 - To carry on trade or business of manufacturers of and dealers of computers and their peripherals of every kind, distributing machines and machinery, systems, apparatus, appliances and any products and component parts thereof or material and articles used in connection therewith, and any and all other machines, machinery, appliances, apparatus, devices materials, substances articles or things of a character similar or analogous to the foregoing, or any of them or connected therewith.
 - To provide, develop, design, establish, maintain, organize, undertake, facilitate, manage, operate, purchase, sell, resell, distribute, market, promote, import, export and deal in the business of all types of services and products for the enterprises through the medium of M-Commerce, E-Commerce, electronic and virtual payments, data transfer and communication, transaction processing, systems and technologies, Information Technology, Computer hardware and software including but not limited to recharge and payments for mobile and landline phone connection, Movie ticketing, Travel Bookings, Flower Delivery, DVD Rental, Shopping, Utility Bill payment, Entertainment services, Direct to Home (DTH) services and to act as dealers, distributors, agents, representatives of Indian and foreign concerns dealing in said services and products and allies activities related thereto.
 - To act as Point of Presence (POP), Point of Service (POS), Collection Centre, Facilitation Centre, contact centre, contact points, Tax Information Network Facilitation Centre (TIN-FC), PAN Centre, Central Recordkeeping Agency Facilitation Centre (CRA-FC) and any other intermediary (including but not limited

to, as a contractor, sub-contractor, agent or sub-agent) under or in relation to any services provided by the Central Government, State Government, Public Institutions, any regulatory authority or any other autonomous body of the state and any Government agency including but not limited to Pension Fund Regulatory Development Authority (PFRDA), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), Central Recordkeeping Agency (CRA) and National Skill Registry and to render services relating to collecting, receiving, processing, recording & digitization of the specified data(s)/information in relation to the foregoing services and forwarding and transmitting of the same.

- To undertake, carryout the activities relating to governance or a-governance projects of Central Government, State Government, Public Institutions, regulatory authority or any other autonomous body of the state and to participate in the various tenders issued by the agencies/body corporate for governance and e-governance.
- To provide, render, facilitate, organize, distribute, promote and deal in the business relating to mobile marketing and advertising solutions, services and platforms and to act and operate as mobile advertising aggregator and intermediary; to develop, provide and operate mobile web ad network covering the mobile internet and mobile applications.

Further, Sub Clause 15 of Clause III (B) of the Memorandum of Association of the Applicant Company IV authorizes the Applicant Company IV as under:

- Subject to the provisions of sections 230 to 232 of the Companies Act, 2013 to amalgamate or merge or to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint ventures of reciprocal concession with any person or persons, partnership firm - firms, or Company or Companies carrying on or engaged in main business or transaction of the Company.

(c) The details of change in the name, object and the registered office address of the Applicant Company IV in the last five (5) years is given as under:

- **Change in Name:** There has been no change in the name of the company in the last five (5) years;
- I. **Change in Object:** The main object was changed by passing the requisite resolution in Extraordinary General Meeting held on July 17, 2018 by inserting Clauses 7 and 8 as detailed below:

Clause 7: "to act as point of preference (POP), point of service (POS), collection centre, Facilitation Centre, contact centre, contact points, Tax recordkeeping Agency Facilitation Centre (CRA-FC) and any other intermediary (including but not limited to, as a contractor, sub-contractor, agent or sub-agent) under or in relation to any services provided by the Central Government, state Government, Public Institutions, any regulatory authority or any other autonomous body of the state and any Government agency including but not limited to Pension Fund Regulatory Authority (PFRDA), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), Central Record keeping Agency (CRA) and National Skill Registry and to render services relating to collecting, receiving, processing, recording & digitalization of the specified data(s)/ information in relation to the foregoing services and forwarding and transmitting of the same.

Clause 8: to undertake, carryout the activities relating to governance or e-governance projects of Central Government, State Government, public Institutions, regulatory authority or any other autonomous body of the state and to participate in the various tenders issued by the agencies/body corporate for governance and e-governance.
- II. A. The main objects were changed by passing the requisite resolution in Extraordinary General Meeting held on July 17, 2015.
 1. by deleting the heading of Clause 3 (A), "THE MAIN OBJECT OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE" and replacing it with the heading " THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE"

2. by inserting Clause 9 as detailed below:

Clause 9: to provide, render, facilitate, organize, distribute, promote and deal in the business relating to mobile marketing and advertising solutions, services and platforms and to act and operate as mobile advertising aggregator and intermediary; to develop, provide and operate mobile web ad network covering the mobile internet and mobile applications.

B. The objects incidental or ancillary to the attainment of the main objects was amended as follows:

1. By deleting the heading of “incidental or ancillary to the attainment of the main objects” and replacing it with the heading “MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE”

2. By completing deleting the existing clause III (B) (1) to Clause III (B) (1) to clause III (B) (43) and replacing them with a new set of clause III (B)(1) to clause III (B) (43) in place and substitution thereof;

- **Change in Registered Office:** The Registered Office of the Applicant Company IV was changed from D-60, Street No. C-5 Sainik Farms New Delhi – 110062 to 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025 with effect from March 09, 2018.

(d) The Share Capital of Applicant Company IV as on March 31, 2018, is as under:

Particulars	Amount in Rs.
Authorised Capital	
1,50,00,000 Equity Shares of Rs. 10/- each	15,00,00,000
Total Authorised Capital	15,00,00,000
Issued, Subscribed and Paid-up Capital	
1,00,10,000 equity shares of Rs. 10/- each fully paid up	10,01,00,000
Total Issued, Subscribed and Paid-up Capital	10,01,00,000

(e) The list of Directors of the Applicant Company IV as on August 31, 2018 is given below:

S. No.	Name	Address	DIN No.	Date of Appointment
1.	Mr. Madhusudan Venkatachary	55, H.C.L. Tower-1, B-9/16, Sector 62, Noida 201301, U.P.	02650160	31-03-2009
2.	Ms. Seema Salwan	47, Pusa Road, New Delhi-110005	06944301	27-03-2015
3.	Mr. Sunil Kapoor	104, 1st Floor, Tower Manchester 2 Mahagun Moderne, Sector-78 Noida-201301, U.P.	05322540	20-01-2014
4.	Mr. Sunil Kumar Bhansali	71, Daryaganj, New Delhi-110002	00225693	27-03-2015

(f) The list of Promoters of the Applicant Company IV as on March 31, 2018 is as under:

S. No.	Name	Address
1.	Spice Digital Limited	622, 6 th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025

- (g) Pursuant to SEBI Circular and the SEBI LODR Regulations, the detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of the Applicant Company IV, as per the scheme filed with NCLT, is given herein below:

Authorized Share Capital

Particulars	Amount in Rs.	Amount in Rs.
Authorised Capital	Pre Scheme	Post Scheme
Equity Shares (Rs.10 each)	15,00,00,000 (1,50,00,000 equity shares)	Applicant Company IV will be dissolved pursuant to the Proposed Comprehensive Scheme of Arrangement
Total Authorised Capital	15,00,00,000	

Issued, Subscribed and Paid up Capital

Category of Shareholder	No. of Shares held		Total Shareholding as a % of total no. of Shares	
	Pre-Scheme	Post-Scheme (indicative)	Pre- Scheme	Post-Scheme (indicative)
Promoter • Individuals / Hindu Undivided Family • Bodies Corporate • Trusts	1,00,10,000	N.A.	100.00	N.A.
Non Promoter • Institutions • Bodies Corporate • Public (Individuals) • Others (NRI/CM/Trust / HUF)	0	N.A.	0.00	N.A.
Total	1,00,10,000	N.A.	100.00	N.A.

- (h) The Scheme has been approved unanimously by the Board of Directors of the Applicant Company IV at their Meeting held on December 22, 2017. Details of voting at such meeting of by the Board of Directors is as under-

Name of the Director	Vote (favour/ against/ abstain from voting)
Mr. Madhusudan Venkatachary	In favour
Ms. Seema Salwan	In favour
Mr. Sunil Kapoor	In favour
Mr. Sunil Kumar Bhansali	In favour

9. Particulars of Spice Labs Private Limited

9.1. Spice Labs Private Limited (i.e. Applicant Company V)

- (a) Spice Labs Private Limited (hereinafter referred to as “Spice Labs” or “Applicant Company V”) was incorporated on May 25, 2009 under the Companies Act, 1956, having its registered office at 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025. The Applicant Company V is a Private Limited Company having Corporate Identity Number U72300DL2009PTC311320, the e-mail id is zainab.ansari@digispice.com and the Permanent Account Number of the Company is AANCS0789G.
- (b) The main objects of the Applicant Company V are set out in Clause III (A) of its Memorandum of Association, which are as given below:
- To carry on in India or outside, the business of developing, selling and providing software solutions in the field of telecommunication like mobile and internet services and other related areas to various users.
 - To develop, design, acquire, apply, install, maintain, sell, purchase, distribute, export, import, market, deal in all types of software (whether Application or System), programs, websites, portals, etc. including providing value added services to cellular phones or fixed line phones or for any other wire line or wireless devices and provide customer support thereto.
 - To provide retail and consulting oriented services using technologies that are available in the field of telecommunication today and to develop new technologies that will enable us to provide services in efficient manner in future in India or anywhere in the world.
 - To provide services in the field of telecommunication technology and maintain, provide services inform of remote help desk management, remote hardware, software management, customer servicing through contact/call center, business process outsourcing, back office operations, management services, network management support in India or outside India.
 - To carry on trade or business of manufacturers of and dealers of computers and their peripherals of every kind, distributing machines and machinery, systems, apparatus, appliances and any products and component parts thereof or material and articles used in connection therewith, and any and all other machines, machinery, appliances, apparatus, devices, materials, substances, articles or things of a character similar or analogous to the foregoing, or any of them or connected therewith.

Further, Sub Clause 14 of Clause III (B) of the Memorandum of Association of the Applicant Company V authorizes the Applicant Company V as under:

- Subject to the provisions of Sections 391 to 394 of the Companies Act, 1956, to amalgamate or merge or to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture of reciprocal concession with any person or persons, partnership firm-firms, or Company or Companies carrying on or engaged in the main business or transaction of the Company.
- (c) The details of change in the name, object and the registered office address of the Applicant Company V in the last five (5) years is given as under:
- **Change in Name:** There has been no change in the name of the company in the last five (5) years;
 - **Change in Object:** There has been no change in the objects of the company in the last five (5) years; and
 - **Change in Registered Office:** The Registered Office of the Applicant Company V was changed from S Global Knowledge Park, 19A & 19B, Sector – 125 Noida, 201301 to Plot No. 62, Basement Pocket 2, Jasola New Delhi – 110025 with effect from December 21, 2016 and then from Plot No. 62, Basement Pocket 2, Jasola New Delhi – 110025 to 622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025 with effect from March 09, 2018.

(d) The Share Capital of Applicant Company V as on March 31, 2018, is as under:

Particulars	Amount in Rs.
Authorised Capital	
1,00,50,000 Equity Shares of Rs. 10/- each	10,05,00,000
Total Authorised Capital	10,05,00,000
Issued, Subscribed and Paid-up Capital	
1,00,50,000 equity shares of Rs. 10/- each fully paid up	10,05,00,000
Total Issued, Subscribed and Paid-up Capital	10,05,00,000

(e) The list of Directors of the Applicant Company V as on August 31, 2018 is given below:

S. No.	Name	Address	DIN No.	Date of Appointment
1.	Mr. Madhusudan Venkatachary	55, H.C.L. Tower-1, B-9/16, Sector 62, Noida 201301, U.P.	02650160	13-09-2014
2.	Ms. Seema Salwan	47, Pusa Road, New Delhi-110005	06944301	28-03-2015
3.	Mr. Sunil Kapoor	104, 1st Floor, Tower Manchester 2 Mahagun Moderne, Sector-78 Noida- 201301, U.P.	05322540	14-04-2015
4.	Mr. Sunil Kumar Bhansali	71, Daryaganj, New Delhi-110002	00225693	28-03-2015

(f) The list of Promoters of the Applicant Company V as on March 31, 2018 is as under:

S. No.	Name	Address
1.	Spice Digital Limited	622, 6 th Floor, DLF Tower A, Jasola District Centre, New Delhi – 110025

(g) Pursuant to SEBI Circular and the SEBI LODR Regulations, the detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of the Applicant Company V, as per the scheme filed with NCLT, is given herein below:

Authorized Share Capital

Particulars	Amount in Rs.	Amount in Rs.
Authorised Capital	Pre Scheme	Post Scheme
Equity Shares (Rs.10 each)	10,05,00,000 (1,00,50,000 equity shares)	Applicant Company V will be dissolved pursuant to the Proposed Comprehensive Scheme of Arrangement
Total Authorised Capital	10,05,00,000	

Issued, Subscribed and Paid up Capital

Category of Shareholder	No. of Shares held		Total Shareholding as a % of total no. of Shares	
	Pre-Scheme	Post-Scheme (indicative)	Pre- Scheme	Post-Scheme (indicative)
Promoter • Individuals / Hindu Undivided Family • Bodies Corporate • Trusts	1,00,39,997	N.A.	99.90	N.A.
Non Promoter • Institutions • Bodies Corporate • Public (Individuals) • Others (NRI/CM/Trust / HUF)	10,003	N.A.	0.10	N.A.
Total	1,00,50,000	N.A.	100.00	N.A.

- (h) The Scheme has been approved unanimously by the Board of Directors of the Applicant Company V at their Meeting held on December 22, 2017. Details of voting at such meeting of by the Board of Directors is as under-

Name of the Director	Vote (favour/ against/ abstain from voting)
Mr. Madhusudan Venkatachary	In favour
Ms. Seema Salwan	In favour
Mr. Sunil Kapoor	In favour
Mr. Sunil Kumar Bhansali	In favour

10. Submissions, Approvals and Other Information:

(a) Summary of Valuation Report including basis of Valuation and the Fairness Opinion of a registered valuer:

The Board of Directors of the Applicant Companies at their respective Meetings held on December 22, 2017 has approved the Valuation Report dated December 22, 2017, issued by M/s S.R. Batliboi & Co., LLP ('Valuer'). The share exchange ratio, as determined by the valuer, is as follows:

- **Demerger of DTS Business Undertaking from SDL to SML** - 2.682 fully paid up equity shares of face value of Rs. 3/- (Rupees Three) of SML to be issued and allotted to the equity shareholders of SDL against 1 fully paid up equity shares of face value of Rs. 10/- (Rupees Ten) each held in SDL. No shares shall be issued to SML in lieu of shares held by it in SDL.
- **Amalgamation of Spice IOT, Mobisoc and Spice Labs in to SML** - Since the entire paid-up equity share capital of Spice IOT, & Mobisoc is held directly or indirectly by SML, no shares of SML will be issued or allotted to the shareholders of the Spice IOT and Mobisoc in consideration for amalgamation.

1.299 fully paid up equity shares of face value of Rs. 3/- (Rupees Three) of SML to be issued and allotted to the equity shareholders of Spice Labs against 1 fully paid up equity shares of face value of Rs. 10/- (Rupees Ten) each held in Spice Labs. No shares shall be issued to SDL in lieu of shares held by it in Spice Labs.

Based on the additional information sought by BSE with regard to certain additional disclosure (to provide rationale for considering the market price method). The Valuer reissued the Valuation Report dated March 26, 2018.

The Valuation Report dated March 26, 2018 is attached as **Annexure II**. The Fairness Opinion dated December 22, 2017 was issued by Corporate Professionals Capital Private Limited. The Fairness Opinion is attached as **Annexure III**.

- (b) As required by the SEBI Circular, the Applicant Company I has filed the Complaints Report (indicating NIL complaint) with BSE Limited on March 6, 2018 and National Stock Exchange of India Limited on March 16, 2018. After filing of the Complaints Report, the Company has received NIL complaints. A copy of the aforementioned Complaints Report is enclosed herewith as **Annexure-IV**.
- (c) Pursuant to the Circular Number CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by the Securities and Exchange Board of India ("**SEBI Circular**") read with Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Applicant Company I had filed necessary applications before the BSE Limited and National Stock Exchange of India Limited seeking their No-Objection to the Scheme. Applicant Company I received Observation Letter dated June 08, 2018 from National Stock Exchange of India Limited and dated June 11, 2018 from BSE Limited providing no objection to the Scheme. Copy of the aforesaid Observation Letters are enclosed herewith as **Annexure-V**.
- (d) Copy of report of Board of Directors of Spice Mobility Limited, Spice Digital Limited, Spice IOT Solutions Private Limited, Mobisoc Technology Private Limited and Spice Labs Private Limited as per provisions of Section 232(2)(c) of the Companies Act, 2013 are enclosed herewith as **Annexure VI**.
- (e) Copy of supplementary Standalone Financial Statements of Spice Mobility Limited, Spice Digital Limited, Spice IOT Solutions Private Limited, Mobisoc Technology Private Limited and Spice Labs Private Limited as at March 31, 2018 are attached as **Annexure VII**.

11. Amount due to unsecured creditors as on June 04, 2018-

- Applicant Company I- Rs. 3,10,44,408
- Applicant Company II- Rs. 15,54,99,811
- Applicant Company III- Rs. 20,800
- Applicant Company IV- Rs. 5,38,348
- Applicant Company V- Rs. 1,86,18,890

12. The proposed Scheme does not contemplate any capital or debt restructuring exercise.

13. Key extract of Comprehensive Scheme of Arrangement and relationship between the Applicant Companies.

The Scheme provides, *inter-alia*, for:

- (a) demerger of DTS Business Undertaking of SDL to SML and amalgamation of Spice IOT, Mobisoc and Spice Labs in to SML pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013;
- (b) "**Appointed Date**" means April 01, 2017 or such other date as may be fixed or approved by the Hon'ble National Company Law Tribunal ("**NCLT**" / "**Tribunal**") or any other Appropriate Authority (*as defined hereinafter*);
- (c) "**Effective Date**" means the last of the dates on which the conditions specified in Clause 34 are complied with. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall mean and refer to the Effective Date;

(d) Clause 5 of Part II of the Scheme – Consideration

5.1 Upon this Scheme becoming effective SML shall, without any further application, act or deed, issue and allot equity shares to the equity shareholders of SDL (other than the equity shares as held by SML in SDL) whose names appear in the register of its members on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as aforesaid in the following manner (hereinafter referred as Equity Shares):-

"2.682 fully paid up equity shares of face value of Rs. 3/- (Rupees Three) of SML to be issued and allotted to the equity shareholders of SDL against 1 fully paid up equity share of face value of Rs. 10/- (Rupees Ten) each held in SDL."

5.2 The ratio in which Equity Shares are to be issued and allotted to the shareholders of SDL is herein referred to as the "Share Exchange Ratio". Subject to Clause 12.1.3, if SDL restructures its share capital during the pendency

of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of such corporate actions.

- 5.3 The Equity Shares in SML, to be issued to the members of SDL pursuant to Clause 5.1 above, shall be subject to the Memorandum and Articles of Association of SML and shall rank pari passu, with the existing equity shares of SML.
- 5.4 SML shall not issue any fractional shares in respect of the fractional entitlements, if any, arising out of Clause 5.1 to which the shareholders of SDL may be entitled on issue and allotment of the equity shares of SML. In lieu of the fractional entitlement, SML shall pay to such shareholder, cash equal to the value of such fractional entitlement determined in accordance with the valuation of the shares of SML considered for the purpose of swap ratio as set-out in Clause 5.1 above.
- 5.5 Equity Shares of SML issued in terms of Clause 5.1 of this Scheme will be listed and/ or admitted to trading on the BSE and NSE where the shares of SML are listed and/or admitted to trading in terms of SEBI (Listing Obligations and Disclosure Requirements), 2015.
- 5.6 SML shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges, if any. On such formalities being fulfilled the said stock exchanges shall list and/or admit such Equity Shares for the purpose of trading.
- 5.7 The issue and allotment of equity shares by SML to the members of SDL pursuant to Clause 5.1 above is an integral part of this Scheme.
- 5.8 The approval of this Scheme by the members of SML shall be deemed to be due compliance of the provision of 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by SML to the members of SDL, as provided in this Scheme.

(e) Clause 16 of Part III of the Scheme – Consideration

- 16.1 Since the entire paid-up equity share capital of Spice IOT & Mobisoc is held directly or indirectly by SML, no shares of SML will be issued or allotted to the shareholders of the Spice IOT & Mobisoc in consideration for amalgamation. Upon this Scheme being effective, the entire issued, subscribed and paid up share capital of Spice IOT & Mobisoc shall, ipso facto, without any further application, act or deed stand cancelled.
- 16.2 Upon this Scheme becoming effective SML shall, without any further application, act or deed, issue and allot equity shares to the equity shareholders of Spice Labs (other than the equity shares as would be held by SML in Spice Labs upon effectiveness of Part II of the Scheme) whose names appear in the register of its members on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as aforesaid in the following manner (hereinafter referred as Equity Shares):-
“1.299 fully paid up equity shares of face value of Rs. 3/- (Rupees Three) of SML to be issued and allotted to the equity shareholders of Spice Labs against 1 fully paid up equity shares of face value of Rs. 10/- (Rupees Ten) each held in Spice Labs.”
- 16.3 The ratio in which Equity Shares are to be issued and allotted to the shareholders of Spice Labs is herein referred to as the “Share Exchange Ratio”. Subject to Clause 23.1.3, if Spice Labs restructures its share capital during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of such corporate actions.
- 16.4 The Equity Shares in SML, to be issued to the members of Spice Labs pursuant to Clause 16.2 above, shall be subject to the Memorandum and Articles of Association of SML and shall rank pari passu, with the existing equity shares of SML.
- 16.5 SML shall not issue any fractional shares in respect of the fractional entitlements, if any, arising out of Clause 16.2 to which the shareholders of Spice Labs may be entitled on issue and allotment of the equity shares of SML. In lieu of the fractional entitlement, SML shall pay to such shareholder, cash equal to the value of such fractional entitlement determined in accordance with the valuation of the shares of SML considered for the purpose of swap ratio as set-out in Clause 16.2 above.

- 16.6 Equity Shares of SML issued in terms of Clause 16.2 of this Scheme will be listed and/ or admitted to trading on the BSE and NSE where the shares of SML are listed and/or admitted to trading in terms of SEBI (Listing Obligations and Disclosure Requirements), 2015.
- 16.7 SML shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges, if any. On such formalities being fulfilled the said stock exchanges shall list and/or admit such Equity Shares for the purpose of trading.
- 16.8 The issue and allotment of equity shares by SML to the members of Spice Labs pursuant to Clause 16.2 above is an integral part of this Scheme.
- 16.9 The approval of this Scheme by the members of SML shall be deemed to be due compliance of the provision of 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by SML to the members of Spice Labs, as provided in this Scheme.

(f) Rationale for the Comprehensive Scheme of Arrangement

The Board of respective companies are desirous of streamlining the ownership and business operations of SML, SDL, Spice IOT, Mobisoc & Spice Labs through a Comprehensive Scheme of arrangement pursuant to sections 230-232 and other applicable provisions, if any, of the Act, which involves: (a) Demerger of DTS Business Undertaking (as defined hereinafter) of SDL into SML; and (b) Amalgamation of Spice IOT, Mobisoc and Spice Labs with SML. The proposed Comprehensive Scheme of Arrangement is in the interest of shareholders and creditors on account of the following reasons:

- SML through its subsidiaries is primarily engaged in the Business of digital technology services, Financial Technology Services, value added telecom services and retail of mobile handsets and related products. Over the last few years, digital technology and apps have gained prominence in terms of business potential and growth and mobile handsets have become only a mode to access these digital technology services. Therefore, to keep pace with these changing business dynamics, SML intends to focus predominantly on digital platforms and services.
- The services business has been at the forefront of technological innovations and has evolved as a key digital transformation player in terms of technological advancements as well as development of digital products & solutions.
- SML, along-with its subsidiaries, aspires to become a leader in digital technologies in India and other emerging markets which are witnessing similar technology adoption trends and continue to invest into new products and service areas which will provide significant growth opportunities going forward. SML is focusing on building solutions in the mobile governance, mobile money and mobile entertainment domains.
- The service business of SML, being carried out through SDL, can be broadly classified into two categories (a) Digital Technology Services Business (DTS) - Telco Support Solutions, Mobility Software Solutions, Mobile Advertising, Social Networking, USSD Service and other related services and (b) FinTech Business - Under the brand name "Spice Money", Cash Deposit, Cash Withdrawals, Bill Payments etc. as per the licenses issued under the Pre-paid Instrument, Bharat Bill Payment System, Aadhaar Enabled Payment Systems etc.

In order to streamline the business structure and aligning it with the future growth prospects, the flagship listed company of the group i.e. SML is proposed to directly carry out the DTS Business going forward.

- Further, the FinTech Business is at a nascent stage and has tremendous scope to grow in the future. Hence, it is desirous to grow the FinTech Business through organic & inorganic expansion including acquisition / consolidation of similar businesses. It would require investments into the operational and functional aspects of the business and substantial investment into marketing and brand building including strategic partnership with an investor for fund raising and / or acquisition of technology.
- The proposed restructuring will be synergistic and optimal as there exists certain commonality in the operational infrastructure that may be needed for running the respective businesses.

- The restructuring proposed under this Scheme when made effective will build a stronger and sustainable business and it would be desirous, among other, for the following reasons:
 - a) consolidation of similar businesses into one entity;
 - b) achieve more focused business and management control;
 - c) provide greater efficiency and optimal utilisation of resources;
 - d) optimization of overheads, administrative, managerial and other expenditure through consolidation of companies / businesses resulting into simplification of group structure and streamlining for growth, capital raising in specific business and / or securing strategic partnerships;
 - e) reduce legal and regulatory compliances; and
 - f) create enhanced value for all stakeholders of the respective companies.

(g) Clause 34 of the Scheme – Conditionality of the Scheme

The Scheme is and shall be conditional upon and subject to:-

- The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and / or creditors of the companies involved in the Scheme, as prescribed under the Act and / or as may be directed by NCLT(s) and / or any other Appropriate Authority as may be applicable.
- The sanction of this Scheme by NCLT(s) and / or any other Appropriate Authority under sections 230 to 232 and other applicable provisions, if any, of the Act.
- The requisite, consent, approval or permission of the central government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.
- Certified or authenticated copy of the order of NCLT(s) sanctioning the Scheme being filed with the Registrar of Companies by the respective companies involved in the Scheme.

The features set out above being only the salient features of the Comprehensive Scheme of Arrangement, the Equity Shareholders of Spice Mobility Limited are requested to read the entire text of the Comprehensive Scheme of Arrangement to get themselves fully acquainted with the provisions thereof.

(h) Relationship between the Applicant Companies

SML is the promoter company of SDL and Spice IOT whereas, SDL is the Promoter Company of Mobisoc and Spice Labs. SML presently holds approximately 99.98% of total paid-up equity share capital of SDL and holds the entire share capital of Spice IOT. SDL presently holds approximately 99.90% of total paid-up equity share capital of Spice Labs and holds the entire share capital of Mobisoc.

14. Disclosure about the effect of the Scheme on various parties is given below:

S. No.	Persons	Effect of the Scheme
1.	Key Managerial Personnel / Employees	On the Scheme becoming effective, all staff, workmen and employees of SDL in relation to the DTS Business Undertaking, Spice IOT, Mobisoc and Spice Labs, in service on the Effective Date shall be deemed to have become staff, workmen and employees of SML with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service and the terms and conditions of their employment with SML shall not be less favorable than those applicable to them with reference to SDL, Spice IOT, Mobisoc and Spice Labs, as the case may be, on the Effective Date.
2.	Directors	Upon the Effective Date, the existing directors of SML and SDL shall continue on the respective Boards of the SML and SDL. The offices of the directors of Spice IOT, Mobisoc and Spice Labs shall cease to exist upon effectiveness of the Comprehensive Scheme of Arrangement.
3.	Promoter Shareholders	The rights and interest of the Promoter and Non-Promoter Equity Shareholder of the companies involved in the Scheme will not be prejudicially affected by the Scheme.
4.	Non-Promoter Shareholders	<p>a) Issuance of shares on transfer of DTS Business Undertaking of SDL in to SML</p> <p>Clause 13.9 of the Scheme provides that upon this Scheme becoming effective and with effect from the Appointed Date, shareholders of SDL (<i>other than SML</i>) shall be paid by SDL, an amount of INR 17.29 per share and SDL would cancel such equity shares from the equity share capital account in its books of accounts.</p> <p>However, if any shareholder does not opts for the option of cash payout in Clause 13.9 against his / her shareholding, such shareholder shall be issued shares in SML vide Clause 5.1 of the Scheme.</p> <p>Clause 5.1 of the Scheme provides for issuance and allotment of shares by SML to the shareholders of SDL (<i>other than SML</i>) as consideration in lieu of transfer of DTS Business Undertaking of SDL.</p> <p>b) Issuance of shares on Amalgamation of Spice IOT, Mobisoc and Spice Labs in to SML</p> <p>Clause 16.1 of the Scheme provides that since, all of the equity share capital of Spice IOT and Mobisoc is held by SML either directly or indirectly, thus, no consideration shall be payable by up on amalgamation of Spice IOT and Mobisoc in to SML.</p> <p>Also, Clause 16.2 of the Scheme provides for the issuance and allotment of share by SML to the shareholders of Spice Labs (<i>other than SML</i>) as consideration in lieu of amalgamation of Spice Labs in to SML.</p>
5.	Depositors	None of the companies involved in the Comprehensive Scheme of Arrangement has accepted any deposit and hence this is not applicable
6.	Creditors / Debenture Holders	<p>a) Liabilities pertaining to DTS Business Undertaking of SDL</p> <p>Clause 4.2.5 of the Scheme provides that, with effect from the Appointed Date but upon the Scheme becoming effective , all debts, liabilities, duties and obligations (<i>as defined in clause 1.6.2 of the Scheme</i>) of every kind of SDL in relation to the DTS Business Undertaking, shall be deemed to and shall stand transferred to SML shall become the debts, liabilities, duties and obligations of SML.</p>
		Also, Clause 4.2.6 of the Scheme provides that, where any of the debt, liabilities, duties and obligations of SDL relating to the DTS Business Undertaking as on the Appointed Date, deemed to be transferred to SML have been discharged by SDL after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of SML and all loans raised and used and all liabilities and obligations incurred by SDL for the operations of the DTS Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of SML and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to SML and shall become the liabilities and obligations of SML which shall undertake to meet, discharge and satisfy the same.

		<p>b) Liabilities of Spice IOT, Mobisoc and Spice Labs</p> <p>Clause 15.3 of the Scheme provides that, with effect from the Appointed Date, all reserves, debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of Spice IOT, Mobisoc & Spice Labs shall be transferred or be deemed to have been transferred to SML, to the extent they are outstanding on the Effective Date, shall be assumed by SML so as to become, on and from the Appointed Date, the liabilities and obligations of SML on the same terms and conditions as were applicable to Spice IOT, Mobisoc & Spice Labs. SML shall undertake to meet, discharge and satisfy the same.</p>
7.	Deposit Trustee and Debenture Trustee	None of the companies involved in the Comprehensive Scheme of Arrangement has any deposit trustee / debenture trustee and hence this is not applicable.

15. None of the Directors, Promoters, Key Managerial Personnel, their relatives, Creditors and Employees of the Applicant Company I respectively have any material interest, financial or otherwise, in the Scheme, save to the extent of shares held by them in the Applicant Company I, if any.
16. No investigation proceedings have been instituted or are pending against the Applicant Company I under the Companies Act, 2013.
17. In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the Equity Shareholders of the Applicant Company I, present in the meeting of Equity Shareholders and voting in person, or through authorized representative or by proxy or through remote e-voting or postal ballot, agree to the Scheme. A proxy form is enclosed.
18. On the Scheme being approved by the requisite majority of the Shareholders, the Applicant Company I shall file a petition with the NCLT, New Delhi for sanction of the Scheme under Sections 230 to 232 and other applicable provisions of the Act.
19. As per Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the following documents are available for inspection at the Registered Office of the Transferor and Transferee Company, up to one day prior to the date of the Meeting between 10:00 A.M to 6:00 P.M on all working days (except Saturdays, Sundays and public holidays):
 - (i) Copies of annual reports for year ending March 31, 2017 of the Transferor and Transferee Companies.
 - (ii) Copy of supplementary Financial Statements (including the Consolidated Financial Statements of Spice Mobility Limited, Spice Digital Limited, Spice IOT Solutions Private Limited, Mobisoc Technology Private Limited and Spice Labs Private Limited as on March 31, 2018
 - (iii) Copy of the Order of the Hon'ble NCLT, New Delhi dated August 10, 2018, passed in Company Application No. C.A. (CAA)-123(PB)/2018.
 - (iv) Comprehensive Scheme of Arrangement between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Digital Private Limited and their respective shareholders and creditors.
 - (v) Copies of Memorandum and Articles of Association of the Transferor and Transferee Companies.
 - (vi) Valuation Report dated 26th March, 2018 from M/s S.R. Batliboi & Co.
 - (vii) Fairness opinion dated 22nd December, 2017 from Corporate Professionals Capital Private Limited
 - (viii) Certificate issued by the Statutory Auditors of Transferor and Transferee Companies to the effect that the accounting treatment proposed in the Comprehensive Scheme of Arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
 - (ix) First motion application under Sections 230-232 of the Companies Act, 2013 filed by the Transferor and Transferee Companies before the National Company Law Tribunal, New Delhi.

20. It is further provided that there are no other contracts or agreements that are material to the proposed Scheme.
21. It is confirmed that the copy of the Scheme, as approved by Board, has been filed with the Registrar of Companies, NCT of Delhi and Haryana by the Applicant Company I.
22. In compliance with the requirement of Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, notice in the prescribed form and seeking approvals, sanctions or no-objections shall be served to the concerned regulatory and government authorities for the purpose of the proposed Scheme.
23. Except as stated above, no other approvals from regulators or governmental authorities are required at this stage nor any have been received or are pending in respect of the proposed Scheme.
24. In view of the information provided hereinabove and the documents attached along with this Notice and Explanatory statement, the requirement of Sections 230 to 232 and 102 of the Companies Act, 2013 have been complied with.
25. A copy of this Scheme, Explanatory Statement, Form of Proxy, Postal Ballot Form and Attendance Slip may be obtained free of charge between 10:00 A.M. to 6:00 P.M. on any working day (except Saturdays, Sundays and Public Holidays) prior to the date of the Meeting, from the Registered Office, of the Applicant Company I.

Dated this 5th day of September, 2018

Sd/-

Kunwar Jai Singh, Advocate

Chairperson appointed for the Meeting

Registered Office: 622, 6th Floor, DLF Tower A,
Jasola Distt. Centre, New Delhi -110025

COMPREHENSIVE SCHEME OF ARRANGEMENT
BETWEEN
SPICE MOBILITY LIMITED
AND
SPICE DIGITAL LIMITED
AND
SPICE IOT SOLUTIONS PRIVATE LIMITED
AND
MOBISOC TECHNOLOGY PRIVATE LIMITED
AND
SPICE LABS PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

(A) BACKGROUND AND DESCRIPTION OF COMPANIES WHO ARE PARTIES TO THE SCHEME

1. **Spice Mobility Limited** (hereinafter called '**SML**') was incorporated on December 23, 1986 under the Companies Act, 1956, having its registered office at S Global Knowledge Park, 19A & 19B, Sector 125, Noida, Uttar Pradesh - 201301 and e-mail id - complianceofficer@smobility.in. The equity shares of SML is listed on National Stock Exchange of India Limited (hereinafter called '**NSE**') and BSE Limited (hereinafter called '**BSE**'). The Corporate Identity Number of the company is L72900UP1986PLC008448. Further, the Permanent Account Number of the company is AABCM5619D. SML through its subsidiaries is primarily engaged in the business of digital technology services, Financial Technology Services, value added telecom services and retail of mobile handsets and related products. The Board of SML has decided to shift the registered office of company from the State of Uttar Pradesh to the State of Delhi.
2. **Spice Digital Limited** (hereinafter called '**SDL**') was incorporated on April 04, 2000 under the Companies Act, 1956, having its registered office at 60-D, Street No. C-5, Sainik Farms, New Delhi - 110062. The Corporate Identity Number of the company is U72900DL2000PLC104989 and e-mail id - kokila.arora@spicedigital.in. Further, the Permanent Account Number of the company is AABCC9662Q. SDL is presently engaged in the business of providing:
 - a) Digital Technology services, Value added services including mobile content services to the customers of domestic and international telecom operators, development & sale of telecom related software, (hereinafter collectively referred to as '**DTS Business**'); and
 - b) Financial Technologies Services such as domestic money transfer services, Aadhar enabled payment services, bill payments through Bharat Bill Payment System, and Ticketing services ('**FinTech Business**').
3. **Spice IOT Solutions Private Limited** (hereinafter called '**Spice IOT**') was incorporated on October 29, 2016 under the Companies Act, 2013, having its registered office at S Global Knowledge Park, 19A & 19B, Sector 125, Noida, Uttar Pradesh - 201301. The Corporate Identity Number of the company is U72900UP2016PTC087428 and e-mail id - rohit.ahuja@spiceglobal.com. Further, the Permanent Account Number of the company is AAXCS7948H. Spice IOT was incorporated with the main object of carrying on the business of manufacturing, trading, export, import, service, solution of hardware and software accelerator, product of internet of things, e-commerce, internet, media, allied items, computer personnel etc, developing and maintaining hardware, software and communication infrastructure, software, packages and applications etc. The Board of Spice IOT has decided to shift the registered office of the Company from the state of Uttar Pradesh to the state of Delhi.
4. **Mobisoc Technology Private Limited** (hereinafter called '**Mobisoc**') was incorporated on August 12, 2006 under the Companies Act, 1956, having its registered office at D-60, Street No. C-5 Sainik Farms New Delhi - 110062. The Corporate Identity Number of the company is U72300DL2006PTC151960 and e-mail id - akansha.sharma@spicelabs.in. Further, the Permanent Account Number of the company is AAECM7582L. Mobisoc is engaged in software development activities and providing management and support services in the field of telecommunication technology. The Company is also in the business of digital marketing in which it is providing services to the clients to enhance their business via mobile marketing, lead generation, app download and website.
5. **Spice Labs Private Limited** (hereinafter called '**Spice Labs**') was incorporated on May 25, 2009 under the Companies Act, 1956, having its registered office at Plot No. 62, Basement Pocket 2, Jasola, New Delhi - 110025. The Corporate Identity Number of the company is U72300DL2009PTC311320 and e-mail id – ishan.narula@spicedigital.in. Further, the Permanent Account Number of the company is AANCS0789G. Spice Labs is primarily engaged in the business of developing, and providing digital software solutions as offshore service provider to business enterprises.

(B) PURPOSE AND RATIONALE FOR THE COMPREHENSIVE SCHEME OF ARRANGEMENT

The Board of respective companies are desirous of streamlining the ownership and business operations of SML, SDL, Spice IOT, Mobisoc & Spice Labs through a Comprehensive Scheme of arrangement pursuant to sections 230-232 and other applicable provisions, if any, of the Act, which involves: (a) Demerger of DTS Business Undertaking (*as defined hereinafter*) of SDL into SML; and (b) Amalgamation of Spice IOT, Mobisoc and Spice Labs with SML. The proposed Comprehensive Scheme of Arrangement is in the interest of shareholders and creditors on account of the following reasons:

1. SML through its subsidiaries is primarily engaged in the Business of digital technology services, Financial Technology Services, value added telecom services and retail of mobile handsets and related products. Over the last few years, digital technology and apps have gained prominence in terms of business potential and growth and mobile handsets have become only a mode to access these digital technology services. Therefore, to keep pace with these changing business dynamics, SML intends to focus predominantly on digital platforms and services.
2. The services business has been at the forefront of technological innovations and has evolved as a key digital transformation player in terms of technological advancements as well as development of digital products & solutions.
3. SML, along-with its subsidiaries, aspires to become a leader in digital technologies in India and other emerging markets which are witnessing similar technology adoption trends and continue to invest into new products and service areas which will provide significant growth opportunities going forward. SML is focusing on building solutions in the mobile governance, mobile money and mobile entertainment domains.

4. The service business of SML, being carried out through SDL, can be broadly classified into two categories (a) **Digital Technology Services Business (DTS)** - Telco Support Solutions, Mobility Software Solutions, Mobile Advertising, Social Networking, USSD Service and other related services and (b) **FinTech Business** - Under the brand name “**Spice Money**”, Cash Deposit, Cash Withdrawals, Bill Payments etc. as per the licenses issued under the Pre-paid Instrument, Bharat Bill Payment System, Aadhaar Enabled Payment Systems etc.

In order to streamline the business structure and aligning it with the future growth prospects, the flagship listed company of the group i.e. SML is proposed to directly carry out the DTS Business going forward.

5. Further, the FinTech Business is at a nascent stage and has tremendous scope to grow in the future. Hence, it is desirable to grow the FinTech Business through organic & inorganic expansion including acquisition / consolidation of similar businesses. It would require investments into the operational and functional aspects of the business and substantial investment into marketing and brand building including strategic partnership with an investor for fund raising and / or acquisition of technology.
6. The proposed restructuring will be synergistic and optimal as there exists certain commonality in the operational infrastructure that may be needed for running the respective businesses.
7. The restructuring proposed under this Scheme when made effective will build a stronger and sustainable business and it would be desirable, among other, for the following reasons:
 - (a) consolidation of similar businesses into one entity;
 - (b) achieve more focused business and management control;
 - (c) provide greater efficiency and optimal utilisation of resources;
 - (d) optimization of overheads, administrative, managerial and other expenditure through consolidation of companies / businesses resulting into simplification of group structure and streamlining for growth, capital raising in specific business and / or securing strategic partnerships;
 - (e) reduce legal and regulatory compliances; and
 - (f) create enhanced value for all stakeholders of the respective companies.

PARTS OF THE COMPREHENSIVE SCHEME OF ARRANGEMENT:

This Comprehensive Scheme of Arrangement is divided into the following parts:

1. **PART I** - Definitions, Share Capital, Details of Directors and Promoters;
2. **PART II** - Demerger of DTS Business Undertaking from SDL to SML;
3. **PART III** - Amalgamation of Spice IOT, Mobisoc and Spice Labs into SML; and
4. **PART IV** - General Terms and Conditions.

PART – I

DEFINITIONS, SHARE CAPITAL, DIRECTORS AND PROMOTERS

1. DEFINITIONS

In this Scheme (*as defined hereinafter*), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 “Act” or “The Act”** means the Companies Act, 2013, and shall include rules and regulations made thereunder and any statutory modifications, re-enactments and / or amendments thereof for the time being in force;
- 1.2 “Applicable Laws”** mean any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, ruling, bye-law, approval of any governmental authority, directive, guideline, policy, clearance, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law of any of the foregoing by any governmental authority having jurisdiction over the matter in question, whether in effect as of the date of this Scheme or at any time thereafter;
- 1.3 “Appointed Date”** means April 01, 2017 or such other date as may be fixed or approved by the Hon'ble National Company Law Tribunal (“NCLT” / “Tribunal”) or any other Appropriate Authority (*as defined hereinafter*);
- 1.4 “Appropriate Authority”** means:
- The government of any jurisdiction (including any central, state, municipal or local government or political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;
 - Any public international organization or supranational body and its institutions, departments, agencies and instrumentalities;
 - Any governmental, quasi-governmental or private body or agency lawfully, exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation) the Competition Commission of India, Securities Exchange Board of India ('SEBI'), Reserve Bank of India ('RBI'), Regional Director, Registrar of Companies, Official Liquidator and the Tribunal; and
 - Any stock exchanges in India.
- 1.5 “Board” of “Board of Directors”** in relation to each of the companies forming part of the Scheme, means the board of directors of such company, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto.
- 1.6 “DTS Business Undertaking / DTS Business”** means all the business, undertakings, properties and liabilities of whatsoever nature and kind and wherever situated pertaining to the DTS Business of SDL and shall include (without limitation):
- 1.6.1 all properties and assets, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, present or future including all plant and machinery, buildings, vehicles, offices, investments (including investments in various Indian and overseas companies engaged in the similar business), interest, capital work-in-progress, furniture, fixtures, office equipment, appliances, computers, accessories, licenses, permits, quotas, approvals, registrations (including the Unique Identification Number ('UIN') for making investments in overseas companies), lease and tenancy rights in relation to office, stores and commercial or residential properties, incentives, if any, municipal permissions, consents, or powers of every kind, nature and description whatsoever in connection with operating or relating to the DTS Business of SDL and all other permissions, rights (including rights under any contracts, government contracts, memoranda of understanding, etc.), entitlements, copyrights, patents, trademarks, trade names, domain names and other designs, trade secrets, or intellectual property rights of any nature and all other interest exclusively relating to the services being dealt with by the DTS Business, and all deposits, advances and or moneys paid or received by SDL in connection with or pertaining or relating to the DTS Business, corporate guarantees issued by SDL and the benefits of any bank guarantees issued in relation to and for the benefit of the DTS Business of SDL, deferred tax benefits, privileges, all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the DTS Business of SDL;
- 1.6.2 All the debts, liabilities, including contingent liabilities, duties and obligations (including the obligations towards bank guarantees) pertaining or relating to the DTS Business of SDL. For the purpose of this Scheme, it is clarified that liabilities pertaining to the DTS Business of SDL shall include:

- i. the liabilities, which arises out of the activities or operations of the DTS Business;
 - ii. specific loans and borrowings raised, incurred and utilized for the activities or operations of the DTS Business;
 - iii. liabilities other than those referred to in sub-clauses (i) and (ii) above and not directly relatable to the Remaining Business of SDL, being the amounts of general or multipurpose borrowings of SDL allocated in the same proportion which the value of the assets of the DTS Business of SDL bears to the total value of SDL.
- 1.6.3 all taxes (direct or indirect), surcharges, cess, duties, levies imposed by any governmental entity, including without limitation, goods and service tax, excise, property tax, stamp duty and registration fees, together with any interest and penalties with respect to such amounts, taxes and duties paid or payable relatable to DTS Business;
- 1.6.4 all deposits and balances with government, semi government, local and other authorities and bodies, customers and other persons, earnest moneys and / or security deposits paid or received by SDL directly or indirectly in connection with or relating to the DTS Business;
- 1.6.5 all necessary books, records, files, papers, product, specification, engineering and process information, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the DTS Business of SDL; and
- 1.6.6 all employees of SDL substantially engaged in the DTS Business and those employees that are determined by the Board of SDL, to be substantially engaged in or relatable to the DTS Business of SDL.

Provided however that any question that may arise, including without limitation, as to whether a specified asset or property (including any books and records etc.) or liability pertains or does not pertain to the DTS Business, or whether it arises out of the activities or operations of the DTS Business or whether provided for or not in the books of accounts of SDL, shall be decided by mutual agreement between the Board of SDL and SML.

- 1.7 “Effective Date”** means the last of the dates on which the conditions specified in Clause 34 are complied with. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” shall mean and refer to the Effective Date;
- 1.8 “IT Act”** shall mean Income Tax Act, 1961 and shall include rules and regulations made thereunder and any statutory modifications, re-enactments and / or amendments thereof for the time being in force;
- 1.9 “Mobisoc”** means Mobisoc Technology Private Limited, a company incorporated under the Companies Act 1956, having its registered office at D-60, Street No. C-5 Sainik Farms New Delhi - 110062;
- 1.10 “NCLT”** means Hon’ble National Company Law Tribunal at Allahabad and Hon’ble National Company Law Tribunal at New Delhi, individually or collectively, as the context may require, to which this Scheme in its present form or with any modification(s) made or to be made and approved under Clause 33 of this Scheme is submitted for its sanctioning under sections 230 to 232 and other applicable provisions, if any, of the Act;
- 1.11 “Record Date”** means the date to be fixed by the Board of respective companies for the purpose of determining the members of SDL and Spice Labs to whom shares will be allotted pursuant to Clause 5.1, Clause 13.11 and Clause 16.2, if required, of this Scheme;
- 1.12 “Remaining Business of SDL”** means the business of SDL other than DTS Business Undertaking transferred to SML pursuant to Part II of the Scheme;
- 1.13 “Registrar of Companies”** means Registrar of Companies, Kanpur and NCT of Delhi and Haryana, individually or collectively, as the context may require;
- 1.14 “Scheme” or “the Scheme” or “this Scheme”** means this Comprehensive Scheme of Arrangement, in its present form or with any modification(s) made or to be made and approved under Clause 33 of this Scheme;
- 1.15 “SDL”** means Spice Digital Limited, a company incorporated under the Companies Act 1956, having its registered office at 60-D, Street No. C-5, Sainik Farms, New Delhi - 110062;
- 1.16 “SML”** means Spice Mobility Limited, a company incorporated under the Companies Act 1956, having its registered office at S Global Knowledge Park, 19A & 19B, Sector 125, Noida, Uttar Pradesh - 201301;
- 1.17 “Spice IOT”** means Spice IOT Solutions Private Limited, a company incorporated under the Act, having its registered office at S Global Knowledge Park, 19A & 19B, Sector 125, Noida, Uttar Pradesh - 201301;
- 1.18 “Spice Labs”** means Spice Labs Private Limited, a company incorporated under the Companies Act 1956, having its registered office at Plot No. 62, Basement Pocket 2, Jasola, New Delhi - 110025;

1.19 In this Scheme, unless the context otherwise requires:

- (a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (c) words in the singular shall include the plural and vice versa; and
- (d) all terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

Upon the occurrence of the Effective Date, the Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

It is further provided that **Part II** of the Scheme shall take effect and be operative prior to coming into effect of **Part III** of the Scheme.

3. DETAILS OF SHARE CAPITAL, DIRECTORS AND PROMOTERS

3.1 Spice Mobility Limited ('SML')

3.1.1 The Share Capital SML as on March 31, 2017 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
33,00,00,000 equity shares of Rs. 3/- each	99,00,00,000
Total	99,00,00,000
Issued, Subscribed and Paid-up	
22,78,63,982 equity shares of Rs. 3/- each	68,35,91,946
Total	68,35,91,946

Subsequent to the above date and till the date of approval of Board to the said Scheme there is no change in the Share Capital structure as set out above.

3.1.2 The list of Directors of SML is as follows:

S. No.	Name	Address	DIN No.	Date of Appointment
1	Dilip Kumar Modi	36, Amrita Shergill Marg , New Delhi-110003	00029062	21-08-2006
2	Hanif Mohamed Dahya	5 Beechwood Road, Allendale, New Jersey,07401 United States of America	01068575	26-08-2013
3	Preeti Malhotra	House No. 40, NRI Complex, Greater Kailash-IV , New Delhi-110019	00189958	24-04-2010
4	Subramanian Murali	2001, ATS Greens Village, Sector - 93A Noida –201304, Uttar Pradesh, India	00041261	07-05-2015
5	Suman Ghose Hazra	E-604, Krishna Apra Residency, Sector-61, Noida – 201301	00012223	07-05-2015
6	Umang Das	1B Jangpura, Mathura Road, New Delhi –110014	00027912	07-05-2015

3.1.3 The list of Promoters of SML is as follows:

S. No.	Name	Address
1	Spice Connect Private Limited	Address: 60-D, Street No. C-5, Sainik Farms, New Delhi – 110062

3.2 Spice Digital Limited ('SDL')

3.2.1 The Share Capital of SDL as at March 31, 2017 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
10,00,00,000 equity shares of Rs. 10/- each	100,00,00,000
Total	100,00,00,000
Issued, Subscribed and Paid-up	
3,97,70,984 equity shares of Rs. 10/- each	39,77,09,840
Total	39,77,09,840

Subsequent to the above date and till the date of approval of Board to the said Scheme there is no change in the Share Capital structure as set out above.

3.2.2 The list of Directors of SDL is as follows:

S. No.	Name	Address	DIN No.	Date of Appointment
1	Mr. Dilip Kumar Modi	36, Amrita Shergill Marg, New Delhi-110003	00029062	11-05-2017
2	Mr. Subramanian Murali	2001, ATS Greens Village, Sector 93A, Noida- 201304, U.P.	00041261	04-07-2012
3	Mr. Suman Ghose Hazra	E-604, Krishna Apra Residency, Sector-61, Noida-201301, U.P.	00012223	24-03-2015
4	Mr. Suresh Kumar Jain	H.No. B 105, Sector 26 Noida, PS-Sector 20, Teh. Dadri, District Gautam Budh Nagar 201301 U.P.	01308010	16-04-2015
5	Mr. Umang Das	1 - B Jang Pura, Mathura Road, New Delhi-110014	00027912	24-03-2015

3.2.3 The list of Promoters of SDL is as follows:

S. No.	Name	Address
1	Spice Mobility Limited	S Global Knowledge Park 19A & 19B, Sector 125, Noida- 201301, Uttar Pradesh

3.3 Spice IOT Solutions Private Limited ('Spice IOT')

3.3.1 The Share Capital of Spice IOT as on March 31, 2017 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
10,000 equity shares of Rs. 10/- each	1,00,000
Total	1,00,000
Issued, Subscribed and Paid-up	
10,000 equity shares of Rs. 10/- each	1,00,000
Total	1,00,000

Subsequent to the above date and till the date of approval of Board to the said Scheme there is no change in the Share Capital structure as set out above.

3.3.2 The list of Directors of Spice IOT is as follows:

S. No.	Name	Address	DIN No.	Date of Appointment
1	Mr. Dilip Kumar Modi	36, Amrita Shergill Marg , New Delhi-110003	00029062	29-10-2016
2	Mr. Rohit Ahuja	A – 27, Sector – 26, Noida - 201301	00065417	29-10-2016

3.3.3 The list of Promoters of Spice IOT is as follows:

S. No.	Name	Address
1	Spice Mobility Limited	S Global Knowledge Park 19A & 19B, Sector 125, Noida- 201301, Uttar Pradesh

3.4 Mobisoc Technology Private Limited ('Mobisoc')

3.4.1 The Share Capital of Mobisoc as on March 31, 2017 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
1,50,00,000 equity shares of Rs. 10/- each	15,00,00,000
Total	15,00,00,000
Issued, Subscribed and Paid-up	
1,00,10,000 equity shares of Rs. 10/- each	10,01,00,000
Total	10,01,00,000

Subsequent to the above date and till the date of approval of Board to the said Scheme there is no change in the Share Capital structure as set out above.

3.4.2 The list of Directors of Mobisoc is as follows:

S. No.	Name	Address	DIN No.	Date of Appointment
1	Mr. Madhusudan Venkatachary	55, H.C.L. Tower-1, B-9/16, Sector 62, Noida 201301, U.P.	02650160	31-03-2009
2	Ms. Seema Salwan	47, Pusa Road, New Delhi-110005	06944301	27-03-2015
3	Mr. Sunil Kapoor	104, 1st Floor, Tower Manchester 2 Mahagun Moderne, Sector-78 Noida-201301, U.P.	05322540	20-01-2014
4	Mr. Sunil Kumar Bhansali	71, Daryaganj, New Delhi-110002	00225693	27-03-2015

3.4.3 The list of Promoters of Mobisoc is as follows:

S. No.	Name	Address
1	Spice Digital Limited	60-D, Street No. C-5, Sainik Farms, New Delhi – 110062

3.5 Spice Labs Private Limited (“Spice Labs”)

3.5.1 The Share Capital of Spice Labs as on March 31, 2017 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
1,00,50,000 equity shares of Rs. 10/- each	10,05,00,000
Total	10,05,00,000
Issued, Subscribed and Paid-up	
1,00,50,000 equity shares of Rs. 10/- each	10,05,00,000
Total	10,05,00,000

Subsequent to the above date and till the date of approval of Board to the said Scheme there is no change in the Share Capital structure as set out above.

3.5.2 The list of Directors of Spice Labs is as follows:

S. No.	Name	Address	DIN No.	Date of Appointment
1	Mr. Madhusudan Venkatachary	55, H.C.L. Tower-1, B-9/16, Sector 62, Noida 201301, U.P.	02650160	13-09-2014
2	Ms. Seema Salwan	47, Pusa Road, New Delhi-110005	06944301	28-03-2015
3	Mr. Sunil Kapoor	104, 1st Floor, Tower Manchester 2 Mahagun Moderne, Sector-78 Noida- 201301, U.P.	05322540	14-04-2015
4	Mr. Sunil Kumar Bhansali	71, Daryaganj, New Delhi-110002	00225693	28-03-2015

3.5.3 The list of Promoters of Spice Labs is as follows:

S. No.	Name	Address
1	Spice Digital Limited	60-D, Street No. C-5, Sainik Farms, New Delhi – 110062

PART – II

DEMERGER OF DTS BUSINESS UNDERTAKING OF SDL INTO SML

4. TRANSFER AND VESTING OF DTS BUSINESS UNDERTAKING

- 4.1 With effect from the Appointed Date and upon the Scheme becoming effective, DTS Business Undertaking, as defined in Clause 1.6 of this Scheme shall, pursuant to the provisions of sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the order of NCLT(s) or other Appropriate Authority, if any, sanctioning the Scheme, without any further act, deed, matter or thing, stand transferred to and vested in and/ or deemed to be transferred to and vested in SML at values appearing in the books of SDL on a going concern basis and in accordance with section 2(19AA) of the IT Act, so as to become the assets and liabilities of SML and there shall be vested in SML, all the rights, titles, interests or obligations of the said DTS Business Undertaking therein and shall be free from all encumbrances.
- 4.2 Without prejudice to the generality of the above said Clause:
- 4.2.1 Any and all assets relating to the DTS Business Undertaking, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recorded pursuant to this Scheme shall stand transferred and vested by SDL to SML and shall become the property and an integral part of SML. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly.
- 4.2.2 Any and all movable properties of SDL relating to the DTS Business Undertaking, other than those specified in sub-clause 4.2.1 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred and vested as the property of SML. The investments held in dematerialized form will be transferred to SML by issuing appropriate delivery instructions to the depository participant with whom SDL have an account.
- 4.2.3 The immovable properties standing in the books of SDL in relation to DTS Business Undertaking, if any, and any documents of title or rights and easements in relation thereto shall be vested in and transferred to and / or be deemed to have been vested in and transferred to SML automatically without requirement of execution of any further documents for registering the name of SML as owner thereof and the regulatory authorities, including Sub-registrar of Assurances, Talati, Tehsildar etc. may rely on the Scheme along with the copy of the order passed by the NCLT(s), to make necessary mutation entries and changes in the land or revenue records to reflect the name of SML as owner of the immovable properties. For the purpose of vesting of immovable properties to SML, SDL is hereby empowered/authorized to execute any documents/enter into any arrangements for and on behalf of SML.
- 4.2.4 In respect of the assets owned by SDL in relation to the DTS Business Undertaking as on the Effective Date, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, body corporates, customers, etc., SDL shall, if so required by SML, may issue notices/ intimations in such form as SML may deem fit and proper stating that pursuant to the NCLT(s) or any other Appropriate Authority having sanctioned this Scheme, the relevant debt, loan, advance or other asset, be paid or made good or held on account of SML as the person entitled thereto, to the end and intent that the right of SDL to recover or realize the same stands transferred to SML and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 4.2.5 With effect from the Appointed Date but upon the Scheme becoming effective, all debts, liabilities, duties and obligations of every kind, nature and description of SDL in relation to the DTS Business Undertaking, shall be deemed to and shall stand transferred to SML, without any further act, deed, matter or thing and shall become the debts, liabilities, duties and obligations of SML. SML shall undertake to meet, discharge and satisfy such debts, liabilities, duties and obligations and in order to give effect to the provisions of this Clause, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities duties and obligations have arisen.
- 4.2.6 Where any of the debt, liabilities, duties and obligations of SDL relating to the DTS Business Undertaking as on the Appointed Date, deemed to be transferred to SML have been discharged by SDL after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of SML and all loans raised and used and all liabilities and obligations incurred by SDL for the operations of the DTS Business Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of SML and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to SML and shall become the liabilities and obligations of SML which shall undertake to meet, discharge and satisfy the same and in order to give effect to the provisions of this Clause, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and liabilities have arisen.

- 4.2.7 All assets and properties of SDL relating to the DTS Business Undertaking, as on the Appointed Date, whether or not included in the books of SDL and all assets and properties which are acquired by SDL, relating to the DTS Business Undertaking, on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of SML and shall under the provisions of sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the order of NCLT(s) or other Appropriate Authority, if any, sanctioning the Scheme, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in SML upon the coming into effect of this Scheme.
- 4.2.8 The transfer and vesting of the DTS Business Undertaking aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relating to the DTS Business Undertaking to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the DTS Business Undertaking.
- 4.2.9 Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of this Scheme, SDL and SML shall execute all such instruments or documents or do all the acts and deeds as may be required, including the filing of necessary documents, with the Registrar of Companies to give formal effect to the above provisions, if required.

5. CONSIDERATION

- 5.1 Upon this Scheme becoming effective SML shall, without any further application, act or deed, issue and allot equity shares to the equity shareholders of SDL (*other than the equity shares as held by SML in SDL*) whose names appear in the register of its members on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as aforesaid in the following manner (hereinafter referred as Equity Shares):-
“2.682 fully paid up equity shares of face value of Rs. 3/- (Rupees Three) of SML to be issued and allotted to the equity shareholders of SDL against 1 fully paid up equity share of face value of Rs. 10/- (Rupees Ten) each held in SDL.”
- 5.2 The ratio in which Equity Shares are to be issued and allotted to the shareholders of SDL is herein referred to as the **“Share Exchange Ratio”**. Subject to Clause 12.1.3, if SDL restructures its share capital during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of such corporate actions.
- 5.3 The Equity Shares in SML, to be issued to the members of SDL pursuant to Clause 5.1 above, shall be subject to the Memorandum and Articles of Association of SML and shall rank *pari passu*, with the existing equity shares of SML.
- 5.4 SML shall not issue any fractional shares in respect of the fractional entitlements, if any, arising out of Clause 5.1 to which the shareholders of SDL may be entitled on issue and allotment of the equity shares of SML. In lieu of the fractional entitlement, SML shall pay to such shareholder, cash equal to the value of such fractional entitlement determined in accordance with the valuation of the shares of SML considered for the purpose of swap ratio as set-out in Clause 5.1 above.
- 5.5 Equity Shares of SML issued in terms of Clause 5.1 of this Scheme will be listed and/ or admitted to trading on the BSE and NSE where the shares of SML are listed and/or admitted to trading in terms of SEBI (Listing Obligations and Disclosure Requirements), 2015.
- 5.6 SML shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges, if any. On such formalities being fulfilled the said stock exchanges shall list and/or admit such Equity Shares for the purpose of trading.
- 5.7 The issue and allotment of equity shares by SML to the members of SDL pursuant to Clause 5.1 above is an integral part of this Scheme.
- 5.8 The approval of this Scheme by the members of SML shall be deemed to be due compliance of the provision of 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by SML to the members of SDL, as provided in this Scheme.

6. ACCOUNTING TREATMENT

6.1 ACCOUNTING TREATMENT IN SDL

SDL shall account for the demerger of DTS Business Undertaking in accordance with generally accepted accounting principles, such as:

- 6.1.1 The carrying value of assets and liabilities of the DTS Business Undertaking shall be reduced from the carrying value of assets and liabilities of SDL;
- 6.1.2 SDL shall reduce the balance in retained earnings and general reserves attributable to the DTS Business Undertaking from its books of accounts. It is clarified that the balance in securities premium account and share buy-back account shall not be reduced by SDL.
- 6.1.3 The inter-company balances, if any, appearing in the books of accounts of SDL and SML relating to the DTS Business Undertaking shall stand cancelled.

- 6.1.4 The difference, if any, between the net assets (*i.e. difference between the carrying value of assets and liabilities related to DTS Business Undertaking*) transferred to SML pursuant Clause 6.1.1 as reduced by reserves pursuant to Clause 6.1.2 and after giving effect to inter-company balances pursuant to Clause 6.1.3, shall be recorded as capital reserve by SDL.

6.2 ACCOUNTING TREATMENT IN SML

SML shall account for the demerger of DTS Business Undertaking in accordance with the Indian Accounting Standard (Ind AS) 103 "Business Combinations" notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and generally accepted accounting principles, such as

- 6.2.1 SML shall, record the assets and liabilities of DTS Business Undertaking vested in it pursuant to this Scheme at the respective carrying value as appearing in the books of SDL.
- 6.2.2 SML shall preserve the identity of the reserves related to the DTS Business Undertaking as reduced by SDL pursuant to Clause 6.1.2 above and shall record in its books in the same form in which they appear in the books of SDL.
- 6.2.3 The inter-company balances, if any, appearing in the books of accounts of SDL and SML relating to the DTS Business Undertaking shall stand cancelled. Further, SML shall make the necessary adjustments as required to be made in the consolidated financials of SML for DTS Business Undertaking.
- 6.2.4 SML shall credit the aggregate face value of equity shares issued by it to the shareholders of SDL pursuant to Clause 5.1 of this Scheme to the equity share capital account in its books of accounts.
- 6.2.5 The difference, if any, between the net assets (*i.e. difference between the carrying value of assets and liabilities related to DTS Business Undertaking*) transferred to SML pursuant Clause 6.2.1 as reduced by reserves recorded by SML pursuant to Clause 6.2.2 and after giving effect to adjustments mentioned in Clause 6.2.3 and Clause 6.2.4, shall be recorded as capital reserve by SML.

7. STAFF, WORKMEN AND EMPLOYEES

- 7.1 On the Scheme becoming effective, all staff, workmen and employees of SDL in relation to the DTS Business Undertaking, in service on the Effective Date shall be deemed to have become staff, workmen and employees of SML with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service and the terms and conditions of their employment with SML shall not be less favorable than those applicable to them with reference to SDL on the Effective Date. SML further agrees that for the purpose of payment of any retirement benefit/ compensation, such immediate uninterrupted past services with SDL shall also be taken into account. Any question that may arise as to whether any staff, workman or employee belongs to or does not belong to SDL in relation to the DTS Business Undertaking, shall be decided by Board of SDL.
- 7.2 The equitable interest in accounts / funds of the employees, staff and workman whose services are transferred to SML, relating to provident fund and gratuity fund shall be identified, determined and transferred to SML. Until such time, SML may, subject to the necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of SDL to the relevant funds of SDL.
- 7.3 SML at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deed of confirmation or other writings or arrangements with any party to any contract or arrangement or any Government authority to which SDL is a party in order to give a formal effect to the above provisions. SML shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the SDL and to carry out or perform all such formalities or compliances, referred to above, on behalf of SDL.
- 7.4 SML undertakes to abide by agreement/ settlement, if any, entered into by SDL for the employees of the DTS Business Undertaking of SDL.

8. LEGAL PROCEEDINGS

- 8.1 All legal proceedings of whatsoever nature by or against SDL pending and/ or arising on or after the Appointed Date and relating to SDL in relation to the DTS Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against SML in the manner and to the same extent as would or might have been continued and enforced by or against SDL, in relation to the DTS Business Undertaking.
- 8.2 After the Appointed Date, if any proceedings are taken against SDL in relation to the DTS Business Undertaking, in respect of the matters referred to in the Clause 8.1 above, it shall defend the same at the cost of SML and SML shall reimburse and indemnify SDL against all liabilities and obligations incurred by SDL in respect thereof, in relation to the DTS Business Undertaking.
- 8.3 SML undertakes to have all legal or other proceedings initiated by or against SDL in relation to the DTS Business Undertaking, referred to in Clause 8.1 above transferred in its name and to have the same continued, prosecuted and enforced by or against SML to the exclusion of SDL in relation to the DTS Business Undertaking.

9. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

- 9.1 With effect from Appointed Date and upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to immovable properties or otherwise of whatsoever nature to which SDL, in relation to the DTS Business Undertaking, is a party or to the benefit of which SDL, in relation to the DTS Business Undertaking, may be eligible and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, SML and may be enforced as fully and effectually as if, instead of SDL, SML had been a party or beneficiary or obligee thereto or there under.
- 9.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of SDL, in relation to the DTS Business Undertaking shall stand transferred to SML, as if the same were originally given by, issued to or executed in favour of SML and SML shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to SML. SML shall intimate the concerned government authorities as may be necessary in this behalf who shall be bound by the same.
- 9.3 With effect from the Appointed Date and upon the Scheme becoming effective, all rights and licenses relating to brands, trademarks, know-how, technical know-how, trade names, descriptions, trading style, franchises, labels, label designs, logos, emblems and items of such nature, colour schemes, utility models, holograms, bar codes, designs, patents, copyrights, privileges and any rights, title or interest in intellectual property, rights in relation to DTS Business Undertaking to which SDL is a party or to the benefit of which SDL may be entitled/ eligible shall be enforceable in full force and effect on, or against, or in favour of, SML as the case may be and may be enforced as fully and effectually as if instead of SDL, SML had been a party or beneficiary or obligee thereto.
- 9.4 SML shall be entitled to the benefit of all insurance policies which have been issued in respect of SDL pertaining to the DTS Business Undertaking and the name of SML shall be substituted as "Insured" in the policies as if SML was initially a party.
- 9.5 SML, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to DTS Business Undertaking to which SDL is a party in order to give formal effect to the above provisions. SML shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of SDL and to carry out or perform all such formalities or compliances, referred to above, on behalf of SDL.
- 9.6 It is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature which SDL, in relation to DTS Business Undertaking owns or is a party to and which cannot be transferred to SML for any reason whatsoever, SDL shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of SML, in so far as it is permissible so to do, till such time as the transfer is effected.

10. OTHER ENTITLEMENTS

- 10.1 All cheques and other negotiable instruments, payment orders received in the name of SDL relating to the DTS Business Undertaking after the Effective Date shall be accepted by the bankers of SML and credited to the account of SML. Similarly, the bankers of SML shall honour cheques issued by SDL relating to the DTS Business Undertaking for payment after the Effective Date.
- 10.2 Upon the coming into effect of this Scheme the resolutions, if any, of SDL in relation to DTS Business Undertaking, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of SML and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in SML.

11. TREATMENT OF TAXES/DUTIES/CESS ETC.

- 11.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by SDL related to DTS Business Undertaking from the Appointed Date onwards shall be treated as the tax liability of SML.
- 11.2 All taxes of any nature, duties, cess or any other like payment or deductions made by SDL in relation to DTS Business Undertaking to any statutory authorities such as income tax, goods and service tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or paid by SML and the relevant authorities shall be bound to transfer to the account of and give credit for the same to SML upon the passing of the orders on this Scheme by NCLT(s) and upon relevant proof and documents being provided to the said authorities.
- 11.3 Upon the Scheme becoming effective, SML is also expressly permitted to revise income tax, withholding tax, goods and service tax and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed pursuant to the provisions of this Scheme.

12. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 12.1 With effect from the date of approval of this Scheme by the Board of respective companies and up to and including the Effective Date:
- 12.1.1 SDL undertakes to preserve and carry on the business of DTS Business Undertaking with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:
- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the NCLT(s); or
 - (b) if the same is expressly permitted by this Scheme; or
 - (c) if the prior written consent of the Board of SML has been obtained.
- 12.1.2 SDL shall not take, enter into, perform or undertake, as applicable:
- (a) any material decision in relation to business and affairs and operations of DTS Business Undertaking;
 - (b) any agreement or transaction (other than an agreement or transaction in the ordinary course of business) in relation to DTS Business Undertaking; and
 - (c) such other matters as SML may notify from time to time; without the prior written consent of the Board of Directors of SML.
- 12.1.3 Without prejudice to the generality of Clause 12.1.2 above, SDL shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division, consolidation, re-organisation or in any other manner which may, in any way, affect the Share Exchange Ratio (as provided in Clause 5.1), except under any of the following circumstances:
- (a) by mutual consent of the respective Board of SDL and SML; or
 - (b) as may be permitted under this Scheme
- 12.2 SDL may, jointly with SML or with the prior written consent of SML, apply to any governmental authority for such consents, approvals and sanctions as may be required pursuant to, or in connection with the Scheme.
- 12.3 SDL shall carry on and be deemed to have carried on all business and activities of the DTS Business Undertaking and shall stand possessed of all the assets, rights, title and interest of SDL, in relation to the DTS Business Undertaking for and on account of and in trust for SML.
- 12.4 With effect from the Appointed Date and upon the Scheme becoming effective, all profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by SDL, in relation to the DTS Business Undertaking shall for all purposes, be treated as the profits and cash, taxes or losses of SML.
- 12.5 All accretions and depletions to SDL, in relation to the DTS Business Undertaking shall be for and on account of SML.
- 12.6 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by SDL, in relation to the DTS Business Undertaking shall be deemed to have been exercised by SDL for and on behalf of and in trust for and as an agent of SML. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the DTS Business Undertaking of SDL that have been undertaken or discharged by SDL, shall be deemed to have been undertaken for and on behalf of and as an agent for SML.
- 12.7 SDL shall not vary the terms and conditions of service of its employees in relation to the DTS Business Undertaking except in the ordinary course of its business.

13. REMAINING BUSINESS OF SDL

- 13.1 The Remaining Business of SDL and all the assets, liabilities, obligations and employees pertaining thereto, shall continue to belong to and be vested in and be managed by SDL.
- 13.2 All legal, taxation or other proceedings by or against SDL under any statute, whether pending on the Appointed Date or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of SDL (including those relating to any property, right, power, liability, obligation or duties of SDL in respect of the Remaining Business of SDL) shall be continued and enforced by or against SDL.
- 13.3 All statutory licenses / authorization (including the licenses issued by RBI / UIDAI / NPCI under the Pre-paid Instrument, Bharat Bill Payment System, Aadhaar Enabled Payment Systems etc.), permissions, approvals, quotas or consents held by SDL relating to the Remaining Business of SDL, shall continue to vest with SDL.
- 13.4 All trademarks, patents, designs, copyrights and other intellectual property rights or consents held, registered or owned by SDL in respect of Remaining Business of SDL, shall continue to vest with SDL.
- 13.5 All staff, workmen and employees of SDL, in relation to the Remaining Business of SDL will continue to be employees of SDL.

- 13.6 All assets and properties acquired by SDL in relation to the Remaining Business of SDL on and after the Appointed Date shall belong to and continue to remain vested in SDL.
- 13.7 It is further provided that SML and SDL shall take the necessary actions including the increase in the equity share capital, if required, to meet the financial eligibility criteria (*i.e. net worth, owned fund, net owned fund etc.*) to carry on the Fintech business as per relevant regulations issued by RBI from time to time.
- 13.8 With effect from the Appointed Date and including the Effective Date -
- 13.8.1 SDL shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business of SDL for and on its own behalf; and
- 13.8.2 All income or profit accruing to SDL or expenditure or losses arising or incurred by it relating to Remaining Business of SDL are and shall for all purposes, be treated as the income or profit or expenditure or losses, as the case may be, of SDL.
- 13.9 Upon this Scheme becoming effective and with effect from the Appointed Date, SDL shall, without any further application, act, deed, or thing, would pay INR 17.29 per share to its equity shareholders (*other than equity shares held by SML*) whose names appear in the register of its members on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as aforesaid and SDL would cancel such equity shares from the equity share capital account in its books of accounts.
- 13.10 The cancellation of the equity share capital of SDL pursuant to Clause 13.9 above shall be effected as an integral part of the Scheme. The order of NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction of share capital and no further act, deed or thing as required under the provisions of the Act would be required.
- 13.11 Any equity shareholder(s) who does not want to accept the option of payment provided in Clause 13.9 above and submits in writing his / her intention, not receive such payment from SDL, would be issued and allotted equity shares in SML in the following manner:-
- “ 0.733 fully paid up equity shares of face value of Rs. 3/- (Rupees Three) of SML to be issued and allotted to the equity shareholders of SDL, against 1 fully paid up equity shares of face value of Rs. 10/- (Rupees Ten) each held in SDL.”**
- Upon effectiveness of the Scheme, SDL will dispatch a letter to the equity shareholders (*other than equity shares held by SML*) of SDL if they wish to exercise the option to get the additional shares of SML as mentioned above.
- 13.12 The Equity Shares in SML, to be issued to the members of SDL pursuant to Clause 13.11 above, if any, shall be subject to the Memorandum and Articles of Association of SML and shall rank *pari passu*, with the existing equity shares of SML.
- 13.13 SML shall not issue any fractional shares in respect of the fractional entitlements, if any, arising out of Clause 13.11 to which the shareholders of SDL may be entitled on issue and allotment of the equity shares of SML. In lieu of the fractional entitlement, SML shall pay to such shareholder, cash equal to the value of such fractional entitlement determined in accordance with the valuation of the shares of SML considered for the purpose of swap ratio as set-out in Clause 13.11 above.
- 13.14 Equity Shares of SML issued in terms of Clause 13.11 of this Scheme will be listed and/ or admitted to trading on the BSE and NSE where the equity shares of SML are listed and/or admitted to trading in terms of SEBI (Listing Obligations and Disclosure Requirements), 2015.
- 13.15 SML shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges, if any. On such formalities being fulfilled the said stock exchanges shall list and/or admit such Equity Shares for the purpose of trading.
- 13.16 The issue and allotment of equity shares by SML to the members of SDL pursuant to Clause 13.11 above is an integral part of this Scheme.
- 13.17 The approval of this Scheme by the members of SML shall be deemed to be due compliance of the provision of 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by SML to the members of SDL, as provided in this Scheme.

14. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of SDL in relation to the DTS Business Undertaking pursuant to this Scheme and the continuance of the legal proceedings by or against SML, under Clause 8.1 hereof shall not affect any transactions or proceedings already completed by SDL in relation to the DTS Business Undertaking on and after the Appointed Date to the end and intent, that SML accepts all acts, deeds and things done and executed by and/ or on behalf of SDL, as acts, deeds and things done and executed by and on behalf of SML.

PART – III

AMALGAMATION OF SPICE IOT, MOBISOC & SPICE LABS WITH SML

15. TRANSFER AND VESTING OF BUSINESS AND UNDERTAKING

- 15.1 With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and whole of the undertaking(s), property and liabilities of Spice IOT, Mobisoc & Spice Labs shall, pursuant to the provisions of sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the order of NCLT(s) or other Appropriate Authority, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and / or deemed to be transferred to and vested in SML, as a going concern, so as to become the properties and liabilities of SML in accordance with section 2(1B) of the IT Act.
- 15.2 Without prejudice to the generality of the above said Clause:
- 15.2.1 All the assets, rights and properties of Spice IOT, Mobisoc & Spice Labs (whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, present or future, existing or contingent, tangible or intangible) of whatsoever nature and wherever situated, of or belonging to or in the possession or control of Spice IOT, Mobisoc & Spice Labs including but not limited to data processing equipment, computers and servers, computer software, furniture and fixtures, investments, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, any registrations, copyrights, permits, approvals, all rights or title or interest in property(ies) by virtue of any court order or decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, tax registrations, tax credit (such as advance income tax, withholding tax credit, input credit of goods and service tax and Minimum Alternate Tax ('MAT') credit), contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by Spice IOT, Mobisoc & Spice Labs, industrial, regulatory and other licenses, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, computer programs, manuals, data, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever, shall under the provisions of sections 230 to 232 of the Act and any other applicable provisions of the Act, and pursuant to the order of NCLT(s) or any other Appropriate Authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges, if any affecting the same, as on the Effective Date be transferred to and / or deemed to be transferred to and vested in SML, so as to become the properties and assets of SML with effect from Appointed Date.
- 15.2.2 With respect to such assets and properties of Spice IOT, Mobisoc & Spice Labs as on the Effective Date, as are movable in nature and are capable of transfer by physical delivery or endorsement and delivery or novation and delivery, including cash in hand, the same shall be so transferred to SML and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to SML to the end and intent that the property and benefit therein passes to SML with effect from the Appointed Date.
- 15.2.3 In respect of the movable assets owned by Spice IOT, Mobisoc & Spice Labs as on the Effective Date, other than those mentioned in Clause 15.2.2 above, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, body corporate(s), customers etc., Spice IOT, Mobisoc & Spice Labs shall, if so required by SML, and / or SML may, issue notices or intimations in such form as SML may deem fit and proper, stating that pursuant to NCLT(s) having sanctioned this Scheme, the debt, loan, advance or other asset, be paid or made good or held on account of SML, as the person entitled thereto, to the end and intent that the right of Spice IOT, Mobisoc & Spice Labs to recover or realize the same stands transferred to SML and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 15.2.4 The immovable properties standing in the books of Spice IOT, Mobisoc & Spice Labs, if any, and any documents of title or rights and easements in relation thereto shall be vested in and transferred to and / or be deemed to have been vested in and transferred to SML automatically without requirement of execution of any further documents for registering the name of SML as owner thereof and the regulatory authorities, including Sub-registrar of Assurances, Talati, Tehsildar etc. may rely on the Scheme along with the copy of the order passed by the NCLT(s), to make necessary mutation entries and changes in the land or revenue records to reflect the name of SML as owner of the immovable properties. For the purpose of vesting of immovable properties to SML, Spice IOT, Mobisoc and / or Spice Labs are hereby empowered/authorized to execute any documents/ enter into any arrangements for and on behalf of SML.
- 15.2.5 All assets and properties which are acquired by Spice IOT, Mobisoc & Spice Labs on or after the Appointed

Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of SML and shall under the provisions of sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in SML upon the coming into effect of this Scheme pursuant to the provisions of sections 230 to 232 of the Act and other applicable provisions, if any, of the Act.

- 15.3 With effect from the Appointed Date, all reserves, debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of Spice IOT, Mobisoc & Spice Labs shall be transferred or be deemed to have been transferred to SML, to the extent they are outstanding on the Effective Date, without any further act, deed, matter or thing and the same shall be assumed by SML so as to become, on and from the Appointed Date, the liabilities and obligations of SML on the same terms and conditions as were applicable to Spice IOT, Mobisoc & Spice Labs. SML shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.
- 15.4 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of Spice IOT, Mobisoc & Spice Labs as on the Appointed Date, deemed to be transferred to SML, have been discharged by Spice IOT, Mobisoc & Spice Labs after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of SML, and all loans raised and used and all liabilities and obligations incurred by Spice IOT, Mobisoc & Spice Labs after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of SML, and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to SML and shall become the liabilities and obligations of SML on same terms and conditions as were applicable to Spice IOT, Mobisoc & Spice Labs. SML shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause.
- 15.5 Loans, advances and other obligations (including any guarantee, letter of credit, letter of comfort or any other instrument or arrangements which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between Spice IOT, Mobisoc & Spice Labs and SML, shall stand discharged and there shall be no liability in that behalf on either party.

16. CONSIDERATION

- 16.1 Since the entire paid-up equity share capital of Spice IOT & Mobisoc is held directly or indirectly by SML, no shares of SML will be issued or allotted to the shareholders of the Spice IOT & Mobisoc in consideration for amalgamation. Upon this Scheme being effective, the entire issued, subscribed and paid up share capital of Spice IOT & Mobisoc shall, *ipso facto*, without any further application, act or deed stand cancelled.
- 16.2 Upon this Scheme becoming effective SML shall, without any further application, act or deed, issue and allot equity shares to the equity shareholders of Spice Labs (*other than the equity shares as would be held by SML in Spice Labs upon effectiveness of Part II of the Scheme*) whose names appear in the register of its members on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as aforesaid in the following manner (hereinafter referred as Equity Shares):-
“1.299 fully paid up equity shares of face value of Rs. 3/- (Rupees Three) of SML to be issued and allotted to the equity shareholders of Spice Labs against 1 fully paid up equity shares of face value of Rs. 10/- (Rupees Ten) each held in Spice Labs.”
- 16.3 The ratio in which Equity Shares are to be issued and allotted to the shareholders of Spice Labs is herein referred to as the “Share Exchange Ratio”. Subject to Clause 23.1.3, if Spice Labs restructures its share capital during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of such corporate actions.
- 16.4 The Equity Shares in SML, to be issued to the members of Spice Labs pursuant to Clause 16.2 above, shall be subject to the Memorandum and Articles of Association of SML and shall rank *pari passu*, with the existing equity shares of SML.
- 16.5 SML shall not issue any fractional shares in respect of the fractional entitlements, if any, arising out of Clause 16.2 to which the shareholders of Spice Labs may be entitled on issue and allotment of the equity shares of SML. In lieu of the fractional entitlement, SML shall pay to such shareholder, cash equal to the value of such fractional entitlement determined in accordance with the valuation of the shares of SML considered for the purpose of swap ratio as set-out in Clause 16.2 above.
- 16.6 Equity Shares of SML issued in terms of Clause 16.2 of this Scheme will be listed and/ or admitted to trading on the BSE and NSE where the shares of SML are listed and/or admitted to trading in terms of SEBI (Listing Obligations and Disclosure Requirements), 2015.
- 16.7 SML shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges, if

any. On such formalities being fulfilled the said stock exchanges shall list and/or admit such Equity Shares for the purpose of trading.

16.8 The issue and allotment of equity shares by SML to the members of Spice Labs pursuant to Clause 16.2 above is an integral part of this Scheme.

16.9 The approval of this Scheme by the members of SML shall be deemed to be due compliance of the provision of 62 of the Companies Act, 2013 and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by SML to the members of Spice Labs, as provided in this Scheme.

17. ACCOUNTING TREATMENT

SML shall account for the amalgamation of Spice IOT, Mobisoc & Spice Labs in its books of accounts as per the 'Pooling of Interests Method', as described in Indian Accounting Standard (Ind AS) 103 "Business Combinations" notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, such as:

17.1 SML shall record all the assets and liabilities of Spice IOT, Mobisoc & Spice Labs vested in SML pursuant to this Scheme at their respective carrying values appearing in the books of Spice IOT, Mobisoc & Spice Labs.

17.2 SML shall preserve the identity of the reserves of the Spice IOT, Mobisoc & Spice Labs vested in SML pursuant to Scheme in the same form in which they appear in the books of Spice IOT, Mobisoc & Spice Labs.

17.3 The inter-company balances and investments, if any, appearing in the books of accounts of Spice IOT, Mobisoc & Spice Labs and SML shall stand cancelled. Further, SML shall make the necessary adjustments as required to be made in the consolidated financials of SML for Spice IOT, Mobisoc, & Spice Labs.

17.4 SML shall credit the aggregate face value of equity shares issued by it to the shareholders of Spice Labs pursuant to Clause 16.2 of this Scheme to the equity share capital account in its books of accounts.

17.5 The difference, if any, between the net assets (*i.e. difference between the carrying value of assets and liabilities*) transferred to SML pursuant Clause 17.1 as reduced by reserves recorded in SML pursuant to Clause 17.2 and after giving effect to adjustments mentioned in Clause 17.3 and Clause 17.4, shall be adjusted in the capital reserve of SML.

17.6 In case of any difference in accounting policy between Spice IOT, Mobisoc & Spice Labs and SML, the accounting policies followed by SML will prevail and the difference will be quantified and adjusted in the capital reserves recorded in accordance with Clause 17.5 above, to ensure that the financial statements of SML reflect the financial position on the basis of consistent accounting policy.

18. STAFF, WORKMEN AND EMPLOYEES

18.1 On the Scheme becoming effective, all staff, workmen and employees of Spice IOT, Mobisoc & Spice Labs in service on the Effective Date shall be deemed to have become staff, workmen and employees of SML with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with SML shall not be less favorable than those applicable to them with reference to Spice IOT, Mobisoc & Spice Labs on the Effective Date.

18.2 It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of Spice IOT, Mobisoc & Spice Labs shall be transferred to and shall get consolidated with the corresponding funds or account of SML. SML shall have the obligation to make contributions to the said Fund or account or Funds or accounts in accordance with the provisions thereof or as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of Spice IOT, Mobisoc & Spice Labs in relation to such Fund or account or Funds or accounts shall become those of SML. It is clarified that the services of the staff, workmen and employees of Spice IOT, Mobisoc & Spice Labs will be treated as having been continuous for the purpose of the said Fund or account or Funds or accounts. Until such time that SML creates or arranges for its own funds or accounts, SML may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of Spice IOT, Mobisoc & Spice Labs to the relevant fund or accounts of Spice IOT, Mobisoc & Spice Labs, as the case may be. Such contributions and other balances pertaining to the employees of Spice IOT, Mobisoc & Spice Labs shall be transferred to the funds or accounts created by SML on creation of relevant funds or arrangements or accounts by SML.

19. LEGAL PROCEEDINGS

19.1 All legal proceedings, if any, of whatsoever nature by or against Spice IOT, Mobisoc & Spice Labs, pending and / or arising on or after the Appointed Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in the Scheme but shall be continued and enforced by or against SML as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against Spice IOT, Mobisoc & Spice Labs.

19.2 SML undertakes to have all legal and / or other proceedings initiated by or against Spice IOT, Mobisoc & Spice Labs referred to in Clause 19.1 above, transferred in its name and to have the same continued, prosecuted and enforced by or against SML, to the exclusion of Spice IOT, Mobisoc & Spice Labs.

20. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

- 20.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance policies, indemnities, guarantees and other instruments of whatsoever nature in relation to Spice IOT, Mobisoc & Spice Labs, or to the benefit of which Spice IOT, Mobisoc & Spice Labs may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect, on or against or in favor of SML and may be enforced as fully and effectually as if, instead of Spice IOT, Mobisoc & Spice Labs, SML had been a party or beneficiary or obligee thereto.
- 20.2 With effect from the Appointed Date and upon the Scheme becoming effective, all rights and licenses relating to copyrights, trademarks, know-how, technical know-how, trade names, descriptions, trading style, franchises, labels, label designs, logos, emblems, and items of such nature, colour schemes, utility models, holograms, bar codes, designs, patents, privileges and any rights, title or interest in intellectual property rights in relation to Spice IOT, Mobisoc & Spice Labs, to which Spice IOT, Mobisoc & Spice Labs is a party or to the benefit of which Spice IOT, Mobisoc & Spice Labs may be entitled or eligible, shall be in full force and effect, on or against or in favor of SML as the case may be, and may be enforced as fully and effectually as if, instead of Spice IOT, Mobisoc & Spice Labs, SML had been a party or beneficiary or obligee thereto.
- 20.3 SML shall be entitled to the benefit of all insurance policies which have been issued in respect of Spice IOT, Mobisoc & Spice Labs and the name of SML shall be substituted as "Insured" in the policies as if SML was initially a party.
- 20.4 With effect from the Appointed Date and upon the Scheme becoming effective, all permits including operating permits, quotas, rights, entitlements, licenses including those relating to tenancies, trademarks, patents, copyrights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Spice IOT, Mobisoc & Spice Labs, and all rights relating thereto to the benefit of which Spice IOT, Mobisoc & Spice Labs may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect in favor of or against SML, and may be enforced fully and effectually as if, instead of Spice IOT, Mobisoc & Spice Labs, SML had been a beneficiary or obligee thereto.
- 20.5 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions, approvals, exemption schemes, or consents required to carry on operations in Spice IOT, Mobisoc & Spice Labs, respectively, shall stand vested in or transferred to SML without any further act or deed, and shall be appropriately mutated / transferred by the statutory authorities concerned therewith in favor of SML. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of Spice IOT, Mobisoc & Spice Labs shall vest in and become available to SML pursuant to the Scheme.
- 20.6 SML at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to Spice IOT, Mobisoc & Spice Labs to which Spice IOT, Mobisoc & Spice Labs is a party in order to give formal effect to the above provisions. SML shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Spice IOT, Mobisoc & Spice Labs and to carry out or perform all such formalities or compliances, referred to above, on behalf of Spice IOT, Mobisoc & Spice Labs.

21. OTHER ENTITLEMENTS

- 21.1 All cheques and other negotiable instruments, payment orders received in the name of Spice IOT, Mobisoc & Spice Labs after the Effective Date shall be accepted by the bankers of SML and credited to the account of SML. Similarly, the bankers of SML shall honour cheques issued by Spice IOT, Mobisoc & Spice Labs for payment after the Effective Date.
- 21.2 Upon the coming into effect of this Scheme the resolutions, if any, of Spice IOT, Mobisoc & Spice Labs, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of SML and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in SML.

22. TREATMENT OF TAXES/DUTIES/CESS ETC.

- 22.1 It is expressly clarified that upon the Scheme becoming effective all taxes payable by Spice IOT, Mobisoc & Spice Labs from the Appointed Date onwards shall be treated as the tax liability of SML. Similarly all credits for tax deduction at source on income of Spice IOT, Mobisoc & Spice Labs shall be given to SML; or obligation for deduction of tax at source on any payment made by or to be made by SML shall be made or deemed to have been made and duly complied with if so made by Spice IOT, Mobisoc & Spice Labs. Similarly any advance tax payment required to be made by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by Spice IOT, Mobisoc & Spice Labs.
- 22.2 All taxes of any nature, duties, cess or any other like payment or deductions made by Spice IOT, Mobisoc & Spice Labs to any statutory authorities such as income tax, goods and service tax etc. or any tax deduction or collection at source, relating to the period after the Appointed Date up to the Effective Date shall be deemed to have been on account of or

paid by SML and the relevant authorities shall be bound to transfer to the account of and give credit for the same to SML upon the passing of the orders on this Scheme by NCLT(s) and upon relevant proof and documents being provided to the said authorities.

- 22.3 Upon the Scheme becoming effective, SML is also expressly permitted to revise income tax, withholding tax and other statutory returns and filings under the tax laws notwithstanding that the period of filing/ revising such returns may have lapsed and to claim refunds, advance tax credit (including the Minimum Alternate Tax ('MAT') credit) and withholding tax credits etc., pursuant to the provisions of this Scheme. SML shall be entitled to refund and/or set off all amounts paid by Spice IOT, Mobisoc, Spice Labs or SML under income tax or any other disputed amount under appeal, if any, upon this Scheme being effective.

23. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

- 23.1 With effect from the date of approval of this Scheme by the Board of respective companies and upto and including the Effective Date:
- 23.1.1 Spice IOT, Mobisoc & Spice Labs undertake to preserve and carry on the business with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:
- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT(s); or
 - (b) if the same is expressly permitted by this Scheme; or
 - (c) if prior written consent of the Board of SML has been obtained.
- 23.1.2 Spice IOT, Mobisoc & Spice Labs shall not take, enter into, perform or undertake, as applicable:
- (a) any material decision in relation to its business and affairs and operations
 - (b) any agreement or transaction (other than an agreement or transaction in the ordinary course of business); and
 - (c) such other matters as SML may notify from time to time; without the prior written consent of the Board of SML.
- 23.1.3 Without prejudice to the generality of Clause 23.1.2 above, Spice IOT, Mobisoc & Spice Labs shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise) decrease, reduction, reclassification, sub-division, consolidation, re-organisation or in any other manner which may, in any way, affect the Share Exchange Ratio (as provided in Clause 16.2), except under any of the following circumstances:
- (a) by mutual consent of the respective Board of Spice IOT, Mobisoc & Spice Labs and SML; or
 - (b) as may be permitted under this Scheme.
- 23.1.4 Spice IOT, Mobisoc & Spice Labs may, jointly with SML or with the prior written consent of SML, apply to any governmental authority for such consents, approvals and sanctions as may be required pursuant to, or in connection with the Scheme.
- 23.2 Spice IOT, Mobisoc & Spice Labs shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of Spice IOT, Mobisoc & Spice Labs for and on account of, and in trust for SML.
- 23.3 With effect from the Appointed Date and upon the Scheme becoming effective, all profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any, thereon), by Spice IOT, Mobisoc & Spice Labs, shall for all purposes, be treated as the profits or cash or losses, of SML.
- 23.4 All accretions and depletions to Spice IOT, Mobisoc & Spice Labs shall be for and on account of SML.
- 23.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by Spice IOT, Mobisoc & Spice Labs shall be deemed to have been exercised by Spice IOT, Mobisoc & Spice Labs for and on behalf of, and in trust for and as an agent of SML. Similarly, any of the obligations, duties and commitments attached, related or pertaining to Spice IOT, Mobisoc & Spice Labs that have been undertaken or discharged by Spice IOT, Mobisoc & Spice Labs, shall be deemed to have been undertaken for and on behalf of and as an agent for SML.
- 23.6 Spice IOT, Mobisoc & Spice Labs shall not vary the terms and conditions of service of their employees except in the ordinary course of their business.

24. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of Spice IOT, Mobisoc & Spice Labs, pursuant to this Scheme, and the continuance of the legal proceedings by or against SML shall not affect any transactions or proceedings already completed by Spice IOT, Mobisoc & Spice Labs, on and after the Appointed Date, to the end and intent that SML accepts all acts, deeds and things done and executed by and / or on behalf of Spice IOT, Mobisoc & Spice Labs, as acts, deeds and things done and executed by and / or on behalf of SML.

25. COMPLIANCE WITH SECTION 2(1B) OF THE IT ACT

The provisions of this Scheme as they relate to the amalgamation of Spice IOT, Mobisoc & Spice Labs into and with SML have been drawn up to comply with the conditions relating to “amalgamation” as defined under section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section of the IT Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the IT Act. Such modification will, however, not affect the other parts of the Scheme.

26. DISSOLUTION OF SPICE IOT, MOBISOC & SPICE LABS

On the Scheme becoming effective

- (i) Spice IOT, Mobisoc & Spice Labs shall without any further act or deed stand dissolved without being winding up and no person shall make assert or take any claims, demands or proceeding against a director or officer or employee thereof in his capacity as such director or officer or employee except in so far as may be necessary for enforcing the provisions of the NCLT’s order sanctioning this Scheme;
- (ii) The right of every shareholder of the dissolved Spice IOT, Mobisoc & Spice Labs to or in respect of any equity share held by them in the dissolved Spice IOT, Mobisoc & Spice Labs shall stand extinguished and, thereafter, no such shareholder shall make, assert or take any claims, demands or proceedings in respect of any such equity share; and
- (iii) Upon the Scheme coming into effect, the Board of Spice IOT, Mobisoc & Spice Labs shall, without any further acts, resolutions, filings, instruments or deeds, shall cease to exist and stand dissolved.

PART – IV
GENERAL TERMS AND CONDITIONS

27. CHANGE OF NAME

- 27.1 Upon sanction of this Scheme, the name of Spice Mobility Limited shall stand changed without any further act, instrument or deed on the part of Spice Mobility Limited, to “**Spice Digital Limited**” and the Memorandum of Association and Articles of Association of Spice Mobility Limited shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under section 13, section 16 or any other applicable provisions of the Act, would be required to be separately passed.
- 27.2 Upon sanction of this Scheme, the name of Spice Digital Limited shall stand changed without any further act, instrument or deed on the part of Spice Digital Limited to “**Spice Mobility Limited**” or such other name as may be reserved / approved by Registrar of Companies and the Memorandum of Association and Articles of Association of Spice Digital Limited shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under section 13, section 16 or any other applicable provisions of the Act, would be required to be separately passed.

28. AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF SML

- 28.1 With effect from the Appointed Date and upon the Scheme becoming effective, the main objects of the Memorandum of Association of SML shall be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of DTS Business Undertaking, Mobisoc and Spice Labs, pursuant to the provisions of section 13, section 14 and any other applicable provisions of the Act. Therefore, in addition to the existing clauses of Clause III (A) of the Memorandum of Association of SML, the following clauses shall be inserted and read as under:
9. *To provide value added services inter-alia SMS, SMS based content services, games, interactive voice response systems for content, entertainment services, managed services, manpower support services, software support services, data analytical services, voice mail system, alert services.*
 10. *To design, manufacture, develop, buy, invent, improve, maintain, sell, sell as service, resell, distribute, market, promote, import, export, repair, alter, convert, license, hire, lease, and otherwise deal in all kinds of computer software and programmes, applications, network based software solutions, internet based software solutions, for any purpose including on computers, data processing machines, cards, memory equipments or any other equipments and materials including computer peripherals and accessories of every kind and description, and to provide customer support, training and consultancy services relating to all or any of the foregoing matters and things including relating or incidental thereto.*
 11. *To design, manufacture, develop, buy, invent, improve, maintain, sell, resell, distribute, market, promote, import, export, repair, alter, convert, license, hire, lease and otherwise deal in all kinds of equipments including networking, computers, computer hardware, data processing machines, cards, memory equipments or any other equipments and materials, computer peripherals and accessories of every kind and description.*
 12. *To provide, develop, design, establish, maintain, organize, undertake, facilitate, manage, operate, purchase, sell, resell, distribute, market, promote, import, export and deal in all types of products and services including payment enabling services for the enterprises and any organisation/consumers through any mode including M-Commerce, E-Commerce in any model and allied activities related thereto.*
 13. *To provide, render, facilitate, organize, distribute, promote and deal in the business relating to mobile marketing and advertising solutions, services and platforms and to act and operate as mobile advertising aggregator and intermediary; to develop, provide and operate mobile web ad network covering the mobile internet and mobile applications.*
- 28.2 For the purposes of amendment in the Memorandum of Association and Articles of Association of SML as provided in this Clause, the consent/approval given by the members of SML to this Scheme pursuant to section 230 to 232 and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of SML as required under the provisions of section 13, section 14 and any other applicable provisions of the Act shall be required to be passed for making such change/amendment in the Memorandum of Association and Articles of Association of SML. On filing of the certified copy of this Scheme as sanctioned by the NCLT(s), in terms of section 230 to 232 and any other applicable provisions of the Act, together with the order of the NCLT(s) and a printed copy of the Memorandum of Association and Articles of Association for the purposes of section 13, section 14 and any other applicable provisions of the Act, the Registrar of Companies shall register the same and make the necessary alteration in the Memorandum of Association and Articles of Association of SML accordingly and shall certify the registration thereof in accordance with the provisions of section 13, section 14 and any other provisions of the Act.

- 28.3 Upon the Scheme becoming effective, SML shall file with the Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any, to give effect to amendment in the Memorandum of Association pursuant to this Clause.

29. INCREASE IN AUTHORISED SHARE CAPITAL OF SML

- 29.1 Upon the Scheme becoming effective, the authorized share capital of SML in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of SML by the authorized share capital of Mobisoc & Spice Labs as on the Effective Date and the Memorandum of Association and Articles of Association of SML (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under section 13, section 14, section 61, section 232 and any other applicable provisions of the Act, would be required to be separately passed and for this purpose the stamp duties and fees paid on the authorized share capital of Mobisoc & Spice Labs shall be utilized and applied to the increased authorized share capital of SML and no payment of any additional stamp duty and / or fee shall be payable by SML for increase in the authorized share capital to that extent.

- 29.2 Upon the Scheme becoming effective, without any further act or deed the authorized share capital of SML shall stand enhanced to an amount of 124,05,00,000/- (Rupees One Twenty Four Crore and Five Lakh only) divided into 41,35,00,000 (Forty One Crore and Thirty Five Lakh only) equity shares of Rs. 3/- (Rupees Three only) each.

The Clause V of the Memorandum of Association of SML shall stand substituted to read as follows:

“The authorised share capital of the Company is 124,05,00,000/- (Rupees One Twenty Four Crore and Five Lakh only) divided into 41,35,00,000 (Forty One Crore and Thirty Five Lakh only) equity shares of Rs. 3/- (Rupees Three only) each. The Company shall have power to increase or reduce the same and to divide the shares in the capital of the Company for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights or privileges or conditions as may be determined by or in accordance with these articles and to modify or abrogate any such rights, privileges and conditions in such manner as is for the time being provided under the Act and / or Articles of the Company and consolidate or subdivide these shares and to issue shares of higher or lower denomination.

- 29.3 Upon the Scheme becoming effective, SML shall file with the Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any, to give effect for such increase in the authorized share capital. It is hereby clarified that for the purposes of increasing the authorized share capital in accordance, the sanction of the NCLT(s) shall be deemed to be sufficient for the purposes of effecting this amendment.

30. DIVIDENDS

- 30.1 Notwithstanding the above Clauses of the Scheme, SML, SDL, Spice IOT, Mobisoc & Spice Labs shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.
- 30.2 The holders of the shares of SML, SDL, Spice IOT, Mobisoc & Spice Labs shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- 30.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards, and subject to the approval, if required, of the shareholders of SML, SDL, Spice IOT, Mobisoc & Spice Labs as the case may be.

31. APPLICATION TO NCLT(s)

- 31.1 SML, SDL, Spice IOT, Mobisoc & Spice Labs shall, with all reasonable dispatch, make applications or petitions under sections 230 to 232 and other applicable provisions of the Act to NCLT(s) or any other Appropriate Authority, for sanction of this Scheme under the provisions of law.
- 31.2 Since no shares of SML are being issued to the shareholders of Spice IOT or Mobisoc, pursuant to Part III of the Scheme, as the case may be, Article 23 of Schedule 1B of the Indian Stamp Act, 1899 as applicable to the state of Uttar Pradesh or the relevant judicial precedents and Article 23 of Schedule-IA of the Indian Stamp Act as applicable to the state of Delhi would not be applicable and no stamp duty would be payable on the order sanctioning the Scheme passed by the jurisdictional NCLT(s) in the states of Uttar Pradesh and Delhi.
- 31.3 It is further clarified that no shares would be issued by SML in lieu of its shareholding held in SDL and Spice Labs. Therefore, the consideration for the purpose of recording/ registration and payment of stamp duty for the shareholding of SML in SDL and Spice Labs shall be treated as nil.
- 31.4 The Registrar/Sub-Registrar of Assurances and/or the Tehsildar/Collector or other land authority, where the properties of SDL, Spice IOT, Mobisoc or Spice Labs as the case may be, are located post effectiveness of the Scheme, shall cause the record of title to be mutated in the land records of the registries so as to give effect to this Scheme and no separate duty shall be payable for such transfer and vesting of immovable properties.

32. APPROVAL OF THE SCHEME THROUGH E-VOTING

The approval of shareholders of SML shall be obtained through e-Voting (after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to this Scheme). The Scheme shall be acted upon only if the votes cast by public shareholders in favour of the resolution are more than the number of votes cast by public shareholders against it in accordance with the SEBI circular no. CFD/DIL3/CIR/2017/21 issued on March 10, 2017 subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time.

33. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

SML, SDL, Spice IOT, Mobisoc & Spice Labs by their respective Board may assent to any modifications / amendments including withdrawal / termination / abandon to the Scheme or to any conditions or limitations that NCLT(s) and / or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the their respective Board. SML, SDL, Spice IOT, Mobisoc & Spice Labs, by their respective Board, be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

34. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 34.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and / or creditors of the companies involved in the Scheme, as prescribed under the Act and / or as may be directed by NCLT(s) and / or any other Appropriate Authority as may be applicable.
- 34.2 The sanction of this Scheme by NCLT(s) and / or any other Appropriate Authority under sections 230 to 232 and other applicable provisions, if any, of the Act.
- 34.3 The requisite, consent, approval or permission of the central government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.
- 34.4 Certified or authenticated copy of the order of NCLT(s) sanctioning the Scheme being filed with the Registrar of Companies by the respective companies involved in the Scheme.

35. EFFECT OF NON-RECEIPT OF APPROVALS

Subject to Clause 36, in the event of any of the said sanctions and approvals referred to in Clause 34 not being obtained and/ or the Scheme not being sanctioned by NCLT(s) or such other Appropriate Authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme.

36. SEVERABILITY

If any part / transaction /provision of this Scheme cannot be proceeded with or is found to be unworkable for any reason whatsoever including non-receipt of any approval as envisaged under Clause 34 or unenforceable under the present or future Laws, then subject to the decision of SML, SDL, Spice IOT, Mobisoc or Spice Labs, as the case may be, such part / transaction / provision shall be severable from the remainder of this Scheme and shall not affect the validity or implementation of the other parts and/or provisions of this Scheme.

37. COSTS, CHARGES AND EXPENSES

On sanction and approval of the Scheme by NCLT(s) or such other Appropriate Authority, if any, all costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of SML, SDL, Spice IOT, Mobisoc or Spice Labs arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by SML.

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Dated: 26 March 2018

To

The Board of Directors

Spice Mobility Limited

S Global Knowledge park 19A & 19B,
Sector 125, Noida
District Gautam Buddha nagar
UP – 201301

Sub: Recommendation of fair share exchange ratio and fair share entitlement ratio for the proposed mergers and demerger

Dear Sir and Madam,

We refer to the engagement letters dated 01 November 2017 and subsequent addendum letter dated 20 November 2017 (hereinafter referred to as the "Engagement Agreement") whereby Spice Mobility Limited ("SML") (hereinafter referred to as the "Client" or "You") have requested S.R. Batliboi & Co. LLP (hereinafter referred to as "SRBC", 'we', or 'us') to recommend fair share exchange ratios and fair share entitlement ratio for the proposed mergers and demerger between SML, Spice Digital Limited ("SDL"), Spice IOT Solutions Private Limited ("Spice IOT"), Mobisoc Technology Private Limited ("Mobisoc"), Spice Labs Private Limited ("Spice Labs") under a comprehensive Scheme of Arrangement ("Proposed Scheme").

SML, SDL, Spice IOT, Mobisoc and Spice Labs are together hereinafter referred to as the 'Companies'. The Management of aforesaid companies is together hereinafter referred to as the 'Management'.

Please note that this report is being re-issued on 26 March 2018, however our original report was issued on 22 December 2017. This is based on the observation as received by SML from the Bombay Stock Exchange ("BSE") with regard to certain additional disclosure (to provide rationale for not considering the market price method) required in our valuation report dated 22 December 2017.

Accordingly, this report is being re-issued to provide for the additional disclosure in the report. We have not updated this report for any events, trends or transactions relating to the Companies or the market/economy in general and occurring subsequent to 22 December 2017. Considering the above, for all practical purposes, this report should be treated as issued on 22 December 2017.

SCOPE AND PURPOSE OF THIS REPORT

Spice Mobility Limited ("SML") was incorporated in 1986 and has its registered office in Noida, Uttar Pradesh. SML through its subsidiaries is engaged in trading of mobile handsets and their accessories, information and communication technology services business, provision of value added services to the telecom operators etc. Shares of SML are listed on the Bombay Stock exchange and the National Stock Exchange. For the year ended 31 March 2017, SML reported consolidated total revenue of ₹9,168 million with consolidated net loss after tax of ₹384 million.



S.R. Batliboi & Co. LLP, a Limited Liability Partnership with LLP Identity No. AAB-4254
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Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

Spice Digital Limited ("SDL"), a subsidiary of SML, through its various subsidiaries primarily operates in two business segments:

- (i) Value added services & mobile content services to the domestic and international telecom operators, development & sale of telecom related software, and booking of railway & air tickets through its agents ("DTS business undertaking").
- (ii) Financial technologies services such as domestic money transfer services, Aadhar enabled payment services, pre-paid instruments and Bharat Bill Payment System ("Fintech business undertaking").

For the year ended 31 March 2017, SDL reported consolidated total revenue of ₹2,601 million with consolidated net profit after tax of ₹53 million.

Spice Labs Private Limited ("Spice Labs") operates as a subsidiary of SDL. Spice Labs is primarily engaged in the business of developing and providing software solutions as offshore service provider to various subsidiaries of SDL on a cost plus mark-up basis. For the year ended 31 March 2017, Spice Labs reported revenue of ₹14.5 million with net loss after tax of (₹2.3) million.

We understand that the Management of the Companies are contemplating restructuring of SML, SDL, Spice IOT, Mobisoc and Spice Labs through a comprehensive scheme of arrangement under section 230 to 232 and other applicable provisions of the Companies Act 2013 ("Proposed Scheme"). The Proposed Scheme involves the following:

- (i) Demerger of DTS business undertaking of SDL into SML. We understand that as consideration of this demerger, SML will issue its equity shares to the 'other' shareholders of SDL (shares held by shareholders other than SML). As part of this demerger in the Proposed Scheme, SDL will cancel shares held by 'other' shareholders in residual SDL against consideration to be paid in cash (after giving effect to the aforesaid demerger). In case any of such 'other' shareholder opts not to receive cash, then SML shall issue shares in exchange of the shares held by such 'other' shareholder in residual SDL.
- (ii) Merger of Spice IOT, Mobisoc and Spice Labs into SML. We understand that no shares will be issued by SML in consideration of the merger of Spice IOT, Mobisoc as these companies are directly / indirectly wholly owned subsidiaries of SML. However, we understand that SML to issue its equity shares to the 'other' shareholders of Spice Labs to the extent of their stake in Spice Labs (other than shares held by SML in Spice Labs).

For the aforesaid purpose the Clients have appointed SRBC to submit a report recommending:

- (i) Fair share entitlement ratio for the proposed demerger of DTS business undertaking into SML.
- (ii) Recommendation of consideration for cancellation of shares held by 'other' shareholders in residual SDL and fair exchange ratio on exchange of shares held by 'other' shareholders in residual SDL for shares in SML (as the case may be).
- (iii) Fair share exchange ratio for the proposed merger of Spice Labs into SML.



Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

The scope of our services is to conduct a relative (and not absolute valuation) of the equity shares of the Companies and report on the fair exchange/ entitlement ratio for the Proposed Scheme in accordance with generally accepted professional standards except for recommendation of cash consideration payable to 'other' shareholders of SDL wherein we have provided absolute value.

We have been provided with the historical information of the Companies upto 30 September 2017. We have considered the same in our analysis and made adjustments for the facts made known to us (past or future) till the date of our report. The current valuation does not factor impact of any event which is unusual or not in normal course of business. We do not expect the Companies to declare any dividend for a differential yield as compared to that declared in the past. Further, we have been informed that there are no outstanding Employee Stock Options ("ESOPs") for any of the Companies.

This report is our deliverable in respect of our recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme.

This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the Management for each of the respective companies:

- With respect to SML
 - Audited financial statement of SML and its various subsidiaries for the financial year ended 31 March 2017.
 - Unaudited YTD financials for the period April 2017 to September 2017 (YTD Sep'17).
 - Valuation report pertaining to various surplus real estate properties held by SML and its subsidiaries.
 - Transaction details and the valuation report pertaining to the recent transaction in SDL.
 - Shareholding pattern of SML and its subsidiaries as on 30 September 2017.
 - Carved out financial of Fintech and DTS business undertaking of SDL for FY17 and YTD Sep'17.

- With respect to SDL
 - Audited financial statement of SDL and its various subsidiaries for the financial year ended 31 March 2017 (on standalone basis).
 - Unaudited financial of S Mobile Devices Limited for FY17 and YTD Sep'17.
 - Unaudited carved out financials (top level summary profit and loss account and balance sheet without schedules and notes to accounts) of Fintech and DTS business undertaking of SDL for FY17 (based on audited financials of FY17 and YTD Sep'17).



Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

- Draft Scheme of Arrangement
- Other relevant information and documents

We have relied on the above while arriving at the fair share exchange ratios and entitlement ratio for the Proposed Scheme.

Apart from the above, publicly available information and proprietary databases subscribed to by us were also utilized.

During the discussions with the Management, we have also obtained explanations and information considered reasonably necessary for our exercise. The Companies have been provided with the opportunity to review the draft report (excluding our conclusion) as part of our standard practice to ensure that factual inaccuracies / omissions are avoided in our final report.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

This report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the date of this report and (iii) are based on the unaudited balance sheet of the Companies as at 30 September 2017.

The Management have represented to us that the business activities of the Companies have been carried out in the normal and ordinary course between 30 September 2017 and the report date and that no material change has occurred in their respective operations and financial position between 30 September 2017 and the report date.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into accounts all the relevant factors. There will always be several factors, e.g. quality and integrity of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information till date, furnished by the Management (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair equity share exchange/ entitlement ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the



Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

exercise of individual judgement. There is, therefore, no indisputable single result. While we have provided our recommendation of the fair equity share exchange/ entitlement ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the share exchange/ entitlement ratio. The final responsibility for the determination of the fair equity share exchange/ entitlement ratio at which the Proposed Scheme shall take place will be with the respective Board of Directors, who should take into account other factors such as their own assessment of the Proposed Scheme and input of other advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, technical, financial and operating data. In accordance with the terms of our engagements and as is customary in valuations, we have assumed and relied upon, without independent verification, the accuracy of information made available to us by the Companies. We have not audited, reviewed or otherwise investigated the financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information given by/on behalf of the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the report. Also, we assume no responsibility for technical information furnished by the Companies.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the financial statements of the Companies.

We are not advisors with respect to legal and regulatory matters for the Proposed Scheme. This report does not look into the business/ commercial reasons behind the Transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. We express no opinion or recommendation as to how the shareholders of the Companies should vote at any shareholders' meeting(s) to be held in connection with the Transaction.

The fee for the engagement is not contingent upon the recommendation of this report. We owe responsibility to only client who have appointed us under the terms of our engagement letter and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion.

This valuation report is subject to the laws of India.

Neither the valuation report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Proposed scheme, without our prior written consent.



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Chartered Accountants

Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

SHARE CAPITAL DETAILS OF THE COMPANIES

Spice Mobility Limited

The current issued, subscribed and paid up equity share capital of SML is ₹683.5 mn, consisting of 227,863,982 equity shares of face value of ₹3 each fully paid up.

The shareholding pattern is as follows:

Shareholders	Number of shares	% shareholding
Promoter & Promoter Group	169,447,570	74.36%
Public	58,416,412	25.64%
Total	227,863,982	100.0%

Source: BSE filings as at 30 September 2017

Spice Digital Limited

The current issued, subscribed and paid up equity share capital of SDL is ₹397.7 mn, consisting of 39,770,984 equity shares of face value of ₹10 each fully paid up.

The shareholding pattern is as follows:

Shareholders	Number of shares	% shareholding
Spice Mobility Limited	39,763,121	99.98%
Other shareholders	7,863	0.019%
Total	39,770,984	100.0%

Source: Management

Spice Labs Private Limited

The current issued, subscribed and paid up equity share capital of Spice Labs is ₹100.5 mn, consisting of 10,050,000 equity shares of face value of ₹10 each fully paid up.

The shareholding pattern is as follows:

Shareholders	Number of shares	% shareholding
Spice Digital Limited	10,039,997	99.90%
Other shareholders	10,003	0.099%
Total	10,050,000	100.0%

Source: Management

APPROACH - BASIS OF PROPOSED SCHEME

We understand from the Management that the Proposed Scheme contemplates restructuring of SML, SDL, Spice IOT, MTPL and Spice Labs under the provisions of Section 232 and other applicable provisions of the Companies Act, 2013. Arriving at the fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme would require determining the relative value of SML and DTS business segment of SDL, SML and residual SDL (other than for recommendation of cash consideration for shares in residual SDL which is absolute value), SML and Spice Labs. These values are to be determined independently without considering



Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

the current mergers/demerger or possible upside on account of synergies, and hence do not include any possible strategic premium.

There are several commonly used and accepted methods for determining the fair value of the Companies, which have been considered in the present case, to the extent relevant and applicable, including:

- Market Price Method
- Comparable Companies Multiple Method
- Price of Recent Investment Method
- Discounted Cash Flow method
- Net Asset Value method

It should be understood that the valuation of any business / company or its assets is inherently subjective and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies, and other factors which generally influence the valuation of business / companies and their assets.

The application of any particular approach/methods of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Market Price ("MP") Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger/demerger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard.

Since the shares of the SML are listed on the stock exchanges and are frequently traded, we have considered market price method for the present exercise.

Comparable Companies Multiple ("CCM") Method

Under CCM method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies or comparable transactions, as manifest through stock market valuations of listed companies and the transaction valuation. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.



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Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

In the present case, we have considered the CCM method to value DTS business undertaking of SDL, Residual SDL and S Mobile Devices Limited.

For valuation of surplus real estate assets, we have relied upon independent valuation reports for the respective real estate assets as provided to us by the Management

Price of Recent Investment Method ("PORI")

Under this method, recent investment/transaction in the business between two unrelated parties is considered as the base value if there are no substantial changes since the transaction.

We have been informed that the Board of Directors of SML in their Board Meeting on 22 December 2017 have announced the sale of 100% stake in Omniventures Private Limited ("OPL") at an notified amount of ₹1,00,000. We have considered this transaction in our valuation analysis.

Further, we understand that in September 2017, SML has acquired 10.78% stake (4.28 million shares) in SDL from MediaTek Singapore Pte. Ltd. at ₹80.58 per share.

We have considered the above mentioned transactions for the valuation of SDL and OPL considering that the transactions took place between two unrelated, knowledgeable and willing parties and can be considered to be an arm's length transactions.

Price Earning Capacity Value ("PECV") Method

Under this method, average profit after tax of a business is capitalized by return rate.

In the present case, we have considered PECV method to value Spice Labs which is engaged in providing services to fellow subsidiaries of SDL on cost plus basis.

Discounted Cash Flows (DCF) Method

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. The sum of the discounted value of such free cash flows is the value of the firm.

Using the DCF analysis involves determining the following:

Estimating future free cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital – both debt and equity.

Appropriate discount rate to be applied to cash flows i.e. the cost of capital:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

To arrive at the total value available to the equity shareholders of each of the Companies, value arrived above under DCF method for the Companies is adjusted for the value of loans, cash, non-operating assets/liabilities (e.g. value of non-operating investments/surplus assets, impact



S.R. BATLIBOI & CO. LLP

Chartered Accountants

Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

of contingent liability, etc.) as deemed appropriate. The total value for equity shareholders is then divided by the estimated total number of equity shares of the respective companies in order to work out the value per equity share of the Companies.

We understand from the Management, SML being listed entity cannot share forecast business plan for each entity / segment. Hence we have not used DCF method in our analysis.

Net Asset Value ("NAV") Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis.

We have not considered NAV method as asset values reflected in books of accounts are generally not a true indicator of the future distributable cash/profit generating ability of the businesses which is widely regarded as the true determinant of value of assets for most of the industries. The asset values recorded in books of accounts are also impacted by accounting policies which may be discretionary at times.

BASIS OF RECOMMENDING FAIR SHARE EXCHANGE RATIOS AND FAIR SHARE ENTITLEMENT RATIO

The basis of recommending fair share exchange ratios and fair share entitlement ratio would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove.

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion by the valuer and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality and integrity of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognised in judicial decisions.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

Demerger of DTS Business undertaking from SDL to SML

As discussed above, we have applied Market Price method, CCM method and Net Asset Value Method for the valuation of SML and CCM method for valuation of DTS business undertaking of SDL.

We have thus arrived at an equity value of ₹63.29 per share for DTS business undertaking of SDL and ₹23.59 per share for SML.

Valuation approach	SML		DTS business undertaking of SDL	
	Value	Weight	Value	Weight
	₹/share	%	₹/share	%
Market approach ¹	22.40	50	NA	-
Income approach ²	24.79	50	63.29	100
Asset approach ³	11.07	0	56.28	-
Relative value per share	23.59		63.29	
Entitlement ratio	2.682			

Notes:

1. We have not used market price method for the valuation of DTS business undertaking of SDL because SDL is an unlisted company
2. For SML, given it acts as a holding company and we have updated the Book NAV with the fair value of real estate assets and various investments (sum of parts value)
3. Based on book value of NAV

In light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the entitlement ratio of 2.682 equity shares of SML (of ₹3/- each fully paid up) for every 1.00 equity shares of SDL (of ₹10/- each fully paid up).

Consideration for residual SDL

As discussed above, we have applied CCM method for valuation of residual SDL (Fintech business) whereas SML has been valued using various methods as provided above in the report.

We have thus arrived at an equity value of ₹17.29 per share for residual SDL and ₹23.59 per share for residual SML.

Valuation approach	SML		Residual SDL	
	Value	Weight	Value	Weight
	₹/share	%	₹/share	%
Market approach ¹	22.40	50	NA	-
Income approach ²	24.79	50	17.29	100
Asset approach ³	11.07	0	17.77	-
Relative value per share	23.59		17.29	
Entitlement ratio	0.733			

Notes:

1. We have not used market price method for the valuation of Residual SDL because it is an unlisted company
2. For SML, given it acts as a holding company and we have updated the Book NAV with the fair value of real estate assets and various investments (sum of parts value)
3. Based on book value of NAV



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Recommendation of fair share exchange ratios and fair share entitlement ratio for the Proposed Scheme

In light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend price per share of residual SDL (after giving effect to the demerger of DTS business undertaking) as ₹17.29.

Where 'other' shareholders (other than SML) opt to receive shares in SML, we recommend an entitlement ratio of 0.733 equity shares of SML (of ₹3/- each fully paid up) for every 1.00 equity shares of residual SDL (of ₹10/- each fully paid up).

Merger of Spice Labs into SML

As discussed above, we have applied PECV method for valuation of Spice Labs and various methods of valuation of SML. Suitable rounding off may have been done in the values arrived at for the purpose of arriving at a whole number recommendation.

We have thus arrived at an equity value of ₹23.59 per share for SML and ₹30.64 per share for Spice Labs.

Valuation approach	SML		Spice Labs	
	Value	Weight	Value	Weight
	₹/share	%	₹/share	%
Market approach ¹	22.40	50	NA	-
Income approach ²	24.79	50	30.64	100
Asset approach ³	11.07	0	8.39	-
Relative value per share	23.59		30.64	
Exchange ratio	1.299			

Notes:

1. We have not used market price method for the valuation of Spice Labs as it is a private limited company
2. For SML, given it acts as a holding company and we have updated the Book NAV with the fair value of real estate assets and various investments (sum of parts value)
3. Based on book value of NAV

In light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the exchange ratio of 1.299 equity shares of SML (of ₹3/- each fully paid up) for every 1.00 equity shares of Spice Labs (of ₹10/- each fully paid up).

It should be noted that we have not examined any other matter including economic rationale for the Transaction per se or accounting, legal or tax matters involved in the Proposed Scheme.

Respectfully submitted,

S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



Ravi Bansal
Partner
Membership No: 49365
Place: Mumbai



Ref. No: CPC/MB/218A/2017-18

Dated: 22nd December 2017

SEBI Reg. No: INM000011435

The Board of Directors

Spice Mobility Limited

S Global Knowledge Park 19A & 19B,

Sector 125, Noida

District Gautam Buddha Nagar

UP -201301

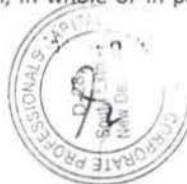
Subject: Fairness Opinion on the share exchange ratio and share entitlement ratio for the proposed mergers and demerger under a composite Scheme

Dear Sir/s,

We refer to our appointment for the purpose of arriving at an opinion on the Valuation report issued by S.R. Batliboi & Co. LLP, Chartered Accountants on the share exchange ratio and share entitlement ratio for the proposed mergers and demerger between Spice Mobility Limited ("SML"), Spice Digital Limited ("SDL"), Spice IOT Solutions Private Limited ("Spice IOT"), Mobisoc Technology Private Limited ("Mobisoc"), Spice Labs Private Limited ("Spice Labs") under a comprehensive Scheme of Arrangement ("Proposed Scheme").

With reference to the above, Corporate Professionals Capital Private Limited has been appointed as Merchant Bankers by the management of SML to provide a Fairness Opinion on the valuation report dated 22nd December, 2017 issued by S.R. Batliboi & Co. LLP Chartered Accountants on the captioned subject.

In terms of our engagement, we are enclosing our opinion along with this letter. All comments as contained herein must be read in conjunction with the Caveats to this opinion. The opinion is confidential and has been made in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "listing regulations") read with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017, it should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of Corporate



Corporate Professionals

Professionals Capital Private Limited, such consent will only be given after full consideration of the circumstance at the time. We are however aware that the conclusion in this report may be used for the purpose of disclosure to be made to the stock exchanges, National Company Law Tribunal ("NCLT") and notices to be dispatched to the shareholder and creditors for convening the meeting pursuant the directions of NCLT and we provide consent for the same. Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully,

For Corporate Professionals Capital Private Limited


Maneesh Srivastava
[Associate Vice President]



CONTEXT AND BACKGROUND

We understand that the Management of the Companies are contemplating restructuring of SML, SDL, Spice IOT, Mobisoc and Spice Labs through a comprehensive scheme of arrangement under section 232 and other applicable provisions of the Companies Act 2013 ("Proposed Scheme"). The Proposed Scheme involves the following:

- (i) Demerger of DTS business undertaking of SDL into SML. We understand that as consideration of this demerger, SML will issue its equity shares to the 'other' shareholders of SDL (shares held by shareholders other than SML). As part of this demerger in the Proposed Scheme, SDL will cancel shares held by 'other' shareholders in residual SDL against consideration to be paid in cash (after giving effect to the aforesaid demerger). In case any of such 'other' shareholder opts not to receive cash, then SML shall issue shares in exchange of the shares held by such 'other' shareholder in residual SDL.
- (ii) Merger of Spice IOT, Mobisoc and Spice Labs into SML. We understand that no shares will be by issued by SML in consideration of the merger of Spice IOT, Mobisoc as these companies are directly / indirectly wholly owned subsidiaries of SML. However, we understand that SML to issue its equity shares to the 'other' shareholders of Spice Labs to the extent of their stake in Spice Labs (other than shares held by SML in Spice Labs).

We further understand that, the Valuer has prepared their report dated 22nd December 2017 recommending:

- (i) Fair share entitlement ratio for the proposed demerger of DTS business undertaking into SML.
- (ii) Recommendation of consideration for cancellation of shares held by 'other' shareholders in residual SDL and fair exchange ratio on exchange of shares held by 'other' shareholders in residual SDL for shares in SML (as the case may be).
- (iii) Fair share exchange ratio for the proposed merger of Spice Labs into SML.

We, Corporate Professionals Capital Private Limited have been appointed as Merchant Bankers by the management of SML and WSFL to provide a Fairness Opinion on the valuation report dated 22nd December, 2017 issued by S.R. Batliboi & Co. LLP Chartered Accountants in accordance with SEBI Listing Regulations.



BRIEF ABOUT COMPANIES

1. **Spice Mobility Limited** (hereinafter called 'SML') was incorporated on December 23, 1986 under the Companies Act, 1956, having its registered office at S Global Knowledge Park, 19A & 19B, Sector 125, Noida, Uttar Pradesh – 201301. The equity shares of SML is listed on National Stock Exchange of India Limited (hereinafter called 'NSE') and BSE Limited (hereinafter called 'BSE'). SML through its subsidiaries is engaged in trading of mobile handsets and their accessories, information and communication technology services business, provision of value added services to the telecom operators etc.
2. **Spice Digital Limited** (hereinafter called 'SDL') was incorporated on April 04, 2000 under the Companies Act, 1956, having its registered office at 60-D, Street No. C-5, Sainik Farms, New Delhi - 110062.
SDL, a subsidiary of SML, through its various subsidiaries primarily operates in two business segments:
 - 2.1. Value added services & mobile content services to the domestic and international telecom operators, development & sale of telecom related software, and booking of railway & air tickets through its agents ("DTS business undertaking").
 - 2.2. Financial technologies services such as domestic money transfer services, Aadhar enabled payment services, pre-paid instruments and Bharat Bill Payment System ("Fintech business undertaking").
3. **Spice Labs Private Limited** (hereinafter called 'Spice Labs') was incorporated on May 25, 2009 under the Companies Act, 1956, having its registered office at Plot No. 62, Basement Pocket 2, Jasola, New Delhi - 110025. Spice Labs Private Limited ("SPICE LABS") operates as a subsidiary of SDL. Spice Labs is primarily engaged in the business of developing and providing software solutions as offshore service provider to various subsidiaries of SDL on a cost plus mark-up basis.



VALUER ANALYSIS

With reference to the Valuation Report issued by S.R. Batliboi & Co. LLP Chartered Accountants, dated 22nd December, 2017, the approach of the Valuer is as under-

There are several commonly used and accepted methods for determining the fair value of the Companies, which have been considered in the present case, to the extent relevant and applicable, including:

- Market Price Method
- Comparable Companies Multiple Method
- Price of Recent Investment Method
- Discounted Cash Flow method
- Net Asset Value method

Market Price ("MP") Method

Since the shares of the SML is listed on the stock exchanges and are frequently traded, valuer has considered market price method for the present exercise.

Comparable Companies Multiple ("CCM") Method

In the present case, valuer has considered the CCM method to value DTS business undertaking of SDL, Residual SDL and S Mobile Devices Limited.

For valuation of surplus real estate assets, valuer has relied upon independent valuation reports for the respective real estate assets as provided to them by the Management

Price of Recent Investment Method ("PORI")

We have been informed that the Board of Directors of SML in their Board Meeting on 22 December 2017 have announced the sale of 100% stake in Omniventures Private Limited ("OPL") at a notified amount of `1,00,000. We have considered this transaction in our valuation analysis.

Valuer has considered valuation multiples of a recent transaction taken in September 2017, through which SML has acquired 10.78% stake (4.28 million shares) in SDL from MediaTek Singapore Pte. Ltd. at INR 80.58 per share. The valuer have considered the above mentioned transactions for the valuation of SDL and OPL.

Price Earning Capacity Value ("PECV") Method

The valuer has considered PECV method to value Spice Labs which is engaged in providing services to fellow subsidiaries of SDL on cost plus basis.

Discounted Cash Flows (DCF) Method

The Valuer has not used DCF method in their analysis as the Management of SML being listed entity cannot share forecast business plan for each entity / segment.



Net Asset Value ("NAV") Method

The Valuer has not considered NAV method stating that the asset values reflected in books of accounts are generally not a true indicator of the future distributable cash/profit generating ability of the businesses which is widely regarded as the true determinant of value of assets for most of the industries.

BASIS OF RECOMMENDING FAIR SHARE EXCHANGE RATIOS AND FAIR SHARE ENTITLEMENT RATIO

Demerger of DTS Business undertaking from SDL to SML

The valuer has arrived at an equity value of INR 63.29 per share for DTS business undertaking of SDL and INR 23.59 per share for SML.

Valuation approach	SML		DTS business undertaking of SDL	
	Value	Weight	Value	Weight
	Per share	%	Per share	%
Market approach	22.40	50	NA	-
Income approach *	24.79	50	63.29	100
Asset approach **	11.07	0	56.28	-
Relative value per share	23.59		63.29	
Entitlement ratio	2.682			

* For SML, given it acts a holding company, valuer has updated the Book NAV with the fair value of real estate assets and various investments (sum of parts value)

** Based on book value of NAV

In light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, valuer has recommended the entitlement ratio of 2.682 equity shares of SML (of INR 3/- each fully paid up) for every 1 equity shares of SDL (of INR 10/- each fully paid up).

Consideration for residual SDL

The valuer has arrived at an equity value of INR 17.29 per share for residual SDL and INR 23.59 per share for residual SML.

Valuation approach	SML		Residual SDL	
	Value	Weight	Value	Weight
	Per share	%	Per share	%
Market approach	22.40	50	NA	-
Income approach *	24.79	50	17.29	100
Asset approach **	11.07	0	17.77	-
Relative value per share	23.59		17.29	
Entitlement ratio	0.733			



* For SML, given it acts a holding company, we have updated the Book NAV with the fair value of real estate assets and various investments (sum of parts value).

** Based on book value of NAV

In light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, the valuer has recommended price per share of residual SDL (after giving effect to the demerger of DTS business undertaking) as INR 17.29 .

Where 'other' shareholders (other than SML) opt to receive shares in SML, valuer has recommended an exchange ratio of 0.733 equity shares of SML (of INR 3/- each fully paid up) for every 1 equity shares of residual SDL (of INR 10/- each fully paid up).

Merger of Spice Labs into SML

The valuer has arrived at an equity value of INR 23.59 per share for SML and INR 30.64 per share for Spice Labs.

Valuation approach	SML		SPICE LABS	
	Value	Weight	Value	Weight
	Per share	%	Per share	%
Market approach	22.40	50	NA	-
Income approach *	24.79	50	30.64	100
Asset approach **	11.07	0	8.39	-
Relative value per share	23.59		30.64	
Exchange ratio	1.299			

* For SML, given it acts a holding company, the valuer has updated the Book NAV with the fair value of real estate assets and various investments (sum of parts value)

**Based on book value of NAV

In light of the above, and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, the valuer has recommended the exchange ratio of 1.299 equity shares of SML (of INR 3/- each fully paid up) for every 1 equity shares of Spice Labs (of INR 10/- each fully paid up).



CONCLUSION & OPINION

We have reviewed the valuation report of the valuer issued M/s S.R. Batliboi & Co. LLP Chartered Accountants dated 22nd December 2017 on the share exchange ratio and share entitlement ratio for the proposed mergers and demerger in this composite Scheme of Arrangement.

We have further considered that the valuer has considered usual and conventional methodologies adopted for transactions of a similar nature and their reasonable judgment, in an independent and bona fide manner based on their previous experience of assignments of a similar nature and reasoning for choosing or otherwise of different valuation methodologies.

"Subject to above read with the caveats as detailed later, we as a Merchant Banker hereby certify that pursuant to SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017, we have reviewed the valuation report of the Valuer dated 22nd December 2017 recommending Share Exchange Ratio and Share Entitlement Ratio for the Scheme of Arrangement and consider it to be fair and reasonable from the point of view of equity shareholders of "SML"



CAVEATS

- We wish to emphasize that, we have relied on explanations and information provided by the respective management, valuer and other public available information. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.
- We have not made an appraisal or independent valuation of any of the assets or liabilities of the companies and have not conducted an audit or due diligence or reviewed / validated the financial data except what is provided to us by the Companies.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this Scheme, which might be relevant in the context of the transaction and which a wider scope might uncover.
- We have no present or planned future interest in "SML,SDL, Spice IOT, MOBISOC, Spice Labs' and the fee payable for this opinion is not contingent upon the opinion reported herein.
- Our Fairness Opinion should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Fairness Opinion. This opinion is issued on the understanding that the Management of SML under the Scheme and the valuer through their Valuation report dated 22nd December 2017 have drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of signature. We have no responsibility to update this report for events and circumstances occurring after the date of this Fairness Opinion.



Spice Mobility Limited

CIN No.-L72900UP1986PLC008448

S Global Knowledge Park, 19A & 19B, Sector 125,

Noida - 201301, UP, India, India, | Tel: +91 120 3355131

www.spicemobility.in | complianceofficer@smobility.in

spice6th March, 2018

The General Manager,
Department of Corporate Services,
BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400 001
BSE Scrip Code: 517214

Dear Sir,

Subject: Submission of Complaint Report as per Regulation 37 SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 w.r.t Comprehensive Scheme of Arrangement ("Scheme") between Spice Mobility Limited ("Transferee Company") and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited ("Transferor Companies") and their respective shareholders and creditors.

This is further to our application No. 73259 filed with BSE Limited for seeking Observation Letter/ No objection under Regulation 37 of the SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015 for Comprehensive Scheme of Arrangement ("**Scheme**") between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors.

Please find enclosed the "Report on Complaints" indicating the nil complaint during the period of 21 days from the date hosting the Scheme along with all requisite documents on the websites of the Stock Exchange in "Annexure - A".

You are requested to kindly take the aforesaid information on record.

Thanking you.

Yours faithfully,
For **Spice Mobility Limited**



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



Annexure – A

Complaints Report:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
Not Applicable			



Spice Mobility Limited

CIN No. I72900DL1986PLC330369

Regd. Office: 622, 6th Floor, DLF Tower A, Jasola Distt Centre,

New Delhi - 110025. | Tel: 011 41251965

www.spicemobility.in | complianceofficer@smobility.in

spice

16th March, 2018

The Manager,
National Stock Exchange of India Limited
Listing Compliance Department
Exchange Plaza
5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051
NSE Symbol: SPICEMOBI

Dear Sir,

Subject: Submission of Complaint Report as per Regulation 37 SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 w.r.t Comprehensive Scheme of Arrangement ("Scheme") between Spice Mobility Limited ("Transferee Company") and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited ("Transferor Companies") and their respective shareholders and creditors.

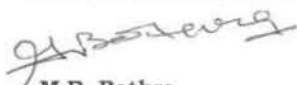
This is further to our application No. 14947 filed with National Stock Exchange of India Limited for seeking Observation Letter/ No objection under Regulation 37 of the SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015 for Comprehensive Scheme of Arrangement ("**Scheme**") between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors.

Please find enclosed the "Report on Complaints" indicating the nil complaint during the period of 21 days from the date hosting the Scheme along with all requisite documents on the websites of the Stock Exchange in "Annexure - A".

You are requested to kindly take the aforesaid information on record.

Thanking you.

Yours faithfully,
For **Spice Mobility Limited**



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



Complaints Report:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
Not Applicable			





Ref: NSE/LIST/49840

June 08, 2018

The Company Secretary
Spice Mobility Limited
S Global Knowledge Park
19A & 19B, Sector - 125,
Noida – 201 301

Kind Attn.: Mr. M. R. Bothra

Dear Sir,

Sub: Observation Letter for Scheme of Arrangement between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors.

We are in receipt of the draft Scheme of Arrangement between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors, filed by Spice Mobility Limited vide application dated January 22, 2018.

Based on our letter reference no Ref: NSE/LIST/39301 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated June 07, 2018, has given following comments:

- a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the receipt of this letter is displayed on the website of the listed company.*
- b. *The Company shall duly comply with various provisions of the Circulars.*
- c. *The Company is advised that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- d. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with NCLT.

This Document is Digitally Signed



However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from June 8, 2018, within which the scheme shall be submitted to NCLT.

Yours faithfully,
For **National Stock Exchange of India Ltd.**

Divya Poojari
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed

The Company Secretary
Spice Mobility Limited
622, DLF Tower A, 6th Floor, Jasola Distt. Centre ,
New Delhi ,Delhi ,110025

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Spice Digital Limited, Spice Mobility Limited, Spice IOT Solutions Private Limited, Mobisoc Technology Private Limited, Spice Labs Private Limited and their respective Shareholders and Creditors.

We are in receipt of Draft Scheme of Arrangement between Spice Digital Limited, Spice Mobility Limited, Spice IOT Solutions Private Limited, Mobisoc Technology Private Limited, Spice Labs Private Limited and their respective shareholders and Creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated June 07, 2018, has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company shall duly comply with various provisions of the Circulars."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

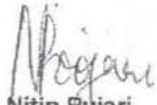
In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



Nitin Pujari
Sr. Manager

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SPICE MOBILITY LIMITED AT ITS MEETING HELD ON 13TH AUGUST, 2018 EXPLAINING THE EFFECT OF THE COMPREHENSIVE SCHEME OF ARRANGEMENT ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ("Board") of Spice Mobility Limited ('Transferee Company' or 'SML') at its meeting held on December 22, 2017 has approved the comprehensive scheme of arrangement between SML and Spice Digital Limited ('Transferor Company I' or 'SDL') and Spice IOT Solutions Private Limited ('Transferor Company II' or 'Spice IOT') and Mobisoc Technology Limited ('Transferor Company III' or 'Mobisoc') and Spice Labs Private Limited ('Transferor Company IV' or 'Spice Labs') and their respective shareholders and creditors ('Scheme').
- 1.2. Under the Scheme it is proposed to demerge the DTS Business Undertaking of SDL into SML and amalgamate Spice IOT, Mobisoc and Spice Labs with SML.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ("the Act"), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation. This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. The following documents were, inter alia, placed before the Board in their meeting held on 22nd December, 2017:
 - Draft Scheme duly initialed by the Chairman of SML for the purpose of identification;
 - Valuation Report dated 22nd December, 2017 from M/s S.R. Batliboi & Co., Chartered Accountants; and
 - Fairness Opinion dated 22nd December, 2017 from Corporate Professionals Capital Private Limited.

2. VALUATION REPORT

- 2.1. For the purposes of the Scheme, a Valuation Report was obtained from S.R. Batliboi & Co. LLP, Chartered Accountants ('Valuer') dated December 22, 2017. The Valuation Report provided the following swap ratio:-

Demerger of DTS Business Undertaking from SDL to SML

2.682 equity shares of SML (of INR 3/- each fully paid up) for every 1.00 equity shares of SDL (of INR 10/- each fully paid up). No share shall be issued to SML in lieu of shares held by it in SDL.

Consideration for Residual SDL

Where 'other' shareholders (other than SML) opt to receive shares in SML, an entitlement ratio of 0.733 equity shares of SML (on INR 3/- each fully paid up) for every 1.00 equity shares of residual SDL (of INR 10/- each fully paid up)."

Merger of Spice Labs into SML

1.299 equity shares of SML (of INR 3/- each fully paid up) for every 1.00 equity shares of Spice Labs (of INR 10/- each fully paid up).

Based on the additional information sought by BSE with regard to certain additional disclosure (to provide rationale for considering the market price method), the Valuer reissued the Valuation Report dated March 26, 2018.

A copy of the said Report was placed before the Board.

- 2.2. The scope of work, valuation, approach and limitations form part of the aforesaid Valuation Report. No special valuation difficulties were reported by the valuers.

3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEREE COMPANY

3.1. Equity Shareholders (Promoter and Non Promoter)

There will be no adverse effect of the Scheme on the equity shareholders (the only class of shareholders), promoters and non- promoter shareholders of the Company.

Upon the Scheme becoming effective, equity shares in SML will be issued to the shareholders of SDL and Spice Labs (except the shares held by SML) basis the valuation report. Further, equity shares in SML may be issued to equity shareholder(s) of remaining SDL in accordance with Clause 13.9 of the Scheme.

Since SML holds either directly or indirectly the whole of the share capital of Spice IOT and Mobisoc, no shares shall be issued upon amalgamation of Spice IOT and Mobisoc into SML.

3.2. KEY MANAGERIAL PERSONNEL

The Scheme would not have any effect on the KMPs of the SML except to the extent of their respective shareholding and effect thereon as detailed in point 3.1 above.

FOR SPICE MOBILITY LIMITED

**Sd/-
(Dilip Modi)
Executive Chairman**



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SPICE DIGITAL LIMITED AT ITS MEETING HELD ON 13th AUGUST, 2018, EXPLAINING THE EFFECT OF THE COMPREHENSIVE SCHEME OF ARRANGEMENT ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ("Board") of Spice Digital Limited ('Transferor Company I' or 'SDL') at its meeting held on December 22, 2017 has approved the comprehensive scheme of arrangement between Spice Mobility Limited ('Transferee Company' or 'SML') and SDL and Spice IOT Solutions Private Limited ('Transferor Company II' or 'Spice IOT') and Mobisoc Technology Limited ('Transferor Company III' or 'Mobisoc') and Spice Labs Private Limited ('Transferor Company IV' or 'Spice Labs') and their respective shareholders and creditors ('Scheme').
- 1.2. Under the Scheme it is proposed to demerge the DTS Business Undertaking of SDL into SML.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ("the Act"), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any in the valuation. This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. The following documents were, inter alia, placed before the Board in their meeting held on 22nd December, 2017:
 - Draft Scheme duly initialed by the Chairman of SDL for the purpose of identification;
 - Valuation Report dated 22nd December, 2017 from M/s S.R. Batliboi & Co., Chartered Accountants; and
 - Fairness Opinion dated 22nd December, 2017 from Corporate Professionals Capital Private Limited.

2. VALUATION REPORT

- 2.1. For the purposes of the Scheme, a Valuation Report was obtained from S.R. Batliboi & Co. LLP, Chartered Accountants ('Valuer') dated December 22, 2017. The Valuation Report provided the following swap ratio:-

Demerger of DTS Business Undertaking from SDL to SML

2.682 equity shares of SML (of INR 3/- each fully paid up) for every 1.00 equity shares of SDL (of INR 10/- each fully paid up). No share shall be issued to SML in lieu of shares held by it in SDL.

Consideration for Residual SDL

Where 'other' shareholders (other than SML) opt to receive shares in SML, an entitlement ratio of 0.733 equity shares of SML (on INR 3/- each fully paid up) for every 1.00 equity shares of residual SDL (of INR 10/- each fully paid up)."

Based on the additional information sought by BSE with regard to certain additional disclosure (to provide rationale for considering the market price method), the Valuer reissued the Valuation Report dated March 26, 2018.

A copy of the said Report was placed before the Board.

- 2.2. The scope of work, valuation, approach and limitations form part of the aforesaid Valuation Report. No special valuation difficulties were reported by the valuers.

3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEREE COMPANY

3.1. Equity Shareholders (Promoter and Non Promoter)

Upon the Scheme becoming effective, pursuant to demerger of DTS Business Undertaking into SML, SML shall issue equity shares to the shareholders (except the shares already held by SML) basis the valuation report stated above. Further, equity shares in SML may be issued to any equity shareholder(s) of remaining SDL who does not want to accept the option of cash payment of INR 17.29 per equity share as per Clause 13.9 of the Scheme.

The Company has only a single class of shareholders being the equity shareholders of the Company.

3.2. Key Managerial Personnel

Upon the Scheme becoming effective, all KMPs of SDL in relation to the DTS Business Undertaking, in service on the Effective Date shall be deemed to have become employees of SML with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service and the terms and conditions of their employment with SML shall not be less favorable than those applicable to them with reference to SDL on the Effective Date as per Clause 7 of the Scheme.

Further, all KMPs of SDL, in relation to the Remaining Business of SDL will continue to be KMPs of SDL as per Clause 13.5 of the Scheme.

FOR SPICE DIGITAL LIMITED

Sd/-

(SUBRAMANIAN MURALI)

DIRECTOR

SPICE IOT SOLUTIONS PRIVATE LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SPICE IOT SOLUTIONS PRIVATE LIMITED AT ITS MEETING HELD ON 13TH AUGUST, 2018 EXPLAINING THE EFFECT OF THE COMPREHENSIVE SCHEME OF ARRANGEMENT ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ("Board") of Spice IOT Solutions Private Limited ('Transferor Company II' or 'Spice IOT') at its meeting held on December 22, 2017 has approved the comprehensive scheme of arrangement between Spice Mobility Limited ('Transferee Company' or 'SML') and Spice Digital Limited ('Transferor Company I' or 'SDL') and Spice IOT and Mobisoc Technology Limited ('Transferor Company III' or 'Mobisoc') and Spice Labs Private Limited ('Transferor Company IV' or 'Spice Labs') and their respective shareholders and creditors ('Scheme').
- 1.2. Under the Scheme it is proposed to amalgamate Spice IOT with SML.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ("the Act"), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation. This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. The following documents were, inter alia, placed before the Board in their meeting held on 22nd December, 2017:
 - Draft Scheme duly initialed by the Chairman of Spice IOT for the purpose of identification;
 - Valuation Report dated 22nd December, 2017 from M/s S.R. Batliboi & Co., Chartered Accountants; and
 - Fairness Opinion dated 22nd December, 2017 from Corporate Professionals Capital Private Limited.

2. VALUATION REPORT

- 2.1. Considering the fact that Spice IOT is a wholly owned subsidiary of SML, the shares of Spice IOT as held by SML shall stand cancelled upon effectiveness of the Scheme and no shares shall be issued by SML, as consideration for the amalgamation.
- 2.2. Since, there is no consideration for the aforementioned amalgamation, no valuation is required to be conducted for any instrument or asset. Therefore, the Board noted that there were no valuation difficulties.

Based on the additional information sought by BSE with regard to certain additional disclosure (to provide rationale for considering the market price method), the Valuer reissued the Valuation Report dated March 26, 2018.

A copy of the said Report was placed before the Board.

3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) and KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEREE COMPANY

3.1. Equity Shareholders (Promoter and Non Promoter)

Spice IOT is a wholly owned subsidiary of SML and therefore no shares will be issued by SML pursuant to the Scheme. Thus, there will be no adverse effect of the said Scheme on the Equity Shareholders of the Company.

The Company has only a single class of shareholders being the equity shareholders of the Company.

3.2. Key Managerial Personnel

Upon the Scheme becoming effective, all KMPs of Spice IOT in service on the Effective Date shall be deemed to have become employees of SML with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service and the terms and conditions of their employment with SML shall not be less favorable than those applicable to them with reference to spice IOT as per Clause 18 of the Scheme.

FOR SPICE IOT SOLUTIONS PRIVATE LIMITED

Sd/-

(ROHIT AHUJA)

DIRECTOR



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MOBISOC TECHNOLOGY PRIVATE LIMITED AT ITS MEETING HELD ON 11TH AUGUST, 2018 EXPLAINING THE EFFECT OF THE COMPREHENSIVE SCHEME OF ARRANGEMENT ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ("Board") of Mobisoc Technology Limited ('Transferor Company III' or 'Mobisoc') at its meeting held on December 22, 2017 has approved the comprehensive scheme of arrangement between Spice Mobility Limited ('Transferee Company' or 'SML') and Spice Digital Limited ('Transferor Company I' or 'SDL') and Spice IOT Solutions Private Limited ('Transferor Company II' or 'Spice IOT') and Mobisoc and Spice Labs Private Limited ('Transferor Company IV' or 'Spice Labs') and their respective shareholders and creditors ('Scheme').
- 1.2. Under the Scheme it is proposed to amalgamate Mobisoc with SML.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ("the Act"), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation. This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. The following documents were, inter alia, placed before the Board in their meeting held on 22nd December, 2017:
 - Draft Scheme duly initialed by the Chairman of Mobisoc for the purpose of identification;
 - Valuation Report dated 22nd December, 2017 from M/s S.R. Batliboi & Co., Chartered Accountants; and
 - Fairness Opinion dated 22nd December, 2017 from Corporate Professionals Capital Private Limited.

2. VALUATION REPORT

- 2.1. Considering the fact that Mobisoc is a wholly owned subsidiary of SML, the shares of Mobisoc as held by SML shall stand cancelled upon effectiveness of the Scheme and no shares shall be issued by SML, as consideration for the amalgamation.
- 2.2. Since, there is no consideration for the aforementioned amalgamation, no valuation is required to be conducted for any instrument or asset. Therefore, the Board noted that there were no valuation difficulties.

Based on the additional information sought by BSE with regard to certain additional disclosure (to provide rationale for considering the market price method), the Valuer reissued the Valuation Report dated March 26, 2018.

A copy of the said Report was placed before the Board.

3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEE COMPANY

3.1. Equity Shareholders (Promoter and Non Promoter)

Mobisoc is a wholly owned subsidiary of SDL and therefore no shares will be issued by SML, pursuant to the Scheme. Thus, there will be no adverse effect of the said Scheme on the Equity Shareholders of the Company.

The Company has only a single class of shareholders being the equity shareholders of the Company.

3.2. Key Managerial Personnel

Upon the Scheme becoming effective, all KMPs of Mobisoc in service on the Effective Date shall be deemed to have become employees of SML with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service and the terms and conditions of their employment with SML shall not be less favorable than those applicable to them with reference to Mobisoc as per Clause 18 of the Scheme.

FOR MOBISOC TECHNOLOGY PRIVATE LIMITED

Sd/-

(SUNIL KUMAR KAPOOR)

DIRECTOR



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SPICE LABS PRIVATE LIMITED AT ITS MEETING HELD ON 11TH AUGUST, 2018 EXPLAINING THE EFFECT OF THE COMPREHENSIVE SCHEME OF ARRANGEMENT ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ("Board") of Spice Labs Private Limited ('Transferor Company IV' or 'Spice Labs') at its meeting held on December 22, 2017 has approved the comprehensive scheme of arrangement between Spice Mobility Limited ('Transferee Company' or 'SML') and Spice Digital Limited ('Transferor Company I' or 'SDL') and Spice IOT Solutions Private Limited ('Transferor Company II' or 'Spice IOT') and Mobisoc Technology Limited ('Transferor Company III' or 'Mobisoc') and Spice Labs and their respective shareholders and creditors ('Scheme').
- 1.2. Under the Scheme it is proposed to amalgamate Spice Labs with SML.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ("the Act"), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation. This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. The following documents were, inter alia, placed before the Board in their meeting held on 22nd December, 2017:
- Draft Scheme duly initialed by the Chairman of Spice Labs for the purpose of identification;
 - Valuation Report dated 22nd December, 2017 from M/s S.R. Batliboi & Co., Chartered Accountants; and
 - Fairness Opinion dated 22nd December, 2017 from Corporate Professionals Capital Private Limited.

2. VALUATION REPORT

- 2.1. For the purposes of the Scheme, a Valuation Report was obtained from S.R. Batliboi & Co. LLP, Chartered Accountants ('Valuer') dated December 22, 2017. The Valuation Report provided the following swap ratio:-

Merger of Spice Labs into SML

1.299 equity shares of SML (of INR 3/- each fully paid up) for every 1.00 equity shares of Spice Labs (of INR 10/- each fully paid up).

Based on the additional information sought by BSE with regard to certain additional disclosure (to provide rationale for considering the market price method), the Valuer reissued the Valuation Report dated March 26, 2018.

A copy of the said Report was placed before the Board.

- 2.2. The scope of work, valuation, approach and limitations form part of the aforesaid Valuation Report. No special valuation difficulties were reported by the valuers.

3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEE COMPANY

3.1. Equity Shareholders (Promoter and Non Promoter)

Upon the Scheme becoming effective, pursuant to merger of Spice Labs with SML, SML shall issue equity shares to the equity shareholders of Spice Labs(except the shares already held by SML) basis the valuation report stated above.

The Company has only a single class of shareholders being the equity shareholders of the Company.

3.2. Key Managerial Personnel

Upon the Scheme becoming effective, all KMPs of Spice Labs in service on the Effective Date shall be deemed to have become employees of SML with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service and the terms and conditions of their employment with SML shall not be less favorable than those applicable to them with reference to Spice Labs as per Clause 18 of the Scheme.

FOR SPICE LABS PRIVATE LIMITED

Sd/-

(SUNIL KUMAR KAPOOR)

DIRECTOR

Annexure-VII

Spice Mobility Limited
Balance Sheet as at 31 March 2018

(Amount in Rs. Lakhs)

	As at 31 March 2018	As at 31 March 2017
Assets		
Non-current assets		
Property, plant and equipment	1,132.78	1,550.47
Investment property	1,152.23	3,846.95
Other intangible assets	7.24	17.90
Financial assets		
(i) Investments	7,237.56	897.88
(ii) Loans	88.74	77.76
(iii) Other financial assets	-	-
Income tax assets (net)	1,070.21	979.77
Other assets	49.19	34.66
Total non-current assets	10,737.95	7,405.39
Current assets		
Inventories	-	0.20
Financial assets		
(i) Trade receivables	-	309.56
(ii) Cash and cash equivalents	1,098.75	170.45
(iii) Bank balance other than (ii) above	228.70	395.62
(iv) Loans	125.76	102.69
(v) Other financial assets	119.29	203.17
Other assets	129.03	116.28
Asset classified as held for sale	-	4,562.12
Total current assets	1,701.53	5,860.09
Total assets	12,439.48	13,265.48
Equity and liabilities		
Equity		
Equity share capital	6,052.49	5,420.43
Other equity	5,228.60	2,435.48
Total equity	11,281.09	7,855.91
Non current liabilities		
Financial liabilities		
(i) Other financial liabilities	43.38	135.81
Provisions	61.91	24.90
Other liabilities	9.63	38.85
Total non-current liabilities	114.92	199.56
Current liabilities		
Financial liabilities		
(i) Trade payables	318.47	711.77
(ii) Other financial liabilities	102.91	148.73
Other liabilities	20.56	32.62
Provisions	601.53	3,375.53
Liability directly associated with asset classified as held for sale	-	941.36
Total current liabilities	1,043.47	5,210.01
Total liabilities	1,158.39	5,409.57
Total equity and liabilities	12,439.48	13,265.48

Summary of significant accounting policies

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **BSR & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

For and on behalf of the board of directors of **Spice
Mobility Limited**

Vikram Advani
Partner
Membership no.: 091765

Dilip Modi
Executive Chairman
DIN : 00029062

Subramanian Murali **Suman Ghose Hazra**
Director Director
DIN : 00041261 DIN:00012223

Place: Noida
Date: 17 May 2018

Madhusudan V. **M R Bothra**
Chief Financial Officer Vice President-Corporate Affairs
and Company Secretary

Spice Mobility Limited
Statement of Profit and Loss for the year ended 31 March 2018

(Amount in Rs. Lakhs)

	For the year ended 31 Mar 2018	For the year ended 31 Mar 2017
Income		
Revenue from operations	-	15,472.24
Other income	778.50	1,617.72
Total income	778.50	17,089.96
Expenses		
Purchase of stock in trade	-	15,165.19
Changes in inventories of stock in trade	0.20	1.71
Employee benefit expenses	269.03	268.35
Finance cost	12.63	19.46
Depreciation and amortisation expenses	494.32	696.75
Other expenses	1,177.04	1,248.31
Total expenses	1,953.22	17,399.77
(Loss) before exceptional items and tax	(1,174.72)	(309.81)
Exceptional items	(807.89)	8,453.93
(Loss) before tax	(366.83)	(8,763.74)
Tax expense:		
Current tax adjustments for earlier years	-	(13.34)
(Loss) for the year	(366.83)	(8,750.40)
Other comprehensive income		
Items that will not be reclassified subsequently to profit & loss		
Remeasurements of net defined benefit liability/asset	2.87	3.19
Total comprehensive income for the year [comprising (loss) and other comprehensive Income for the year]	(363.96)	(8,747.21)
Earnings per equity share (nominal value of share Rs. 3/-)		
(1) Basic (Rs)	(0.16)	(3.84)
(2) Diluted (Rs)	(0.16)	(3.84)

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For and on behalf of the board of directors of **Spice Mobility Limited**

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

Vikram Advani

Partner

Membership no.: 091765

Dilip Modi

Executive Chairman

DIN : 00029062

Subramanian Murali

Director

DIN : 00041261

Suman Ghose Hazra

Director

DIN:00012223

Place: Noida

Date: 17 May 2018

Madhusudan V.

Chief Financial Officer

M R Bothra

Vice President- Corporate Affairs
and Company Secretary

Spice Mobility Limited
Statement of Cash Flows for the year ended 31 March 2018

(Amount in Rs. Lakhs)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flows used in operating activities		
(Loss) before tax	(366.83)	(8,763.75)
- Exceptional items		
- Provision/ (reversed)/made in the value of non-current investments in a subsidiary company	(400.00)	7,735.00
- Provision for liability payout of subsidiary	600.00	3,350.00
-(Reversal of provision) for doubtful loans, debts and advances of subsidiary Companies	-	(2,631.07)
- Doubtful debts & advances written off	325.99	-
- Re-measurement gain/(loss) on defined benefit obligation recognised as OCI	-	3.19
- Interest expense	12.63	19.46
- Depreciation and amortisation expenses	494.32	696.75
- Loss on disposal of property, plant & equipment (net)	380.00	4.24
- Profit on sale of investment property	-	(237.28)
- Profit on sale of non-current investment	(1,713.88)	(21.82)
- Interest income	(46.20)	(391.34)
- Unclaimed liabilities written back	(18.13)	-
- Loss on sale of non-current investment	-	10.76
- Provision for doubtful advances	-	113.74
Operating (loss) before working capital changes	(732.10)	(112.12)
Working capital adjustments:		
Decrease in inventories	0.20	1.71
Decrease in trade receivables	7.13	821.29
(Increase)/Decrease in non-current Loans and other assets	(17.50)	2.32
(Increase)/Decrease in current Loans	(23.07)	2.57
Decrease/(Increase) in other current and financial assets	25.20	(139.92)
(Decrease) in other non-current liabilities	(134.28)	(57.94)
(Decrease) in other current liabilities	(45.94)	(25.09)
(Decrease) in current trade payables	(375.16)	(780.74)
Increase in non-current provisions	37.01	21.09
(Decrease) in current provisions	(24.00)	(16.89)
Cash (used in) operations	(1,282.51)	(283.71)
Direct taxes paid	(90.44)	924.54
Net cash (used in)/from operating activities	(1,372.95)	640.83
Cash flows from/(used in) investing activities		
Purchase of property, plant & equipment	(5.09)	(11.91)
Proceeds from sale of property, plant & equipment /investment property	2,255.33	1,035.72
Investment in subsidiaries (including share application money)	(6,340.69)	(7,744.78)
Provision for liability payout of step down subsidiary company paid during the year	(2,950.00)	-
Sale of non-current investments	5,335.65	1,145.53
Advance against sale of investment in a subsidiary	-	941.36
Receipt from Employee benefit trust against loan repayment	342.00	-
Receipt from Independent non promoter trust against sale of shares	3,450.00	-
Loans repaid by bodies corporate	-	1,508.49
Interest received	60.56	500.30
Redemption in fixed deposits	249.09	15,023.33
Investment in fixed deposits *	(220.60)	(13,329.78)
Net cash from/(used in) investing activities	(B) 2,176.25	(931.74)
Cash flow from/(used in) financing activities		
Repayment of non-current borrowings	-	(20.32)
Interest paid	-	(19.46)
Net cash (used in) financing activities	(C) -	(39.78)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	803.30	(330.69)
Cash and cash equivalents at the beginning of the year	170.45	501.15
Cash and cash equivalents at the end of the year	973.75	170.46
Components of cash and cash equivalents		
Balance with banks on current accounts	350.09	170.32
Cash on hand	0.17	0.13
Deposits with original maturity of less than three months [excludes deposits under pledge of Rs 125.00 lakh (previous year : Nil)]	623.49	-
Total cash and cash equivalents (note 13)	973.75	170.45

* Includes 125 lakh of fixed deposit under lien included in cash & cash equivalent
The accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
ICAI Firm registration number: 101248W/W-100022

For and on behalf of the board of directors of **Spice Mobility Limited**

Vikram Advani
Partner
Membership no.: 091765

Dilip Modi
Executive Chairman
DIN : 00029062

Subramanian Murali **Suman Ghose Hazra**
Director Director
DIN : 00041261 DIN:00012223

Place: Noida
Date: 17 May 2018

Madhusudan V. **M R Bothra**
Chief Financial Officer Vice President- Corporate Affairs and
Company Secretary

Spice Mobility Limited
Statement of changes in equity for the year ended 31 March 2018

A : Equity share capital	Number of shares	(Amount in Rs. Lakhs)
Balance as at 01 April 2016	227,863,982	5,419.83
Change in equity share capital during the year		
Movement in share capital due to sale of shares by trust	#	0.60
Balance as at 31 March 2017	227,863,982	5,420.43
Change in equity share capital during the year		
Movement in share capital due to sale of shares by trust	#	632.06
Balance as at 31 March 2018	227,863,982	6,052.49

B : Other equity Amount in Rs. Lakhs

Particulars	Trust Shares (Refer note 42)	Capital Redemption Reserve*	General Reserve	Retained Earnings	Total
Balance as at 01 April 2016	(3,013.89)	306.66	41,083.55	(27,193.03)	11,183.29
Total comprehensive income for the year ended 31 March 2017					
(Loss) for the year	-	-	-	(8,750.40)	(8,750.40)
Remeasurement gain on defined employee benefit plan	-	-	-	3.19	3.19
Total comprehensive income for the year	-	-	-	(8,747.21)	(8,747.21)
Sale of shares by trust	(0.60)	-	-	-	(0.60)
Transferred from / to retained earnings	-	-	(35,940.23)	35,940.23	-
Balance as at 31 March 2017	(3,014.49)	306.66	5,143.32	-	2,435.48
Total comprehensive income for the year ended 31 March 2018					
(Loss) for the year	-	-	-	(366.83)	(366.83)
Other comprehensive income (net of tax)	-	-	-	-	-
Remeasurement gain on defined employee benefit plan	-	-	-	2.87	2.87
Total comprehensive income for the year	-	-	-	(363.96)	(363.96)
Adjustments relating to sale of shares by Trust	3,157.07	-	-	-	3,157.07
Balance as at 31 March 2018	142.58	306.66	5,143.32	(363.96)	5,228.60

*Created upon cancellation of shares pursuant to buy back

During the year Employee Benefit Trust has sold 1,700,335 equity shares (March 2017 : Nil) face value of Rs 3 each and Independent non Promoter trust has sold 19,368,439 equity shares (March 2017 : 20000) face value of Rs 3 each

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

For and on behalf of the board of directors of **Spice Mobility Limited**

Vikram Advani
Partner
Membership no.: 091765

Dilip Modi
Executive Chairman
DIN : 00029062

Subramanian Murali
Director
DIN : 00041261

Suman Ghose Hazra
Director
DIN:00012223

Place: Noida
Date: 17 May 2018

Madhusudan V.
Chief Financial Officer

M R Bothra
Vice President- Corporate Affairs and
Company Secretary

Spice Digital Limited
Balance Sheet as at 31 March 2018

(Amount in Rs. Lakhs)

	As at 31 March 2018	As at 31 March 2017
Assets		
Non-current assets		
Property, plant and equipment	1,686.45	1,946.38
Capital work-in-progress	23.57	29.48
Investment property	624.67	-
Other intangible assets	792.84	575.97
Intangible assets under development	712.37	267.36
Financial assets		
(i) Investments	14,978.97	8,092.21
(ii) Loans	374.05	325.26
(iii) Other financial assets	9.19	1,659.59
Deferred tax assets (Net)	1,449.60	1,323.14
Non current tax assets	3,265.92	2,452.39
Other assets	107.98	100.88
Total non-current assets	24,025.61	16,772.66
Current assets		
Inventories	5.53	234.69
Financial assets		
(i) Investments	232.82	633.03
(ii) Trade receivables	3,451.67	4,817.66
(iii) Cash and cash equivalents	2,128.53	3,645.02
(iv) Bank balances other than(iii) above	1,292.33	1,440.23
(v) Loans	119.49	5,175.47
(vi) Other financial assets	3,726.07	3,442.42
Other assets	515.83	648.13
Total current assets	11,472.27	20,036.65
Total assets	35,497.88	36,809.31
Equity and liabilities		
Equity		
Equity share capital	4,334.74	3,977.10
Other equity	22,205.62	25,943.01
Total equity	26,540.36	29,920.11
Liabilities		
Non-current liabilities		
Provisions	450.28	385.83
Financial liabilities		
i) Other financial liabilities	17.67	15.92
Other liabilities	1.25	3.14
Total non-current liabilities	469.20	404.89
Current liabilities		
Financial liabilities		
(i) Borrowing	2,067.33	524.94
(ii) Trade payables	3,005.40	2,207.52
(iii) Other financial liabilities	716.51	720.66
Provisions	73.83	67.13
Other liabilities	2,625.25	2,964.06
Total current liabilities	8,488.32	6,484.31
Short term provisions		
Total liabilities	8,957.52	6,889.20
Total equity and liabilities	35,497.88	36,809.31

Summary of significant accounting policies

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 101248 W/W-100022

For and on behalf of the Board of Directors of **Spice Digital Limited**

Dilip Kumar Modi
(Chairman)
DIN: 00029062

Suman Ghose Hazra
(Director)
DIN:00012223

Saket Agarwal
(Chief Executive Officer)

Vikram Advani
Partner
Membership No.: 091765

Sunil Kumar Kapoor
(Chief Financial Officer)
(Mem. No.: F079430)

Kokila Arora
(Company Secretary)
(Mem. No.: A21670)

Place: Noida
Date: 16 May 2018

Spice Digital Limited
Statement of Profit and Loss for the year ended 31 March 2018

(Amount in Rs. Lakhs)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Income		
Revenue from operations	18,229.68	18,222.29
Other income	355.84	1,344.84
Total income	18,585.52	19,567.13
Expenses		
Purchase of traded goods	3,277.43	3,590.40
Changes in inventories of traded goods	229.16	(146.83)
Operating expenses	7,273.36	6,524.77
Employee benefit expense	3,885.11	3,324.82
Finance costs	160.74	6.89
Depreciation and amortisation expense	660.96	615.80
Other expenses	4,513.95	4,067.71
Total expenses	20,000.71	17,983.56
Profit/(loss) before exceptional items and tax	(1,415.19)	1,583.57
Exceptional items	4,968.24	814.88
Profit/(loss) before tax	(6,383.43)	768.69
Tax expenses		
(1) Current tax	-	699.00
(2) Deferred tax credit	(130.75)	(209.76)
(3) Adjustment of tax relating to earlier years	19.83	(80.41)
Income tax expense	(110.92)	408.83
Profit/(loss) for the year	(6,272.51)	359.86
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement gains (losses) on defined benefit plans	15.42	(3.24)
Deferred tax impact	(4.49)	1.12
Total other comprehensive income	10.93	(2.12)
Total comprehensive income for the year (comprising profit/(loss) and other comprehensive income for the year)	(6,261.58)	357.74
Earnings per equity share (nominal value of share is Rs 10)		
Basic and diluted earning per share	(15.59)	0.90

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248 W/W-100022

For and on behalf of the Board of Directors of **Spice Digital Limited**

Dilip Kumar Modi (Chairman) DIN: 00029062	Suman Ghose Hazra (Director) DIN:00012223	Saket Agarwal (Chief Executive Officer)
--	--	---

Vikram Advani
Partner
Membership No.: 091765

Sunil Kumar Kapoor
(Chief Financial Officer)
(Mem. No.: F079430)

Kokila Arora
(Company Secretary)
(Mem. No.: A21670)

Place: Noida
Date: 16 May 2018

Spice Digital Limited
Statement of Cash Flows for the year ended 31st March 2018

(Amount in Rs. Lakhs)

	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash flows from operating activities		
Profit/(loss) before tax	(6,383.43)	768.69
Adjustments to reconcile profit before tax to net cash flows:		
Exceptional item		
- Provision for diminution in the value of non current investments	4,968.24	814.88
Depreciation of property, plant and equipment	309.80	387.52
Depreciation of investment property	76.35	-
Amortisation of intangible assets	274.81	228.28
Loss/(gain) on property, plant and equipment	7.58	22.98
Allowance for doubtful debts and advances	712.71	578.43
Bad debts written off	355.99	44.79
Interest income (including fair value change in financial instruments)	(140.19)	(800.18)
Dividend income	-	(323.43)
Fair value gain on financial instruments at fair value through profit or loss	(4.73)	(81.66)
Rental income	(85.88)	-
Net gain on sale of current investments in mutual fund units	(8.90)	(40.28)
Exchange differences (net)	30.59	84.69
Profit from sale long term investment	(22.93)	-
Interest expense	160.75	6.88
Sundry balances written back	(2.08)	(2.83)
Operating profit before working capital changes	248.68	1,688.76
Working capital adjustments:		
Decrease/ (increase) in trade receivables	668.21	(152.84)
Decrease/ (increase) in inventories	229.16	(146.83)
(Increase) in loans, other financial assets and other assets	(1,205.39)	(654.58)
Increase in trade payables, other liabilities & provisions	557.12	2,577.24
Cash flows from operations	497.78	3,311.75
Direct taxes refund / (paid)	(833.58)	(226.38)
Net cash flow from/ (used in) operating activities (A)	(335.80)	3,085.37
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work in progress, intangible assets and intangible assets under development)	(1,714.78)	(969.37)
Proceeds from sale of property, plant and equipment	10.46	2.18
Advance for purchase of equity shares	-	(941.36)
Purchase of current investments	-	(200.00)
Purchase of non-current investments	(5,960.67)	(158.00)
Sale of long term investments	38.21	-
Proceeds from sale of current and non current investments	413.84	613.90
Loans to subsidiary/fellow subsidiary companies	(1,200.00)	(3,519.00)
Loans received back from fellow subsidiary companies	1,760.63	3,519.00
Dividend received	-	452.02
Rent received	84.00	-
Fixed deposits made / encashed (net)	856.94	(614.73)
Interest received	265.46	317.20
Net cash (used in) investing activities (B)	(5,445.91)	(1,498.16)
C. Cash flows from financing activities		
Repayment of short term borrowings	(524.94)	(959.33)
Proceeds from issue of equity share capital	2,881.83	-
Proceeds from short term borrowings	1,667.86	524.94
Finance cost	(159.00)	(6.88)
Net cash flow from/(used in) financing activities (C)	3,865.75	(441.27)
Net (decrease)/increase in cash & cash equivalents (A+B+C)	(1,915.96)	1,145.94
Cash & cash equivalents at the beginning of the year	3,645.02	2,499.08
Cash & cash equivalents at the end of the year	1,729.06	3,645.02
i Components of cash & cash equivalents:		
Cash on hand	2.37	1.24
Cheques in hand	0.08	0.10
Balances with banks:		
On current accounts	2,102.05	3,643.68
Deposits with original maturity of less than three months	24.03	-
On bank overdraft	(399.47)	-
	1,729.06	3,645.02

Statement of Cash Flows for the year ended 31st March 2018

(Amount in Rs. Lakhs)

ii) Movement in financial liabilities

	Current borrowings	Interest expense on financial liabilities	Total
As at 1 April 2017	524.94	-	524.94
Cash flows	1,142.92	-	1,142.92
Interest expenses	-	159.00	159.00
Interest Paid	-	(159.00)	(159.00)
As at 31 March 2018	1,667.86	-	1,667.86

Cash Flow from operating activities for the year ending 31 March, 2018 is after considering corporate social responsibility expenditure of INR. 128.lakhs (31 March 2017: INR.84.48 lakhs)

The accompanying notes form an internal part of the standalone financial statements
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248 W/W-100022

Vikram Advani
Partner
Membership No.: 091765

Place: Noida
Date: 16 May 2018

For and on behalf of Board of Directors of **Spice Digital Limited**

Dilip Kumar Modi (Chairman) DIN: 00029062	Suman Ghose Hazra (Director) DIN:00012223	Saket Agarwal (Chief Executive Officer)
--	--	---

Sunil Kumar Kapoor
(Chief Financial Officer)
(Mem. No.: F079430)

Kokila Arora
(Company Secretary)
(Mem. No.: A21670)

Statement of Changes in Equity

A Equity share capital (Refer note no. 16)

Equity shares of INR 10 each issued, subscribed and fully paid	No. of shares	Amount in INR lakhs
At 1 April 2016	39,770,984	3,977.10
Changes in equity share capital during the year	-	-
At 31 March 2017	39,770,984	3,977.10
Changes in equity share capital during the year	3,576,354	357.64
At 31 March 2018	43,347,338	4,334.74

B Other equity (Refer note no. 17)

Particulars	Reserve and surplus				Items of other comprehensive income	
	Securities premium	Retained earnings	General reserve	Share buy back reserve account*	Re-measurement gains (losses) on defined benefit plans	Total
Balance as at 1 April 2016	549.94	23,765.67	957.79	311.87	-	25,585.27
Total comprehensive income for the year						
Profit for the year	-	359.86	-	-	-	359.86
Other comprehensive income	-	-	-	-	(2.12)	(2.12)
Total comprehensive income		359.86			(2.12)	357.74
Balance as at 31 March 2017	549.94	24,125.53	957.79	311.87	(2.12)	25,943.01
Total comprehensive income for the year						
Profit for the year	-	(6,272.51)	-	-	-	(6,272.51)
Other comprehensive income	-	-	-	-	10.93	10.93
Total comprehensive income	-	(6,272.51)	-	-	10.93	(6,261.58)
Addition during the year						
Issue of equity share capital	2,524.19	-	-	-	-	2,524.19
Balance as at 31 March 2018	3,074.13	17,853.02	957.79	311.87	8.81	22,205.62

* Share buy back reserve account represents amount transferred from general reserve account on cancellation of equity shares bought back pursuant to buy back scheme.

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248 W/W-100022

For and on behalf of the Board of Directors of **Spice Digital Limited**

Dilip Kumar Modi (Chairman) DIN: 00029062
Suman Ghose Hazra (Director) DIN: 00012223
Saket Agarwal (Chief Executive Officer)

Vikram Advani
Partner
Membership No.: 091765

Sunil Kumar Kapoor (Chief Financial Officer) (Mem. No. F079430)
Kokila Arora (Company Secretary) (Mem. No. A21670)

Place: Noida
Date: 16 May 2018

SPICE IOT SOLUTION PRIVATE LIMITED

(Amount in Rs. Lakhs)

BALANCE SHEET AS AT 31st March 2018

	As at March 31, 2018 Rs.	As at March 31, 2017 Rs.
Assets		
Non Current Assets		
Financial Assets		
Investment Property	-	-
Other Financial Assets	-	-
Other non current Assets	-	-
	<u>-</u>	<u>-</u>
Current Assets		
Financial Assets		
(i) Trade Receivables	-	-
(ii) Cash and Cash equivalents	27,018	82,318
(iii) Other financial assets	-	-
Current Tax assets (Net)	-	-
Other Current Assets	-	-
Total current assets	<u>27,018</u>	<u>82,318</u>
Total assets	<u><u>27,018</u></u>	<u><u>82,318</u></u>
Equity		
Equity Share Capital	100,000	100,000
Other Equity		
Reserves and Surplus		
Retained Earning	<u>(100,770)</u>	<u>(22,682)</u>
	<u>(770)</u>	<u>77,318</u>
Non Current Liabilities		
Other non current Liabilities	-	-
Current liabilities		
Financial liabilities		
(i) Short Term Borrowings	-	-
(ii) Trade and other payables	27,788	5,000
(iii) Other Financial Liabilities	-	-
Total current liabilities	<u>27,788</u>	<u>5,000</u>
Total equity & liabilities	<u><u>27,018</u></u>	<u><u>82,318</u></u>

Summary of Significant Accounting Policies and

The Notes referred to above form an integral part of the Financial statements

As per our report of even date attached

S.D. Chopra & Associates
Chartered Accountants
Firm Registration No. 003789N

For and on behalf of the Board of Directors

S.D. Chopra
Proprietor
Membership No. 82537

Dilip Modi
Director
DIN: 00029062

Rohit Ahuja
Director
DIN: 00065417

Place : Noida
Date : August 13, 2018

SPICE IOT SOLUTION PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31,2018

(Amount in Rs. Lakhs)

	Year ended March, 31st. 2018 Rs.	Period ended March, 31st. 2017 Rs.
Income:		
Other Income	-	-
Total income	<u>-</u>	<u>-</u>
Expenses:		
Other Expenses	78,088	22,682
Total expenses	<u>78,088</u>	<u>22,682</u>
Profit/ (Loss) before Tax	(78,088)	(22,682)
Less: Tax Expense		
Current Tax	-	-
Profit/ (Loss) for the period	<u>(78,088)</u>	<u>(22,682)</u>
Earnings Per Equity shares:		
(i)Basic computed on the basis of profit from continuing operations	(7.81)	(5.38)
(ii)Diluted computed on the basis of profit from continuing operations	(7.81)	(5.38)

Summary of Significant Accounting Policies and

The Notes referred to above form an integral part of the Financial statements

As per our report of even date attached

S.D.Chopra & Associates
Chartered Accountants
Firm Registration No. 003789N

For and on behalf of the Board of Directors

S.D.Chopra
Proprietor
Membership No. 82537

Dilip Modi
Director
DIN: 00029062

Rohit Ahuja
Director
DIN: 00065417

Place : Noida
Date : August 13, 2018

Statement of cash flows for the year ended Mar 31, 2018

	For the year ended 31-Mar-18 Rs.	For the year ended 31-Mar-17 Rs.
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Profit (Loss) before taxation	(78,088)	(22,682)
Adjustments for :		
Operating (loss) before working capital changes	(78,088)	(22,682)
Movements in working capital:		
Increase in trade payables	22,788	5,000
Cash (used in) operations	(55,300)	(17,682)
Direct taxes paid (net of refunds)		
Net cash (used in) operating activities	(55,300)	(17,682)
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Dividend Received	-	-
Income from Investment in FMP/Units		
Fixed deposits refunded by banks	-	-
Fixed deposits made with banks	-	-
Net cash from investing activities	-	-
CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		
Proceeds from issue of share capital		100,000
Net cash (used in) financing activities	-	100,000
Net Increase in cash and cash equivalents (A + B + C)	(55,300)	82,318
Cash and cash equivalents at the beginning of the year	82,318	-
Cash and cash equivalents transferred on Slump Sale		
Cash and cash equivalents at the end of the year	27,018	82,318
Components of cash and cash equivalents:		
- on current accounts	27,018	82,318
Total cash and cash equivalents (note 7)	27,018	82,318

Summary of significant accounting policies

The Notes referred to above form an integral part of the Financial statements

As per our report of even date attached

S.D.Chopra & Associates
Chartered Accountants
Firm Registration No. 003789N

For and on behalf of the Board of Directors

S.D.Chopra
Proprietor
Membership No. 82537
Place : Noida
Date : August 13, 2018

Dilip Modi
Director
DIN: 00029062

Rohit Ahuja
Director
DIN: 00065417

MOBISOC TECHNOLOGY PRIVATE LIMITED

Balance Sheet as at March 31, 2018

(Amount in Rs.)

	As at Mar 31, 2018	As at Mar 31, 2017
Assets		
Non-current assets		
Property, plant and equipment	1,326,016	1,904,449
Intangible Assets	0.00	1,074,621
Financial assets		
(i) Others financial assets	-	2,998,178
Deferred tax assets	1,307,437	2,104,540
Non Current Tax Assets (Net)	5,591,872	4,538,890
	8,225,325	12,620,678
Current assets		
Financial assets		
(ii) Loans	-	42,000,000
(iii) Trade Receivable	57,653,850	31,144,165
(iv) Cash and cash equivalents	623,702	2,516,583
(v) Other Bank Balances other than (iv) above	7,958,829	6,488,715
(vi) Other Financial Assets	3,244,132	9,669,977
Current Tax Assets(Net)	10,734,639	21,081,382
Other Current Assets	1,339,712	2,282,465
	81,554,864	115,183,287
Total Assets	89,780,188	127,803,965
Equity and liabilities		
Equity		
Equity Share capital	100,100,000	100,100,000
Other Equity	(36,444,797)	(5,000,491)
	63,655,203	95,099,509
Liabilities		
Non-Current Liabilities		
Provisions	1,231,269	2,450,037
	1,231,269	2,450,037
Current Liabilities		
Financial Liabilities		
(i) Trade payables	19,938,245	14,709,708
(ii) Other financial liabilities	3,154,411	10,987,022
Other Current Liabilities	1,055,837	2,271,662
Provisions	745,223	2,286,028
	24,893,716	30,254,420
	26,124,985	32,704,457
TOTAL Equity and Liabilities	89,780,188	127,803,965

Summary of significant accounting policies

The accompanying notes are an integral parts of the financial statements.

Chartered Accountants
For Satish Jindal & Co
Chartered Accountants
FRN : 009180N

For and on behalf of the Board of Directors of
Mobisoc Technology Private Limited

(Satish Kumar Gupta)
Partner
M. No. 087902

(Sunil Kumar Kapoor)
Director & Manager
DIN: 05322540

(Madhusudan Venkatachary)
Director
DIN: 02650160

Place : Noida
Date : 15/05/2018

C.F.O.
(Sanjeev Kumar Jain)
Company Secretary
(Akansha Sharma)
(Memb.No.A41576)

MOBISOC TECHNOLOGY PRIVATE LIMITED

Statement of profit and loss for the year ended 31 Mar, 2018

(Amount in Rs.)

	For the year Ended Mar 31, 2018	For the Year Ended Mar 31, 2017
Income		
Revenue From Operations	196,909,300	141,141,302
Other Income	2,885,003	6,488,745
Total Income	199,794,303	147,630,047
Expenses		
Purchases of Services	32,817,583	41,004,943
Operating Expenses	107,305,059	19,970,202
Employee Benefits Expense	26,648,953	54,844,966
Finance Cost	1,766	29,186
Depreciation and amortization expense	1,850,394	5,337,943
Other Expenses	7,744,784	27,968,672
Total Expenses	176,368,539	149,155,912
Profit before exceptional items and tax	23,425,764	
Exceptional items	46,803,025	
Profit(loss) before tax	(23,377,261)	(1,525,865)
Tax Expenses		
(i) Current Tax	7,067,415	27,830
(ii) Deferred tax (Net)	797,103	89,200
Profit/(Loss) for the period from continuing operations	(31,241,778)	(1,642,894)
Other comprehensive income		
(i) Items that will not be reclassified to profit or loss		
Actuarial Gain/(loss)	(202,528)	(60,353)
(ii) Re-measurement gains (losses) on defined benefit plans		
(iii) Income Tax relating to items that will be reclassified to profit or loss		
Total Comprehensive Income for the period(Comprising Profit/(loss) and Other Comprehensive Income for the period)	(31,444,306)	(1,703,247)
Earning per share		
(i) Basic	(3.14)	(0.17)
(ii) Diluted	(3.14)	(0.17)

Summary of significant accounting policies

The accompanying notes are an integral parts of the financial statements.

As per our attached report of even date
For Satish Jindal & Co
Chartered Accountants
FRN : 009180N

For and on behalf of the Board of Directors of
Mobisoc Technology Private Limited

(Satish Kumar Gupta)
Partner
M. No. 087902

(Sunil Kumar Kapoor)
Director & Manager
DIN: 05322540

(Madhusudan Venkatachary)
Director
DIN: 02650160

C.F.O.
(Sanjeev Kumar Jain)

Company Secretary
(Akansha Sharma)
(Memb.No.A41576)

Place : Noida
Date : 15/05/2018

MOBISOC TECHNOLOGY PRIVATE LIMITED

Statement of Cash Flows for the year ended March 31, 2018

(Amount in Rs.)

	For the 12 Months ended 31-Mar-2018	For the 12 Months ended 31-Mar-2017
	Rs.	Rs.
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	(23,377,261)	(1,525,865)
Profit/(loss) before tax from discontinued operations	-	-
Profit before tax	(23,377,261)	(1,525,865)
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and impairment of property, plant and equipment	775,775	835,600
Amortisation and impairment of intangible assets	1,074,621	4,502,341
Provision against loans/advances	46,803,026	-
Finance income (including fair value change in financial instruments)	(314,553)	(5,323,369)
Finance costs (including fair value change in financial instruments)	1,766	29,186
Working capital adjustments		
Movements in provisions, gratuity and leave encashment	(2,759,573)	803,713
Increase in trade and other receivables and prepayments	(19,141,088)	(9,178,510)
Increase in trade and other payables	(3,819,901)	(6,094,203)
	(757,188)	(15,951,106)
Taxes Paid	2,226,351	50,836
Exceptional Item	(202,528)	(60,353)
Net cash flows from operating activities	1,266,635	(15,960,623)
Investing Activities		
Purchase of property, plant and equipment	(197,342)	(302,289)
Interest received (finance income)	314,553	5,323,369
Sale of Investment	-	-
Loan Given	(4,803,025)	-
Loan to Staff & Others	-	162,500
Net cash flows used in investing activities	(4,685,814)	5,183,580
Financing Activities		
Interest paid	(1,766)	(29,186)
Net cash flows from/(used in) financing activities	(1,766)	(29,186)
Cash and cash equivalents at the year end	(3,420,945)	(10,806,229)
Cash and cash equivalents at the beginning of the year	12,003,476	22,809,705
Cash and cash equivalents at year end	8,582,531	12,003,476
Cash in hand	82,647	28,679
Cheques in hand	-	-
With banks- on current account	541,055	8,976,619
With banks- on deposit accounts	7,958,829	2,998,178
Total cash and cash equivalents	8,582,531	12,003,476
ii) Movement in financial liabilities		
As at 1 April 2017	-	-
Cash flows	-	-
Interest Paid	-	-
As at 31 March 2018	-	-

Notes :

1. The Cash flow statement has been prepared under the indirect method as set out in Revised Ind AS-7 on Statement of cash flows notified under the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued thereafter. The Company adopted the amendment to Ind AS-7 and adoption of the amendment did not have any material impact on the financial statement.

2. Negative figures have been shown in brackets.

Summary of significant accounting policies

The accompanying notes are an integral parts of the financial statements.

As per our attached report of even date

For Satish Jindal & Co

Chartered Accountants

FRN : 009180N

(Satish Kumar Gupta)

Partner

M. No. 087902

Place : Noida

Date : 15/05/2018

For and on behalf of the Board of Directors of
Mobisoc Technology Private Limited

Director & Manager
(Sunil Kumar Kapoor)
(DIN 05322540)

Director
(Madhusudan Venkatachary)
(DIN 02650160)

C.F.O.
(Sanjeev Kumar Jain)

Company Secretary
(Akansha Sharma)
(Memb. No. A41576)

MOBISOC TECHNOLOGY PRIVATE LIMITED

Statement of changes in equity (SOCE) for the year ended March 31, 2018

(A). Equity Share Capital:

	<u>No. of shares</u>	<u>Amount in Rs.</u>
Equity shares of INR 10 each issued, subscribed and fully paid At 31 March 2017	10,010,000	100,100,000
	10,010,000	100,100,000
Issue of share capital At 31 Mar 2018	-	-
	10,010,000	100,100,000

(B) Other Equity

	<u>Retained Earning</u>	<u>FVTOCI Reserve</u>	<u>Total</u>
Balance as at 1 April 2017	(5,000,490)	-	(5,000,490)
Profit for the period	(31,241,778)	-	(31,241,778)
Other comprehensive income/ (expense)	-	(202,528)	(202,528)
Total comprehensive income for the year	(31,241,778)	(202,528)	(31,444,306)
As At 31 Mar 2018	(36,242,269)	(202,528)	(36,444,797)

Summary of significant accounting policies

The accompanying notes are an integral parts of the financial statements.

As per our attached report of even date
For Satish Jindal & Co
Chartered Accountants
FRN : 009180N

For and on behalf of the Board of Directors of
Mobisoc Technology Private Limited

(Satish Kumar Gupta)
Partner
M. No. 087902

Director & Manager
(Sunil Kumar Kapoor)
(DIN 05322540)

Director
(Madhusudan Venkatachary)
(DIN 02650160)

Place : Noida
Date : 15/05/2018

C.F.O.
(Sanjeev Kumar Jain)

Company Secretary
(Akansha Sharma)
(Memb. No. A41576)

SPICE LABS PRIVATE LIMITED

Balance Sheet as at March 31, 2018

(Amount in Rs.)

	As at Mar 31, 2018	As at Mar 31, 2017
Assets		
Non-current assets		
Property, plant and equipment	4,566,654	330,945
Intangible Assets	-	-
Financial assets		
(i) Investments	3,495,700	12,900,025
(ii) Loans	367,219	-
Other Non Current Assets	1,590,435	-
Non Current Tax Assets	256,928	256,927
	10,276,935	13,487,897
Current assets		
Financial assets		
(i) Current Investments	-	-
(ii) Trade Receivable	26,746,209	202,146
(iii) Cash and cash equivalents	8,345,447	3,166,971
(iv) Bank Balances other than (iii) above	47,631,964	1,089,999
(v) Loans	196,797	31,009,764
(vi) Others	183,740	11,999,915
Current Tax Assets (Net)	1,908,924	1,162,472
Other Current Assets	8,089,892	2,679,419
	93,102,973	51,310,686
Total Assets	103,379,908	64,798,583
Equity and liabilities		
Equity		
Equity Share capital	100,500,000	100,500,000
Other Equity	(39,342,364)	(39,620,689)
	61,157,636	60,879,311
Liabilities		
Non-Current Liabilities		
Provisions	7,321,217	197,644
	7,321,217	197,644
Current Liabilities		
Financial Liabilities		
(i) Trade payables	17,000,478	1,795,404
(ii) Other financial liabilities	14,465,710	1,645,042
Other Current Liabilities	2,167,727	267,170
Provisions	1,267,140	14,012
	34,901,055	3,721,628
	42,222,271	3,919,272
Total Equity and Liabilities	103,379,908	64,798,583

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date
For Satish Jindal & Co.
Chartered Accountants
FRN 009180N

For and on behalf of the Board of Directors of
 Spice Labs Private Limited

(Satish Kumar Gupta)
 Partner
 M. No. 087902

Director
 (Sunil Kumar Kapoor)
 DIN: 05322540

Director
 (Madhusudan Venkatachary)
 DIN:02650160

Place : Noida
 Date : 15/05/2018

Chief Financial Officer
 (Ravindra Kumar Sarawagi)
 (M. No. 504494)

Company Secretary
 (Zainab Ansari)
 (M. No. 54020)

SPICE LABS PRIVATE LIMITED

Statement of profit and loss for the Period ended March 31, 2018

(Amount in Rs.)

	For the year Ended Mar 31, 2018	For the Year Ended Mar 31, 2017
Income		
Revenue From Operations	120,585,654	14,456,922
Other Income	33,981,461	9,924,772
Total Income	154,567,115	24,381,694
Expenses		
Employee Benefits Expense	99,245,633	7,165,554
Finance costs	11,875	3,514
Depreciation and amortization expense	817,706	7,047,258
Other Expenses	19,288,390	7,449,732
Total Expenses	119,363,604	21,666,058
Profit(loss) before exceptional items and tax	35,203,511	2,715,636
Exceptional Items	24,320,031	3,000,300
Profit/(loss) before tax	10,883,480	(284,664)
Tax Expenses		
(i) Current Tax	10,343,541	1,974,537
(ii) Deferred Tax	-	-
Profit/(Loss) for the period from continuing operations	539,938	(2,259,201)
Other comprehensive income		
(i) Items that will not be reclassified to profit or loss	-	-
(ii) Re-measurement gains (losses) on defined benefit plans	(261,613)	143,221
(iii) Income Tax relating to items that will be reclassified to profit or loss	-	-
Total Comprehensive Income for the period(Comprising Profit/(loss) and Other Comprehensive Income for the period)	278,325	(2,115,980)
Earning per share		
(i) Basic	0.03	-0.21
(ii) Diluted	0.03	-0.21

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

For Satish Jindal & Co.
Chartered Accountants
FRN 009180N

For and on behalf of the Board of Directors of
Spice Labs Private Limited

(Satish Kumar Gupta)
Partner
M. No. 087902

Director
(Sunil Kumar Kapoor)
DIN: 05322540

Director
(Madhusudan Venkatachary)
DIN:02650160

Place : Noida
Date : 15/05/2018

Chief Financial Officer
(Ravindra Kumar Sarawagi)
(M. No. 504494)

Company Secretary
(Zainab Ansari)
(M. No. 54020)

SPICE LABS PRIVATE LIMITED

Statement of Cash Flows for the period ended March 31, 2018

(Amount in Rs.)

	For the 12 Months ended 31- Mar-2018 Rs.	For the 12 Months ended 31- Mar-2017 Rs.
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	10,883,480	(284,664)
Profit before tax	10,883,480	(284,664)
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and impairment of property, plant and equipment	817,706	231,497
Amortisation and impairment of intangible assets	-	6,815,759
Gain on Investment	(30,784,607)	(6,390,090)
Dividend Income	(28)	(112)
Provision for diminution in the value of Non current investments	(3,000,300)	3,000,300
Provision for doubtful Advances	27,320,331	-
Finance income (including fair value change in financial instruments)	(373,376)	(3,500,740)
Finance costs (including fair value change in financial instruments)	11,875	3,514
Working capital Adjustments		
Movements in provisions, gratuity and government grants	8,376,701	(161,394)
Increase in trade and other receivables and prepayments	(21,728,796)	(6,206,885)
Increase in trade and other payables	29,926,299	(65,150)
	21,449,285	(6,557,965)
Taxes Paid	(11,089,993)	417,207
Exceptional Item (Actuarial gain/ (loss))	(261,613)	143,221
Net cash flows from operating activities	10,097,679	(5,997,537)
Investing Activities		
Purchase of property, plant and equipment	(5,053,415)	(6,854,959)
Purchase of Investment	-	(5,750,000)
Interest received (finance income)	373,376	3,500,740
Dividend Received	28	112
Proceeds from Sale of Investment	43,189,232	19,977,499
Receipt of Loan/ICD	3,089,433	(3,409,764)
Loan to Staff & Others	35,984	(497,954)
Net Cash Flow used in Investing Activities	41,634,638	6,965,674
Financing Activities		
Finance Cost (including fair value of change in financial instrument)	(11,875)	(3,514)
Net cash flows from/(used in) financing activities	(11,875)	(3,514)
Cash and cash equivalents at the year end	51,720,441	964,623
Cash and cash equivalents at the beginning of the year	4,256,970	3,292,347
	55,977,411	4,256,970
Components of cash and cash equivalents		
Cash in hand	-	18,229
With banks- on current account	8,345,447	3,148,742
With banks- on deposit accounts	47,631,964	1,089,999
Total cash and cash equivalents	55,977,411	4,256,970

Notes :

1. The Cash flow statement has been prepared under the indirect method as set out in Revised Ind AS-7 on Statement of cash flows notified under the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued thereafter. The Company adopted the amendment to Ind AS-7 and adoption of the amendment did not have any material impact on the financial statement.

2. Negative figures have been shown in brackets.

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Satish Jindal & Co.
Chartered Accountants
FRN 009180N

For and behalf of the Board of Directors
Spice Labs Private Limited

(Satish Kumar Gupta)
Partner
M. No. 087902

Director
(Sunil Kumar Kapoor)
DIN: 05322540

Director
(Madhusudan Venkatachary)
DIN:02650160

Place : Noida
Date : 15/05/2018

Chief Financial Officer
(Ravindra Kumar Sarawagi)
(M. No. 504494)

Company Secretary
(Zainab Ansari)
(M. No. 54020)

SPICE LABS PRIVATE LIMITED

Statement of changes in equity (SOCE) for the year ended March 31, 2018

13. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid

	No. of shares	Amount in Rs.
At 31 March 2017	10,050,000	100,500,000
Issue of share capital	-	-
At 31 March 2018	10,050,000	100,500,000

14. Other Equity

Attributable to the equity holders of the parent			
For the year ended 31 March, 2017			
Balance as at 1 April 2016	(37,504,709)	-	(37,504,709)
Profit for the period	(2,259,201)	-	(2,259,201)
Other comprehensive income/ (expense)		143,221	143,221
Total comprehensive income for the year	(2,259,201)	143,221	(2,115,980)
At 31 March 2017	(39,763,910)	143,221	(39,620,689)
For the period ended 31 March 2018			
Balance as at 1 April 2017	(39,620,689)	-	(39,620,689)
Profit for the period	278,325	-	278,325
Other comprehensive income/ (expense)	-	-	-
Total comprehensive income for the year	(39,342,364)	-	(39,342,364)
At 31 March 2018	(39,342,364)	-	(39,342,364)

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For Satish Jindal & Co.
Chartered Accountants
FRN 009180N

For and on behalf of the Board of Directors of
Spice Labs Private Limited

(Satish Kumar Gupta)
Partner
M. No. 087902

Director
(Sunil Kumar Kapoor)
DIN: 05322540

Director
(Madhusudan Venkatachary)
DIN:02650160

Place : Noida
Date : 15/05/2018

Chief Financial Officer
(Ravindra Kumar Sarawagi)
(M. No. 504494)

Company Secretary
(Zainab Ansari)
(M. No. 54020)



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19A & 19B, Sector-125, Noida-201301
(U.P.) INDIA

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+91 120 3859414
info@spicedigital.in

Information about Spice Digital Limited

These information are in terms of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the Comprehensive Scheme of Arrangement between Spice Mobility Limited (hereinafter called 'SML') and Spice Digital Limited (hereinafter called 'SDL') and Spice IOT Solutions Private Limited (hereinafter called 'Spice IOT') and Mobisoc Technology Private Limited (hereinafter called 'Mobisoc') and Spice Labs Private Limited (hereinafter called 'Spice Labs') and their respective shareholders and creditors.

Name of the Company	: Spice Digital Limited
CIN	: U72900DL2000PLC104989
Registered Office	: 60-D, Street No. C-5 Sainik Farms, New Delhi – 110062
Tel. No.	: 0120-3355131
Fax. No.	: 0120-3859414
Website	: www.spicedigital.in
Email ID	: kokila.arora@spicedigital.in
Contact Person	: Ms. Kokila Arora, Company Secretary

1. Background about the Company and its Business Overview:

SDL was originally incorporated on April 04, 2000 as Cellebrum.com Private Limited. On February 14, 2008, it got converted into public limited company with the name Cellebrum.com Limited. On April 22, 2008, the name was changed to Cellebrum Technologies Limited. Later, on May 21, 2009, the name was changed to Spice Digital Limited.

SDL is presently engaged in the business of providing:

- Digital Technology services, Value added services including mobile content services to the customers of domestic and international telecom operators, development & sale of telecom related software, (hereinafter referred to as 'DTS Business'); and
- Financial Technology Services such as domestic money transfer services, Aadhar enabled payment services, bill payments through Bharat Bill Payment System and Ticketing Services ('FinTech Business').

2. Details about the Promoters of the Company:

S. No.	Name of the Promoters	Nature (Individual/Company/etc.)
i.	Spice Mobility Limited	Company

If the promoter(s) are Individual: Not Applicable

If the promoter is corporate entity: Applicable

Name of the Promoter	CIN and PAN	Brief history of the Company and details of business operations	Name of Promoter of SML	Name of Directors of SML	Any interest of promoters or directors in the Company
Spice Mobility Limited	CIN: L72900UP1986 PLC008448 PAN: AABCM5619D	SML was incorporated on 23 rd December, 1986. The Company is limited by shares and its shares are listed on BSE Limited and National Stock Exchange of India Limited. SML through its subsidiaries is primarily engaged in the business of digital technology services, Financial technology Services, Value added telecom services and retail of mobile	Spice Connect Private Limited	1. Mr. Dilip Kumar Modi 2. Mr. Hanif Mohamed Dahya 3. Ms. Preeti Malhotra 4. Mr. Subramanian Murali 5. Mr. Suman Ghose Hazra 6. Mr. Umang Das	SML is the holding Company of SDL and Mr. Dilip Kumar Modi, Mr. Subramanian Murali, Mr. Suman Ghose Hazra and Mr. Umang Das are the common Directors. Except Mr. Dilip Kumar Modi who holds 1,728 Equity

Web:www.spicedigital.in
CIN:U72900DL2000PLC104989

Spice Digital Limited
Regd. Office: 60-D, Street No. C-5, Sainik Farms, New Delhi-110062

		handsets and related products.			Shares (0.004%) in SDL, none of the directors holds any interest in SDL.
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3. Details of Board of the Company:

– Present Directors

Name of Director	Mr. Dilip Kumar Modi
DIN	00029062
PAN	ABNPM2471R
Age	43 Years
Address	36, Amrita Shergill Marg, New Delhi – 110003
Qualification	– B.Sc. in Management Technology from Brunel University, London, UK – MBA in finance from Imperial College, London
Experience	Mr. Dilip Kumar Modi is one of India's most successful young entrepreneurs and has pioneered several new technologies in the mobility and technology sector in India. In the last two decades, he has created a strong portfolio of businesses within the mobility and technology sector starting from successfully launching India's first mobile service – Modi Telstra in 1995 that also hosted the very first mobile phone call made in India. After a successful divestment of Modi Telstra in the year 2000, he launched Spice Communications in Punjab and Karnataka, which soon became one of the most valuable and enduring brands in the two highly profitable mobile markets of the country.
Date of Appointment	11/05/2017
Designation	Chairman (Non-Executive)
Date of Expiration of Current term	No fixed term, liable to retire by rotation
Number of Shares held in the Company	1,728 equity shares of Rs. 10 each
Other Directorships	<ul style="list-style-type: none"> • Smart Global Corporate Holding Pvt. Ltd. • Spice Connect Pvt. Ltd. • Spice Mobility Ltd. • Wall Street Finance Ltd. • Spice IOT Solutions Pvt. Ltd. • Spice Online Pvt. Ltd. • Smart Global Financial Ventures Pvt. Ltd.
Name of Director	Mr. Subramanian Murali
DIN	00041261
PAN	AAKPS7520H
Age	58 Years
Address	2001, ATS Greens Village, Sector 93A, Noida- 201304, U.P.
Qualification	Chartered Accountant
Experience	Mr. Murali has over more than 32 years of experience in industries like IT, Office automation, Telecom and Mobility.
Date of Appointment	04/07/2012
Designation	Director (Non-Executive)
Date of Expiration of	No fixed term, liable to retire by rotation



Current term	
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Spice Connect Pvt. Ltd. • Spice Mobility Ltd. • Spice Online Pvt. Ltd.
Name of Director	Mr. Suresh Kumar Jain
DIN	01308010
PAN	AAPPJ6507L
Age	60 Years
Address	H.No. B 105, Sector 26 Noida, PS- Sector 20, Teh. Dadri, District Gautam Budh Nagar 201301 U.P.
Qualification	B.Com, LL.B, FCA, FCS
Experience	Mr. Suresh Kumar Jain has a diverse and varied experience of 38 years in the fields of legal, regulatory, secretarial, finance and taxation affairs. He has been associated with the group since last 25 years in various senior positions.
Date of Appointment	16/04/2015
Designation	Director (Non-Executive)
Date of Expiration of Current term	No fixed term, liable to retire by rotation
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Spice Connect Pvt. Ltd. • Spice Online Pvt. Ltd.
Name of Director	Mr. Suman Ghose Hazra
DIN	00012223
PAN	ACEPG5341G
Age	64 Years
Address	E-604, Krishna Apra Residency, Sector-61, Noida-201301, U.P.
Qualification	FCA, Cost Accountant, LL.B
Experience	Mr. Hazra began his career in the year 1976 and specializes in area of Taxation including Income Tax, Sales tax / VAT, Excise Tax, Service Tax, Custom Duty, Merger, Acquisition, Disinvestment and successfully handled CBI and FEMA/FERA cases. He has helped several Indian companies in the process of acquisition and sale.
Date of Appointment	24/03/2015
Designation	Independent Director
Date of Expiration of Current term	23/03/2020
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Spice Mobility Ltd. • Spice Online Pvt. Ltd. • Hotspot Sales & Solutions Private Limited
Name of Director	Mr. Umang Das
DIN	00027912



PAN	AAFPD3635B
Age	68 Years
Address	1 - B Jang Pura, Mathura Road, New Delhi-110014
Qualification	Electrical Engineering, PGDM-IIM, Ahmedabad
Experience	Mr. Das has over 47 years of diversified experience. He holds various prestigious positions in the industry viz. Chairman of the CSC India Forum, Chairman of the National Council of e-Governance & Digital India of ASSOCHAM, Chairman of Committee on Telecom Infrastructure of CII.
Date of Appointment	24/03/2015
Designation	Independent Director
Date of Expiration of Current term	23/03/2020
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Spice Mobility Ltd. • Spice Online Pvt. Ltd. • U R Consultants and Impex Pvt. Ltd.

– Past Directors (of last three years):

Name	Address	DIN	Date of Appointment	Date of Cessation	Reason for Cessation
Ms. Preeti Malhotra	House No. 40, NRI Complex Greater Kailash – IV, New Delhi – 110019	00189958	25/05/2010	16/04/2015	Resignation
Mr. Saurabh Srivastava	C-482, Defence Colony, New Delhi – 110024	00380453	03/09/2012	27/12/2014	Resignation
Mr. Rajul Garg	115A, 3F, Jor Bagh New Delhi -110003	00085256	27/12/2014	15/10/2015	Resignation

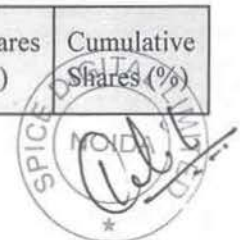
4. Shareholding Structure of the Company (as on October 31, 2017):

S. No.	Name of the Shareholder	Number of shares held in the Company	Percentage holding
1.	Spice Mobility Ltd.	3,97,63,121	99.98
2.	Dilip Modi	1,728	0
3.	Veena Modi	28	0
4.	Divya Tongya	28	0
5.	Atul Prakash	56	0
6.	Om Prakash Dani	28	0
7.	Anuj Bajpai	2,880	0.01
8.	Amit Sharma	2,260	0.01
9.	Rahul Bassi	855	0
Total		3,97,70,984	100.00

5. Changes in the shareholding structure of Promoter(s) and Board of the Company:

The details of change in shareholding structure of Promoter of the Company since incorporation are mentioned below:

Name of the Promoter	Date	Change	No. of Shares	Shares (%)	Cumulative Shares (%)



Spice Mobility Limited	04.11.2010	Acquisition of shares from Spice Televentures Private Limited pursuant to a scheme of merger	3,45,58,473	86.89	86.89
	29.06.2012	Acquisition of shares vide Share purchase	6,91,354	1.74	88.63
	07.07.2012	Acquisition of shares vide Share purchase	1,17,164	0.29	88.92
	01.09.2012	Acquisition of shares vide Share purchase	1,03,683	0.27	89.19
	31.10.2017	Acquisition of shares vide Share purchase	42,92,447	10.79	99.98

Details of change in shareholding structure of Directors of the Company are mentioned below:

Name of the Director	Date	Change	No. of Shares	Shares (%)	Cumulative Shares (%)
Mr. Dilip Kumar Modi	11.9.2000	Acquisition Of Share From Mr. Atul Prakash	1	0	0
	11.8.2003	Sale of share	(1)	0	0
	15.07.2005	Acquisition of shares from Mr. Dheeraj Aggarwal	100	0	0
	31.01.2006	Allotment	500	0	0
	24.06.2008	Allotment	1128	0	0
	TOTAL			1728	0

6. Details of Group Companies/ Subsidiary Companies/ Joint Ventures:

Details of Group Company**:

Name Of The Parent Company	Shareholding held in the Group Company as on 31.10.2017	Listing Status
Spice Mobility Limited	99.98%	Listed

**Group companies here means (1) immediate holding company (2) subsidiaries, associates, joint ventures of SDL.

Details of top 5 Group companies based on turnover as on 30.09.2017 are given below:

Sr. No.	Name of the Group Company	Equity Share Capital (in INR)	Turnover (in INR)	Profit after Tax (in INR)	Shareholding held in the Group Company	Listing Status
1.	Mobisoc Technology Private Limited	10,01,00,000	11,69,21,525	94,88,307	100%	Unlisted
2.	Spice VAS Ghana Limited	31,89,509	9,21,34,460	77,85,606	100%	Unlisted
3.	Spice Digital Nigeria Limited	42,55,875	8,45,10,918	(16,26,642)	100	Unlisted
4.	Spice Labs Private Limited	10,05,00,000	7,43,44,068	2,34,84,251	99.90%	Unlisted
5.	PT Spice Digital Indonesia	1,27,66,854	6,15,95,314	3,48,164	100%	Unlisted

Total numbers of Subsidiary Companies/ Joint ventures/Associate Companies as on October 31, 2017 are mentioned below:

No. of Subsidiaries	19
No. of Joint Venture	1
No. of Associate Companies	2



Details of Subsidiary (ies) Company which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
Nil						

Details of Joint Venture(s) which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
Nil						

7. Financial Structure of the Company

7.1 Details of Capital Structure of the Company:

The authorized share capital of the Company is Rs. 100,00,00,000 (Rupees One Hundred Crores Only) representing 10,00,00,000 (Ten Crores Only) Equity shares of Rs. 10 each and subscribed & the paid up share capital of the Company is Rs. 39,77,09,840 (Rupees Thirty Nine Crores Seventy Seven Lacs Nine Thousand Eight Hundred Forty Only) representing 3,97,70,984 (Three Crores Ninety Seven Lacs Seventy Thousand Nine Hundred Eighty Four Only) Equity Shares of Rs. 10 each.

Details of capital structure of the Company						
Date of allotment	Shares issued			Cumulative paid up capital		Identity of Allottees (promoters/ others)
	No.	Mode	%	In Rs.	%	
04/04/2000	20	Allotment to Subscribers to MOA	0	200	0	Promoters*
20/01/2001	20,00,000	Right issue	5.02	2,00,00,200	5.02	Others
31/01/2006	1,00,00,100	Bonus Issue	25.14	12,00,01,200	30.16	Others
28/11/2006	25,71,454	Preferential Allotment	6.47	14,57,15,740	36.63	Others
23/06/2008	3,20,685	Preferential Allotment	0.81	14,89,22,590	37.44	Others
24/06/2008	2,79,97,426	Bonus Issue	70.4	42,88,96,850	107.84	Others
20/12/2012	(31,18,701)	Buy-back	(7.84)	39,77,09,840	100	Others

* Mr. Atul Prakash and Mr. Ravinder Lal Ahuja were the Subscribers to MOA and are no more Promoter of the Company.

7.2 Details of financial position of last three financial years:

On Standalone basis:

Particulars	As per latest limited review for the half year ended 30.09.2017 ¹	For the Financial year 2016-17/ Audited as on 31.03.2017	For the Financial year 2015-16/ Audited as on 31.03.2016	(Rs. In Crores)	
				For the Financial year 2014-15/ Audited as on 31.03.2015	
Equity Paid up Capital	39.77	39.77	39.77	39.77	
Reserves and Surplus	260.59	259.43	255.85	246.00	
Carry forward losses	Nil	Nil	Nil	Nil	



Net Worth ²	297.24	296.08	292.51	282.66
Miscellaneous Expenditure	Nil	Nil	Nil	Nil
Secured Loans	14.53	5.25	9.59	Nil
Unsecured Loans	Nil	Nil	Nil	Nil
Fixed Assets	32.95	28.19	24.61	25.42
Income from Operations	94.97	182.22	171.87	104.29
Total Income	99.88	195.67	182.51	116.80
Total Expenditure	97.93	179.84	168.26	97.99
Exceptional income/(Expenses)	Nil	(8.15)	Nil	Nil
Profit before Tax	1.95	7.69	14.25	18.61
Profit After Tax	1.16	3.60	9.95	12.83
Cash profit ³	4.15	7.66	14.22	18.56
EPS(Rs.)	0.29	0.90	2.50	3.23
Book value per share(Rs.)	74.74	74.45	73.55	71.07

¹basis the limited reviewed financials of Spice Mobility Limited, the holding company of Spice Digital Limited

²Net Worth = Equity Share capital + Free reserves + Securities Premium – Miscellaneous Expenditure written off

³Cash Profit/(loss)= Profit After Tax + Depreciation (+/-) Deferred Taxes

Note: The above figures are reinstated/depicted based on IND AS from April 01, 2015.

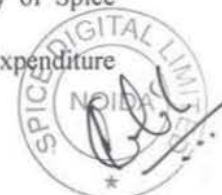
On Consolidated basis:

(Rs. In Crores)

Particulars	As per latest limited review for the half year ended 30.09.2017 ¹	For the Financial year 2016-17/ Audited as on 31.03.2017	For the Financial year 2015-16/ Audited as on 31.03.2016	For the Financial year 2014-15/ Audited as on 31.03.2015
Equity Paid up Capital	39.77	39.77	39.77	39.77
Reserves and surplus	239.18	240.45	241.83	233.48
Carry forward losses	-	-	-	-
Net Worth ²	278.95	280.22	281.60	273.25
Miscellaneous Expenditure	-	-	-	-
Secured Loans	27.31	6.11	11.81	2.07
Unsecured Loans	-	-	-	-
Fixed Assets	57.66	58.70	58.80	66.26
Income from Operations	138.90	260.11	249.60	154.60
Total Income	144.67	278.55	259.12	168.28
Total Expenditure	141.48	262.50	240.80	147.93
Profit before Tax	3.09	15.14	18.06	20.35
Profit / (loss) after Tax	(1.31)	5.28	6.78	12.44
Share of Profit/ (loss) of associates	(0.10)	(0.45)	(0.13)	-
Profit/(loss) for the year	(1.31)	5.28	6.79	12.45
Cash profit ³	4.41	18.19	20.03	22.97
EPS	(0.13)	1.0	1.4	3.2
Book value per share	70.14	70.5	70.8	68.7

¹basis the limited reviewed financials of Spice Mobility Limited, the holding company of Spice Digital Limited

²Net Worth = Equity Share capital + Free reserves + Securities Premium – Miscellaneous Expenditure written off



³Cash Profit/(loss)= Profit After Tax + Depreciation (+/-) Deferred Taxes

Note: The above figures are reinstated/depicted based on IND AS from April 01, 2015.

7.3 Details of Material Related Party Transactions: details of those material related party transaction are provided in **Annexure I** which are exceeding the amount of Rs. 1 Crore.

7.4 Aggregate Number of shares for capitalization of Reserves or Profits: Nil

7.5 Details of Revaluation of assets: Nil

8. Details of Material Penal Actions/Litigations:

8.1 Details of material penal actions/ litigations against the Company: given in **Annexure-II**.

8.2 Details of material penal actions/ litigations against the Promoters: None

8.3 Details of material penal actions/ litigations against the Directors: None

9. Declaration

The Company, its promoters or its Directors are not in the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.

I, Kokila Arora, Company Secretary of the Company, do hereby confirm that all the information provided in the document is true and fair to the best of my knowledge and belief as on the date of document.

For Spice Digital Limited


(Kokila Arora)
Company Secretary

Place: Noida

Date: December 22, 2017

Annexure-I

Particulars	Relationship	For the period ended Sep, 2017	For the year ended March, 2017	For the year ended March, 2016
Revenue from Value Added Services:				
Spice Digital Bangladesh Ltd.	Subsidiary	-	1,38,68,746	2,44,86,529
Mobisoc Technology Pvt. Ltd.	Subsidiary	-	-	1,83,12,923
Sale of Airtime:				
Spice Online Pvt. Ltd.	Fellow Subsidiary	-	-	2,99,50,000
Purchase of Airtime:				
Mobisoc Technology Pvt. Ltd.	Subsidiary	2,39,44,122	4,04,50,334	5,37,63,983
Travel Commission:				
S Global Services Pte Ltd. (formerly known as S GIC Pte Ltd.)	Subsidiary	-	1,58,63,383	1,44,74,609
New Spice Sales & Solutions Ltd. (formerly known as Spice Retail Ltd.)	Fellow Subsidiary	-	1,06,14,947	1,31,85,540
Mobisoc Technology Private Limited	Subsidiary	5,10,00,000	-	-
Rent Paid:				
Spice Mobility Limited	Holding Company	1,01,21,874	2,14,59,690	1,96,40,001
Legal & Professional Charges:				
Mobisoc Technology Private Limited	Subsidiary	1,08,00,000	2,16,00,000	2,43,00,000
Spice Connect Private Limited	Holding Company	3,16,66,654	6,85,71,813	6,27,27,237
Interest Income:				
New Spice Sales & Solutions Ltd.	Fellow	-	-	1,24,38,448



<i>(formerly known as Spice Retail Ltd.)</i>	Subsidiary			
Hindustan Retail Private Limited	Fellow Subsidiary	23,85,608	2,48,22,229	2,48,12,910
HotSpot Sales & Solutions Pvt. Ltd.	Fellow Subsidiary	2,38,60,038	2,02,02,383	-
Remuneration paid (Short-term employee benefits):				
Saket Agarwal	KMP-CEO		2,04,26,868	1,61,39,976
PT Spice Digital Indonesia	Subsidiary	-	1,14,42,990	-
Investment in Equity Share Capital (including share application money pending allotment):				
Creative Functionapps Lab Private Limited	Associate	-	-	1,00,00,000
Adgyde Solutions Pvt. Ltd	Joint Venture	-	1,23,00,000	-
New Spice Sales & Solutions Limited <i>(formerly known as Spice Retail Limited)</i>	Fellow Subsidiary	-	-	5,50,00,000
Hotspot Sales & Solutions Pvt. Ltd.	Fellow Subsidiary	-	43,09,76,966	-
Hindustan retail Private Limited	Fellow Subsidiary	12,00,00,000	-	25,75,00,000
		0		0
Loan received back during the year:				
Hindustan Retail Private Limited	Fellow Subsidiary	12,00,00,000	35,19,00,000	-
		0	0	
New Spice Sales & Solutions Ltd. <i>(formerly known as Spice Retail Ltd.)</i>	Fellow Subsidiary	-	7,90,76,966	9,50,00,000
Kimaan Exports Private Limited	Fellow Subsidiary	5,60,62,833	-	-
Advances for purchase of(Shares /Assets):				
Spice Mobility Limited	Holding Company	35,75,00,000	9,41,35,500	-
		0		
Dividend income during the year:				
Spice Digital Bangladesh Limited	Subsidiary	-	3,23,42,998	1,28,58,619
Receivables:				
Spice Digital Bangladesh Limited	Subsidiary	6,59,98,414	6,71,71,601	4,82,17,106
Advances for purchase of Shares:				
Spice Mobility Limited	Holding Company	45,16,35,500	-	-
		0		
Payables:				
Spice Mobility Limited	Holding Company	1,06,41,643	1,17,26,564	30,78,716
Mobisoc Technology Private Limited	Subsidiary	4,37,47,382	1,13,96,095	96,04,703
S Global Services Pte Ltd. <i>(formerly known as S GIC Pte Ltd.)</i>	Subsidiary	-	-	2,19,70,042
Loans Receivable:				
New Spice Sales & Solutions Ltd. <i>(formerly known as Spice Retail Ltd.)</i>	Fellow Subsidiary	1,57,09,342	1,31,03,728	7,90,76,966
Kimaan Exports Private Limited	Fellow Subsidiary	-	5,60,62,833	5,10,00,000
Hindustan Retail Private Limited	Fellow Subsidiary	3,19,55,332	22,15,408	33,63,51,222
HotSpot Sales & Solutions Pvt. Ltd.	Fellow Subsidiary	44,91,59,111	43,09,76,966	
		1	6	



Advance recoverable:				
PT Spice Digital Indonesia	Subsidiary	11,011,588	1,14,42,990	-
Mobisoc Technology Private Limited	Subsidiary	-	-	1,74,76,695
Interest Receivable:				
New Spice Sales & Solutions Ltd. (formerly known as Spice Retail Ltd.)	Fellow Subsidiary	-	-	1,31,03,728
Hindustan Retail Private Limited	Fellow Subsidiary	-	-	2,51,64,104
HotSpot Sales & Solutions Pvt. Ltd.	Fellow Subsidiary	2,38,60,038	1,81,82,145	-
Dividend Receivable:				
Spice Digital Bangladesh Limited	Subsidiary	-	3,23,42,998	1,28,58,619

Annexure-II

BRIEF LITIGATION DETAILS FILED AGAINST SPICE DIGITAL LIMITED

1. Total number of outstanding litigation against the Company and amount involved:

(Rs. In Lacs)

Sr. No.	Nature of Litigation	Number of cases	Amount involved
1.	Service Tax Matters	4	402.06
2.	Civil Suit (Madras High Court)	1	10

2. Brief details of top 5 litigation against the Company and amount involved:

(Rs. In Lacs)

Sr. No.	Brief Details	Amount involved
1.	Appeal before Supreme court filed by the Company against order dated 30.04.2015 passed by the Customs, Excise and Service Tax Appellate Tribunal ("CESTAT") upholding the service tax demand raised by the service tax department, for the period April 2006 to March 2007, April 2007 to March 2008 and April 2008 to May 2008	288.47 plus interest & penalty
2.	Appeal before High Court of Himachal Pradesh at Shimla by service tax department against the Order dated 30.04.2015 passed by CESTAT, rejecting the claim of department on the ground that demand for service tax liability for the period July 2004 to March 2006 is barred by limitation.	36.01 plus interest & penalty
3.	Appeal before CESTAT by the Company against the Order dated 30.11.2010 passed by Commissioner, Central Excise, Chandigarh for the recovery of Cenvat credit pertaining to the financial year 2008-2009.	56.90 plus interest & penalty
4.	Appeal before the Commissioner (Appeals), Central Excise, Chandigarh by the Company against order dated 28-06-2013 passed by Joint Commissioner, Central Excise for the recovery of service tax for the period February to March 2007.	20.68 plus interest & penalty
5.	Sri Venkateshwara Bhakthi Channel (SVBC) has filed civil suit for permanent injunction, damages and rendition of accounts against Apalya Technologies Pvt. Ltd. (1 st Defendant) and Spice Digital Limited (2 nd Defendant) before the Madras High Court alleging that transmission of Trimula Triputi content by Apalya to Spice Digital constituted material breach of the agreement entered between SVBC and Apalya.	10

3. Regulatory actions taken by SEBI, stock exchange against the promoter, group companies in last 5 years including outstanding actions, if any: None

4. Brief details of outstanding criminal penal actions against the Promoter: Not Applicable



Spice IOT Solutions Private Limited

CIN: U72900UP2016PTC087428

Regd. Office: S Global Knowledge Park, 19A & 19B, Sector-125,
Noida – 201 301, District Gautam Buddha Nagar, Uttar Pradesh
Tel: +91-1203355131,

Information about Spice IOT Solutions Private Limited

These information are in terms of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the Comprehensive Scheme of Arrangement between Spice Mobility Limited (hereinafter called 'SML') and Spice Digital Limited (hereinafter called 'SDL') and Spice IOT Solutions Private Limited (hereinafter called 'Spice IOT') and Mobisoc Technology Private Limited (hereinafter called 'Mobisoc') and Spice Labs Private Limited (hereinafter called 'Spice Labs') and their respective shareholders and creditors.

Name of the Company	: Spice IOT Solutions Private Limited
CIN	: U72900UP2016PTC087428
Registered Office	: S Global Knowledge Park 19A & 19B, Sector 125, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301
Tel. No.	: 0120-3355131
Fax. No.	: Not Applicable
Website	: Not Applicable
Email ID	: rohit.ahuja@spiceglobal.com
Contact Person	: Mr. Rohit Ahuja, Director

1. Background about the Company and its Business Overview:

Spice IOT was incorporated on October 29, 2016 under the provisions of Companies Act, 2013. The company was incorporated with the main object of carrying on the business of manufacturing, trading, export, import, service, solution of hardware and software accelerator, product of internet of things, e-commerce, internet, media, allied items, computer personnel etc, developing and maintaining hardware, software and communication infrastructure, softwares, packages and applications, etc.

2. Details about the Promoters of the Company:

S. No.	Name of the Promoters	Nature (Individual/Company/etc.)
i.	Spice Mobility Limited	Company

If the Promoter is Individual: Not Applicable

If the promoter is corporate entity: Applicable

Name of the Promoter	CIN and PAN	Brief history of the Company and details of business operations	Name of Promoter of SML	Name of Directors of SML	Any interest of promoters directors in the Company
Spice Mobility Limited (SML)	CIN:L72900U P1986PLC008 448 PAN:AABCM 5619D	SML was incorporated on 23 rd December, 1986. The Company is limited by shares and its shares are listed on BSE Limited and National Stock Exchange of India	Spice Connect Private Limited	1. Mr. Dilip Kumar Modi 2. Mr. Hanif Mohamed Dahya 3. Ms. Preeti Malhotra 4. Mr. Subramanian Murali 5. Mr. Suman Ghose Hazra	SML is the holding Company of Spice IOT and Mr. Dilip Kumar Modi, is the common



	Limited. SML through its subsidiaries is primarily engaged in the business of digital technology services, Financial technology Services, Value added telecom services and retail of mobile handsets and related products.	6. Mr. Umang Das	director.
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3. Details of Board of the Company:

– Present Directors

Name of Director	Mr. Dilip Kumar Modi
DIN	00029062
PAN	ABNPM2471R
Age	43 Years
Address	36, Amrita Shergill Marg, New Delhi – 110003
Qualification	– B.Sc. in Management Technology from Brunel University, London, UK – MBA in finance from Imperial College, London
Experience	Mr. Dilip Kumar Modi is one of India's most successful young entrepreneurs and has pioneered several new technologies in the mobility and technology sector in India. In the last two decades, he has created a strong portfolio of businesses within the mobility and technology sector starting from successfully launching India's first mobile service – Modi Telstra in 1995 that also hosted the very first mobile phone call made in India. After a successful divestment of Modi Telstra in the year 2000, he launched Spice Communications in Punjab and Karnataka, which soon became one of the most valuable and enduring brands in the two highly profitable mobile markets of the country.
Date of Appointment	29/10/2016
Designation	Director(Non-Executive)
Date of Expiration of Current term	No fixed term, liable to retire by rotation
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Smart Global Corporate Holding Pvt. Ltd. • Spice Connect Pvt. Ltd. • Spice Mobility Ltd. • Wall Street Finance Ltd. • Spice Digital Ltd. • Spice Online Pvt. Ltd. • Smartglobal Financial Ventures Pvt. Ltd.
Name of Director	Mr. Rohit Ahuja
DIN	00065417



PAN	AGBPA6078P
Age	45 years
Address	A – 27, Sector – 26, Noida, Uttar Pradesh - 201301
Qualification	Graduate
Experience	Mr. Ahuja has over 20 years of professional experience.
Date of Appointment	29/10/2016
Designation	Director (Non-Executive)
Date of Expiration of Current term	No fixed term, liable to retire by rotation
Number of Shares held in the Company	1 Equity Share of Rs. 10/- each (as a Nominee of Spice Mobility Limited)
Other Directorships	Nil

– Past Directors:

Name	Address	DIN	Date of Appointment	Date of Cessation	Reason for Cessation
Not Applicable					

4. Shareholding Structure of the Company (as on October 31, 2017):

S. No.	Name of the Shareholder	Number of shares held in the Company	Percentage (%)
1.	Spice Mobility Limited	9,999	99.99%
2.	Rohit Ahuja*	1	0.01%

* Nominee of Spice Mobility Limited

5. Changes in the shareholding structure of Promoter(s) and Board of the Company:

The details of change in shareholding structure of Promoter of the Company since incorporation is mentioned below: There is no change in the shareholding structure of Promoter and Director of the Company.

6. Details of Group Company/ Subsidiary Company(ies)/ Joint venture(s):

Details of Group Company**:

Name of the Parent Company	Shareholding held in the Group Company as on 31.10.2017	Listing Status
Spice Mobility Limited	100%	Unlisted

**Group companies here means (1) immediate holding company, subsidiaries, associates, joint ventures of Spice IOT.

Total numbers of Subsidiary Company (ies)/ Joint ventures(s)/Associate Company (ies) as on October 31, 2017 are mentioned below:

No. of Subsidiary (ies)	Nil
No. of Joint Venture(s)	Nil
No. of Associate Company(ies)	Nil

Details of Subsidiary (ies) Company which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:



Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
Not Applicable						

Details of Joint Venture(s) which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
Not Applicable						

7. Financial Structure of the Company

7.1 Details of Capital Structure of the Company:

The Authorized/Subscribed/Paid up share capital of the Company is Rs. 100,000 (Rupees One Lac Only) representing 10,000 (Ten Thousand) Equity shares of Rs. 10 each.

Details of capital structure of the Company						
Date of allotment	Shares issued			Cumulative paid up capital		Identity of Allottees (promoters/ others)
	No.	Mode	%	In Rs.	%	
29/10/2016	10,000	Allotment to Subscribers to MOA	100.00	100,000	100.00	Promoters [^]
As on date	10,000		100.00	100,000	100.00	

[^]1 Equity share of Rs. 10 is held by Mr. Rohit Ahuja is nominee of Spice Mobility Limited.

7.2 Details of financial position of last three financial years:

On Standalone basis:

(In Rupees)

Particulars	As per last Limited Review for the quarter ended 30.09.2017	Audited as on 31.03.2017	As per Last Audited Financial Year	1 year prior to the last Audited Financial Year
	As 30.09.2017	2016-17	2015-16	2014-15
Equity Paid up Capital	100,000	100,000	Not Applicable	
Reserves and surplus	0.00	0.00		
Carry forward losses	(32,682)	(17,682)		
Net Worth ¹	67,318	82,318		
Miscellaneous Expenditure	0.00	0.00		
Secured Loans	0.00	0.00		
Unsecured Loans	0.00	0.00		
Fixed Assets	0.00	0.00		



Income from Operations	0.00	0.00
Total Income	0.00	0.00
Total Expenditure	15,000	17,682
Profit/ (Loss) before Tax	(15,000)	(17,682)
Profit/ (Loss) after Tax	(15,000)	(17,682)
Cash profit ²	(15,000)	(17,682)
EPS	(1.50)	(4.19)
Book value per share	6.73	8.23

¹Net Worth = Equity Share Capital + Free Reserves + Securities Premium – Miscellaneous Expenditure written off.

²Cash Profit/(loss) = Profit after Tax + Depreciation (+/-) Deferred Taxes.

On Consolidated basis: Not Applicable

7.3 Details of Material Related Party Transactions: Nil

7.4 Aggregate Number of shares for capitalization of Reserves or Profits: Nil

7.5 Details of Revaluation of assets: Nil

8. Details of Material Penal Actions/Litigations:

8.1 Details of material penal actions/ litigations against the Company: None

8.2 Details of material penal actions/ litigations against the Promoters: None

8.3 Details of material penal actions/ litigations against the Directors: None

9. Declaration

The Company, its promoters or its Directors are not in the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on willful defaulters issued by RBI.

I, Rohit Ahuja, Director of the Company do hereby confirm that all the information provided in the document is true and fair to the best of my knowledge and belief as on the date of document.

For Spice IOT Solutions Private Limited


(Rohit Ahuja)
Director



Place: Noida

Date: December 22, 2017

S Global Knowledge Park, Plot No. 19A & 19B, Sector 125, Noida 201301 (UP)
 CIN:U72300DL2006PTC151960 E-mail:info@spicedigital.in www.spicedigital.in
 Tel: +91-120-3355131 Fax: +91-120-3859414

Information about Mobisoc Technology Private Limited

These information are in terms of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the Comprehensive Scheme of Arrangement between Spice Mobility Limited (hereinafter called 'SML') and Spice Digital Limited (hereinafter called 'SDL') and Spice IOT Solutions Private Limited (hereinafter called 'Spice IOT') and Mobisoc Technology Private Limited (hereinafter called 'Mobisoc') and Spice Labs Private Limited (hereinafter called 'Spice Labs') and their respective shareholders and creditors.

Name of the Company	: Mobisoc Technology Private Limited
CIN	: U72300DL2006PTC151960
Registered Office	: D-60, Street No. C-5, Sainik Farms, New Delhi -110062
Tel. No.	: 0120-3355131
Fax. No.	: 0120-3859414
Website	: Not Available
Email ID	: akansha.sharma@spicelabs.in
Contact Person	: Ms. Akansha Sharma, Company Secretary

1. Background about the Company and its Business Overview:

Mobisoc was incorporated on August 12, 2006 is engaged in software development activities and providing management and support services in the field of telecommunication technology. The Company is also in a business of digital marketing in which it is providing services to the clients to enhance their business via mobile marketing, lead generation, app download and website.

2. Details about the Promoters of the Company:

S. No.	Name of the Promoter	Nature (Individual/Company/etc.)
i.	Spice Digital Limited	Company

If the Promoter is Individual: Not Applicable

If the Promoter is corporate entity: Applicable

Name of the promoter	CIN and PAN	Brief history of the Company and details of business operations	Name of Promoter of SDL	Name of Directors of SDL	Any interest of promoters or directors in the Company
Spice Digital Limited	CIN: U72900DL 2000PLC10 4989 PAN: AABCC96 62Q	SDL was originally incorporated on April 4, 2000 as Cellebrum.com Private Limited which later on changed its name to Cellebrum.com Limited on February 14, 2008, Cellebrum Technologies Limited on April 22, 2008, and then to Spice Digital Limited on May 21, 2009. SDL is presently engaged in the business of providing: a. Digital Technology	Spice Mobility Limited	1. Mr. Dilip Kumar Modi 2. Mr. Subramanian Murali 3. Mr. Suresh Kumar Jain 4. Mr. Suman Ghose Hazra 5. Mr. Umang Das	SDL holds 100% equity share capital of the Company



Regd. Off.: D-60, Street No. C-5, Sainik Farms, New Delhi, India, Pin-110062

		services, Value added services including mobile content services to the customers of domestic and international telecom operators, development & sale of telecom related software, (hereinafter collectively referred to as 'DTS Business'); and b. Financial Technologies Services such as domestic money transfer services, Aadhar enabled payment services, bill payments through Bharat Bill Payment System and Ticketing services ('FinTech Business').			
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3. Details of Board of the Company:

– Present Directors:

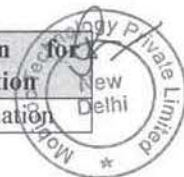
Name of Director	Mr. Sunil Kapoor
DIN	05322540
PAN	AJFPK4482L
Age	44 years
Address	104, 1st Floor, Tower Manchester 2 Mahagun Moderne, Sector-78 Noida- 201301, U.P.
Qualification	Chartered Accountant
Experience	Mr. Kapoor has diverse and varied experience of 19 years in the areas of financial planning, treasury & budgetary controls and taxation. He is highly skilled qualitative and quantitative Finance and Accounts Professional.
Date of Appointment	20/01/2014
Designation	Director (Non-Executive)
Date of Expiration of Current term	No fixed term, liable to retire by rotation
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Spice Labs Private Limited • Bharat BPO Services Limited • Beoworld, Sdn. Bhd., Malaysia
Name of Director	Mr. Madhusudan Venkatachary
DIN	02650160
PAN	ADAPV8302R
Age	47 years
Address	55, H.C.L. Tower-1, B-9/16, Sector 62, Noida 201301, U.P.
Qualification	Chartered Accountant
Experience	Mr. Madhusudan has over 20 years of professional experience in financial management, formulating and implementing prudent financial policies, formulating business strategies, monitoring performance, implementation of ERP system and internal control.
Date of Appointment	31/03/2009
Designation	Director (Non-Executive)
Date of Expiration of Current term	No fixed term, liable to retire by rotation



Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Cellucom Retail India Private Limited • Hindustan Retail Private Limited • Spice Labs Private Limited • Kimaan Exports Private Limited • Omniventures Private Limited
Name of Director	Mr. Sunil Kumar Bhansali
DIN	00225693
PAN	ADRPB8403G
Age	53 years
Address	71, Daryaganj, New Delhi – 110002
Qualification	Chartered Accountant
Experience	Mr. Bhansali has over 28 years of experience in almost every facet of the accounting profession. He has a long and illustrious career in the Direct & Indirect Taxation.
Date of Appointment	27/03/2015
Designation	Independent Director
Date of Expiration of Current term	26/03/2020
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Grace Books Private Limited • Monset Fastners Private Limited • Bharat BPO Services Limited • Oswal Advisory Services Private Limited • Puma Investments Private Limited • Spice Labs Private Limited • New Spice Sales & Solutions Limited (formerly known as Spice Retail Limited)
Name of Director	Ms. Seema Salwan
DIN	06944301
PAN	EBNPS6957J
Age	51 years
Address	47, Pusa Road, New Delhi – 110005
Qualification	<ul style="list-style-type: none"> – B.A. (Hons) (Psychology) – LL.B. (Hons)
Experience	Ms. Seema has a rich experience of around 28 years in Corporate and Commercial Law matters including Mergers and Acquisitions. She is active member of Bar Council of Delhi and Delhi High Court Bar Association.
Date of Appointment	27/03/2015
Designation	Independent Director
Date of Expiration of Current term	26/03/2020
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Hindustan Retail Private Limited • Bharat BPO Services Limited • Spice Labs Private Limited

– Past Directors (of last three years):

Name	Address	DIN	Date of Appointment	Date of Cessation	Reason for Cessation
Mr.	2001, ATS Greens	00041261	26/12/2008	22/12/2016	Resignation



Subramanian Murali	Village, Sector-93A, Noida - 201304, U.P.				
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4. Shareholding Structure of the Company (as on October 31, 2017):

S. No.	Name of the Shareholder	Number of shares held in the Company	Percentage (%)
1.	Spice Digital Ltd.	10,009,999	100.00%
2.	Dilip Kumar Modi*	1	0.00%

* nominee of SDL

5. Changes in the shareholding structure of Promoter and Board of the Company: The details of change in shareholding structure of Promoter of the Company since incorporation is mentioned below:

Name of the Promoter	Date	Change	No. of Shares	Shares (%)	Cumulative Shares (%)
Spice Digital Limited	13.12.2006	Allotment of Shares	1,000,000	9.99	9.99
	27.02.2007	Allotment of Shares	4,000,000	39.96	49.95
	07.03.2007	Allotment of Shares	5,000,000	49.95	99.90
	31.10.2007	Acquisition of shares vide Share Purchase	10,000	0.10	100.00
Total			10,010,000	100.00	100.00

None of the Directors hold any shares of the Company.

6. Details of Group Company/ Subsidiary Company(ies)/ Joint venture(s):

Details of Group Company:**

Name of the Parent Company	Shareholding held in the Group Company as on 31.10.2017	Listing Status
Spice digital Limited	100%	Unlisted

**Group companies here means (1) immediate holding company (2) subsidiaries, associates, joint ventures of Mobisoc.

Total numbers of Subsidiary Company (ies)/Joint venture(s)/Associate Company (ies) as on October 31, 2017 are mentioned below:

No. of Subsidiary (ies)	Nil
No. of Joint Venture(s)	Nil
No. of Associate Company(ies)	Nil

Details of Subsidiary(ies) Company which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
N.A.						

Details of Joint Venture(s) which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial	Profit after Tax for the previous	Shareholding held in the Group	Listing Status
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Year	Financial Year	Company
N.A.		

7. Financial Structure of the Company

7.1 Details of Capital Structure of the Company:

The authorized share capital of the Company is Rs. 150,000,000 (Rupees Fifteen Crores Only) representing 15,000,000 (One Crores and Fifty Lacs) Equity shares of Rs. 10 each and subscribed & the paid up share capital of the Company is Rs. 100,100,000 (Rupees Ten Crores and One Lakh Only) representing 10,010,000 (One Crores and Ten Thousand) Equity Shares of Rs. 10 each.

Details of Capital Structure of the Company						
Date of allotment	Shares issued			Cumulative paid up capital		Identity of Allottees (promoters/ others)
	No.	Mode	%	In Rs.	%	
12/08/2006	10,000	Subscribers to MOA	0.10	100,000	0.10	Promoters*
13/12/2006	1,000,000	Preferential allotment	9.99	10,100,000	10.09	Promoter
27/02/2007	4,000,000	Right Issue	39.96	50,100,000	50.05	Promoter
07/03/2007	5,000,000	Right Issue	49.95	100,100,000	100.00	Promoter
Total	10,010,000		100.00	100,100,000	100.00	

* Mr. Atul Prakash, Mr. Dilip Kumar Modi and Smart Entertainment Private Limited, were the Subscribers to MOA are no more Promoters of the Company.

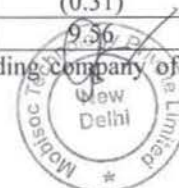
7.2 Details of financial position of last three financial years:

On Standalone basis:

(Rs. In Crores)

Particulars	As per latest Limited Review for the half year ended 30.09.2017 ¹	For the Financial Year 2016-17/Audited as on 31.03.2017	For the Financial Year 2015-16/Audited as on 31.03.2016	For the Financial Year 2014-15/Audited as on 31.03.2015
Equity Paid up Capital	10.01	10.01	10.01	10.01
Total Reserves and surplus	0.44	(0.50)	(0.33)	(0.45)
Carry forward losses	NIL	0.49	0.42	0.45
Net Worth ²	10.45	9.51	9.59	9.56
Miscellaneous Expenditure	NIL	NIL	NIL	NIL
Secured Loans	NIL	NIL	NIL	NIL
Unsecured Loans	NIL	NIL	NIL	NIL
Fixed Assets	0.20	0.30	0.80	1.45
Income from Operations	11.69	14.11	15.97	14.68
Total Income	12.18	14.76	16.34	14.97
Total Expenditure	10.83	14.92	16.17	15.28
Profit/ (Loss) before Tax	1.35	(0.15)	0.16	(0.31)
Profit/ (Loss) after Tax	0.94	(0.16)	0.03	(0.31)
Cash profit ³	1.05	0.37	0.97	0.44
EPS	0.94	(0.17)	0.52	(0.31)
Book value per share	10.45	9.51	9.59	9.56

¹Basis the limited reviewed financials of Spice Mobility Limited, the ultimate holding company of Mobisoc Technology Private Limited.



²Net Worth = Equity Share Capital + free reserves + Securities Premium – Miscellaneous Expenditure written off

³Cash profit/(loss) = Profit after tax + Depreciation (*/-) Deferred Taxes

Note: The above figures are reinstated/depicted based on IND AS from April 01, 2015

On Consolidated basis: Not Applicable

7.3 Details of Material Related Party Transactions: Details of all the related party transactions are given in **Annexure-I**

7.4 Aggregate Number of shares for capitalization of Reserves or Profits: Nil

7.5 Details of Revaluation of assets: Nil

8. Details of Material Penal Actions/Litigations:

8.1 Details of material penal actions/ litigations against the Company: None

8.2 Details of material penal actions/ litigations against the Promoters: None

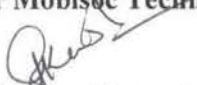
8.3 Details of material penal actions/ litigations against the Directors: None

9. Declaration

The Company, its promoters or its Directors are not in the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.

I, Akansha Sharma, Company Secretary of the Company do hereby confirm that all the information provided in the document is true and fair to the best of my knowledge and belief as on the date of document.

For Mobisoc Technology Private Limited


(Akansha Sharma)
Company Secretary

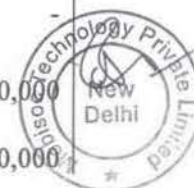


Place: Noida

Date: December 22, 2017

Related Party Transactions

Particulars	Relationship	For the period ended September 30, 2017	For the year ending March, 2017	For the year ending March, 2016
I) Transactions				
i) Operating Income:				
Spice Digital Ltd.	Holding Company	61,800,000	21,600,000	24,300,000
Spice VAS (Africa) Pte. Ltd.	Fellow Subsidiary	14,091,170	49,533,170	44,696,759
ii) Airtime sale:				
Spice Digital Ltd.	Holding Company	23,944,122	41,004,943	55,671,434
iii) Value added Expenses:				
Spice Digital Ltd.	Holding Company	689,465	605,206	17,476,695
iv) Rent Paid:				
Spice Mobility Ltd.	Holding Company	349,525	5,124,000	7,868,762
Spice Digital Ltd.	Holding Company	699,050	1,050,000	-
v) Commission Expenses:				
Spice Digital Ltd.	Holding Company	359,162	2,498,130	836,074
vi) Payment / Reimbursement to related parties:				
Spice Digital Ltd.	Holding Company	-	-	7,296,978
vii) Loan given during the year:				
New Spice Sales & Solutions Ltd. (formerly Spice Retail Ltd.)	Fellow Subsidiary	-	-	40,000,000
Spice Online Retail Pvt. Ltd.	Fellow Subsidiary	-	-	2,000,000
viii) Interest Income:				
New Spice Sales & Solutions Ltd. (formerly Spice Retail Ltd.)	Fellow Subsidiary	76,209	701,918	964,091
Spice Online Retail Pvt. Ltd.	Fellow Subsidiary	116,191	210,000	20,137
Hotspot Sale & Solutions Pvt. Ltd.	Fellow Subsidiary	2,271,491	3,498,082	-
II) Balances at the year end				
i) Receivables				
Spice Digital Ltd.	Holding Company	43,747,382	11,396,095	9,604,595
Spice VAS (Africa) Pte. Ltd.	Fellow Subsidiary	12,740,096	8,361,385	4,999,679
Spice Labs Pvt. Ltd.	Fellow Subsidiary	401,460	-	20,493
ii) Payable:				
Spice Digital Ltd. (Prov of Value added Service)	Holding Company	-	605,206	17,476,695
Spice Mobility Ltd.	Holding Company	64,012	1,372,312	-
iii) Loan Receivable:				
Hotspot Sales & Solutions Pvt. Ltd.	Fellow Subsidiary	43,148,274	40,000,000	40,000,000
Spice Online Retail Pvt. Ltd.	Fellow Subsidiary	2,207,123	2,000,000	2,000,000



	New Spice Sales & Solutions Ltd. (<i>formerly Spice Retail Ltd.</i>)	Fellow Subsidiary	1,447,628	-	-
iv)	Interest Receivable:				
	New Spice Sales & Solutions Ltd. (<i>formerly Spice Retail Ltd.</i>)	Fellow Subsidiary	76,209	1,447,627	815,902
	Spice Online Retail Pvt. Ltd.	Fellow Subsidiary	116,191	207,123	18,123
	Hotspot Sale & Solutions Pvt. Ltd.	Fellow Subsidiary	2,271,491	3,148,274	-



Information about Spice Labs Private Limited

These information are in terms of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the Comprehensive Scheme of Arrangement between Spice Mobility Limited (hereinafter called 'SML') and Spice Digital Limited (hereinafter called 'SDL') and Spice IOT Solutions Private Limited (hereinafter called 'Spice IOT') and Mobisoc Technology Private Limited (hereinafter called 'Mobisoc') and Spice Labs Private Limited (hereinafter called 'Spice Labs') and their respective shareholders and creditors.

Name of the Company	: Spice Labs Private Limited
CIN	: U72300DL2009PTC311320
Registered Office	: Plot No. 62, Basement Poket 2, Jasola, New Delhi - 110025
Tel. No.	: 0120-3355131
Fax. No.	: 0120-3859414
Website	: Not Available
Email ID	: ishan.narula@spicedigital.in
Contact Person	: Mr. Ishan Narula, Company Secretary

1. Background about the Company and its Business Overview:

Spice Labs was originally incorporated on May 25, 2009 as Spice e-Labs Private Limited which later on changed its name to Spice Labs Private Limited on July 21, 2009. Spice Labs is primarily engaged in the business of developing and providing software solutions as offshore service provider to business enterprises.

2. Details about the Promoter of the Company:

S. No.	Name of the Promoters	Nature (Individual/Company/etc.)
i.	Spice Digital Limited	Company

If the Promoter is Individual: Not Applicable

If the Promoter is corporate entity: Applicable

Name of the promoter	CIN and PAN	Brief history of the Company and details of business operations	Name of Promoter of SDL	Name of Directors of SDL	Any interest of Promoters or Directors in the Company
Spice Digital Limited	CIN: U72900DL2000PLC104989 PAN: AABCC9662Q	SDL was originally incorporated on April 4, 2000 as Cellebrum.com Private Limited which later on changed its name to Cellebrum.com Limited on February 14, 2008, Cellebrum Technologies Limited on April 22, 2008, and then to Spice Digital Limited on May 21, 2009. SDL is presently engaged in the business of providing: a. Digital Technology services, Value added services including mobile content services to the	Spice Mobility Limited	1. Mr. Dilip Kumar Modi 2. Mr. Subramanian Murali 3. Mr. Suresh Kumar Jain 4. Mr. Suman Ghose Hazra 5. Mr. Umang Das	SDL holds 99.90% Equity share capital of Spice Labs. Mr. Dilip Kumar Modi, Director of SDL, holds 5,000 equity shares of Spice Labs.



Information about Spice Labs Private Limited

These information are in terms of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the Comprehensive Scheme of Arrangement between Spice Mobility Limited (hereinafter called 'SML') and Spice Digital Limited (hereinafter called 'SDL') and Spice IOT Solutions Private Limited (hereinafter called 'Spice IOT') and Mobisoc Technology Private Limited (hereinafter called 'Mobisoc') and Spice Labs Private Limited (hereinafter called 'Spice Labs') and their respective shareholders and creditors.

Name of the Company	: Spice Labs Private Limited
CIN	: U72300DL2009PTC311320
Registered Office	: Plot No. 62, Basement Poket 2, Jasola, New Delhi - 110025
Tel. No.	: 0120-3355131
Fax. No.	: 0120-3859414
Website	: Not Available
Email ID	: ishan.narula@spicedigital.in
Contact Person	: Mr. Ishan Narula, Company Secretary

1. Background about the Company and its Business Overview:

Spice Labs was originally incorporated on May 25, 2009 as Spice e-Labs Private Limited which later on changed its name to Spice Labs Private Limited on July 21, 2009. Spice Labs is primarily engaged in the business of developing and providing software solutions as offshore service provider to business enterprises.

2. Details about the Promoter of the Company:

S. No.	Name of the Promoters	Nature (Individual/Company/etc.)
i.	Spice Digital Limited	Company

If the Promoter is Individual: Not Applicable

If the Promoter is corporate entity: Applicable

Name of the promoter	CIN and PAN	Brief history of the Company and details of business operations	Name of Promoter of SDL	Name of Directors of SDL	Any interest of Promoters or Directors in the Company
Spice Digital Limited	CIN: U72900DL2 000PLC104 989 PAN: AABCC966 2Q	SDL was originally incorporated on April 4, 2000 as Cellebrum.com Private Limited which later on changed its name to Cellebrum.com Limited on February 14, 2008, Cellebrum Technologies Limited on April 22, 2008, and then to Spice Digital Limited on May 21, 2009. SDL is presently engaged in the business of providing: a. Digital Technology services, Value added services including mobile content services to the	Spice Mobility Limited	1. Mr. Dilip Kumar Modi 2. Mr. Subramani an Murali 3. Mr. Suresh Kumar Jain 4. Mr. Suman Ghose Hazra 5. Mr. Umang Das	SDL holds 99.90% Equity share capital of Spice Labs. Mr. Dilip Kumar Modi, Director of SDL, holds 5,000 equity shares of Spice Labs.



		customers of domestic and international telecom operators, development & sale of telecom related software, (hereinafter collectively referred to as 'DTS Business'); and b. Financial Technologies Services such as domestic money transfer services, Aadhar enabled payment services, bill payments through Bharat Bill Payment System and Ticketing services ('FinTech Business').			
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3. Details of Board of the Company:

– Present Directors:

Name of Director	Mr. Sunil Kapoor
DIN	05322540
PAN	AJFPK4482L
Age	44 years
Address	104, 1st Floor, Tower Manchester 2 Mahagun Moderne, Sector-78 Noida- 201301, U.P.
Qualification	Chartered Accountant
Experience	Mr. Kapoor has diverse and varied experience of 19 years in the areas of financial planning, treasury & budgetary controls and taxation. He is highly skilled qualitative and quantitative Finance and Accounts Professional
Date of Appointment	14/04/2015
Designation	Director (Non-Executive)
Date of Expiration of Current term	No fixed term, liable to retire by rotation
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Mobisoc Technology Private Limited • Bharat BPO Services Limited • Beoworld Sdn. Bhd., Malaysia
Name of Director	Mr. Madhusudan Venkatachary
DIN	02650160
PAN	ADAPV8302R
Age	47 years
Address	55, H.C.L. Tower-1, B-9/16, Sector 62, Noida 201301, U.P.
Qualification	Chartered Accountant
Experience	Mr. Madhusudan has over 20 years of professional experience in financial management, formulating and implementing prudent financial policies, formulating business strategies, monitoring performance, implementation of ERP system and internal control.
Date of Appointment	13/09/2014
Designation	Director (Non-Executive)
Date of Expiration of Current term	No fixed term, liable to retire by rotation



Number of Shares held in the Company	1 equity share of Rs. 10
Other Directorships	<ul style="list-style-type: none"> • Cellucom Retail India Private Limited • Hindustan Retail Private Limited • Mobisoc Technology Private Limited • Kimaan Exports Private Limited • Omniventures Private Limited
Name of Director	<u>Mr. Sunil Kumar Bhansali</u>
DIN	00225693
PAN	ADRPB8403G
Age	53 years
Address	71, Daryaganj, New Delhi – 110002
Qualification	Chartered Accountant
Experience	Mr. Bhansali has over 28 years of experience in almost every facet of the accounting profession. He has a long and illustrious career in the Direct & Indirect Taxation.
Date of Appointment	28/03/2015
Designation	Independent Director
Date of Expiration of Current term	27/03/2020
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Grace Books Private Limited • Monset Fastners Private Limited • Bharat BPO Services Limited • Oswal Advisory Services Private Limited • Pusma Investments Private Limited • Mobisoc Technology Private Limited • New Spice Sales & Solutions Limited (formerly known as Spice Retail Limited)
Name of Director	<u>Ms. Seema Salwan</u>
DIN	06944301
PAN	EBNPS6957J
Age	51 years
Address	47, Pusa Road, New Delhi – 110005
Qualification	<ul style="list-style-type: none"> • B.A. (Hons) (Psychology) • LL.B. (Hons)
Experience	Ms. Seema has a rich experience of around 28 years in Corporate and Commercial Law matters including Mergers and Acquisitions. She is active member of Bar Council of Delhi and Delhi High Court Bar Association.
Date of Appointment	28/03/2015
Designation	Independent Director
Date of Expiration of Current term	27/03/2020
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> • Hindustan Retail Private Limited • Bharat BPO Services Limited • Mobisoc Technology Private Limited



– Past Directors (of last three years)

Name	Address	DIN	Date of Appointment	Date of Cessation	Reason for Cessation
Mr. Dilip Kumar Modi	36, Amrita Shergill Marg, New Delhi – 110003	00029062	25/05/2009	15/04/2015	Resignation
Mr. Subramanian Murali	2001, ATS Greens Village, Sector-93A, Noida-201304, U.P.	00041261	07/09/2009	22/12/2016	Resignation

4. Shareholding Structure of the Company (as on October 31, 2017):

S. No.	Name of the Shareholder	Number of shares held in the Company	Percentage (%)
1.	Spice Digital Ltd.	10,039,997	99.90
2.	Dilip Kumar Modi	5,000	0.05
3.	Lokesh Gupta	5,000	0.05
4.	Subramanian Murali	1	0.00
5.	Madhusudan Venkatachary	1	0.00
6.	Ashok Agarwal	1	0.00
TOTAL		10,050,000	100.00

5. Changes in the shareholding structure of Promoter and Board of the Company: The details of change in shareholding structure of Promoter of the Company since incorporation is mentioned below:

Name of the Promoter	Date	Change	No. of Shares	Shares (%)	Cumulative Shares (%)
Spice Digital Limited	08.06.2010	Acquisition of shares from Spice Televentures Pvt. Ltd. (now merged with Spice Mobility Ltd.)	39,996	0.40	0.40
	30.11.2010	Acquisition of shares from Mr. M. S. Madhubose	1	0	0.40
	02.09.2011	Allotment of shares	6,000,000	59.70	60.10
	28.05.2012	Allotment of shares	4,000,000	39.80	99.90
TOTAL			10,039,997	99.90	99.90

Mr. Madhusudan Venkatachary, one of the Directors, holds 1 share which was allotted to him on September 7, 2009.

6. Details of Group Company/ Subsidiary Company(ies)/ Joint venture(s):

Details of Group Company**:

Name of the Parent Company	Shareholding held in the Group Company as on 31.10.2017	Listing Status
Spice Digital Limited	99.90%	Unlisted

**Group companies here means (1) Immediate holding company (2) subsidiaries, associates, joint ventures of Spice Labs.

Total numbers of Subsidiary Company (ies)/ Joint ventures(s)/Associate as on October 31, 2017 are mentioned below:

No. of Subsidiary (ies)	Nil
No. of Joint Venture(s)	Nil
No. of Associate (Limited Liability Partnership)	1



Details of Subsidiary (ies) Company which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
Not Applicable						

Details of Joint Venture(s) which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
Not Applicable						

7. Financial Structure of the Company

7.1 Details of Capital Structure of the Company:

The authorized share capital of the Company is Rs. 100,500,000 (Rupees Ten Crores Five Lakhs Only) representing 10,050,000 (One Crores and Fifty Thousand) Equity shares of Rs. 10 (Rupees Ten Only) each and subscribed & the Paid up share capital of the Company is Rs. 100,500,000 (Rupees Ten Crores and Five Lakhs Only) representing 10,050,000 (One Crores Fifty Thousand) Equity Shares of Rs. 10 (Rupees Ten only) each.

Details of Capital Structure of the Company						
Date of allotment	Shares issued			Cumulative paid up capital		Identity of allottees (promoters/ others)
	No.	Mode	%	In Rs.	%	
25.05.2009	10,000	Subscribers to MOA	0.10	100,000	0.10	Promoters*
07.09.2009	40,000	Preferential allotment	0.40	500,000	0.50	Others
02.09.2011	6,000,000	Preferential allotment	59.70	60,500,000	60.20	Promoter
28.05.2012	4,000,000	Right issue	39.80	100,500,000	100.00	Promoter
TOTAL	10,050,000		100.00	100,500,000	100.00	

* Mr. Dilip Kumar Modi and Mr. Lokesh Gupta, were the Subscribers to MOA and are no more Promoters of the Company.

7.2 Details of financial position of last three financial years and as on 30.09.2017:

On Standalone basis:

(Rs. In crores)

Particulars	As per latest limited review for the half year ended 30.09.2017 ¹	For the Financial Year 2016-17/Audited as on 31.03.2017	For the Financial Year 2015-16/Audited as on 31.03.2016	For the Financial Year 2014-15/Audited as on 31.03.2015
Equity Paid up Capital	10.05	10.05	10.05	10.05
Reserves and surplus	(1.61)	(3.96)	(3.75)	(3.48)
Carry forward losses	1.61	3.98	3.78	3.48

Net Worth ²	8.44	6.09	6.30	6.57
Miscellaneous Expenditure	Nil	Nil	Nil	Nil
Secured Loans	Nil	Nil	Nil	Nil
Unsecured Loans	Nil	Nil	Nil	Nil
Fixed Assets	0.34	0.03	0.05	0.09
Income from Operations	7.43	1.45	1.57	3.98
Total Income	7.53	2.44	2.00	4.87
Total Expenditure	5.08	2.17	2.22	4.29
Exceptional Income/(Expense)	Nil	0.30	0.08	Nil
Profit/ (Loss) before Tax	2.45	(0.03)	(0.30)	0.58
Profit/ (Loss) after Tax	2.35	(0.23)	(0.30)	0.58
Cash profit ³	2.36	0.48	(0.27)	0.94
EPS	2.34	(0.21)	(0.03)	0.57
Book value per share	8.40	6.06	6.27	6.54

¹basis the limited reviewed financials of Spice Mobility limited, the ultimate holding company of Spice Labs Private Limited

²Net Worth = Equity Share Capital + Free reserves +Securities Premium – Miscellaneous Expenditure written off

³Cash profit/(loss) = Profit after Tax + Depreciation (+/-) Deferred Taxes

Note: The above figures are reinstated/depicted based on IND AS from April 01, 2015.

On Consolidated basis: Not Applicable

7.3 Details of Material Related Party Transactions: Details of all the related party transactions (on standalone basis) are given in Annexure-I.

7.4 Aggregate Number of shares for capitalization of Reserves or Profits: Nil

7.5 Details of Revaluation of assets: Nil

8. Details of Material Penal Actions/Litigations:

8.1Details of material penal actions/ litigations against the Company: None

8.2Details of material penal actions/ litigations against the Promoters: None


8.3Details of material penal actions/ litigations against the Directors: None

9. Declaration

The Company, its promoters or its Directors are not in the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.

I, Ishan Narula, Company Secretary of the Company do hereby confirm that all the information provided in the document is true and fair to the best of my knowledge and belief as on the date of document.

For Spice Labs Private Limited


(Ishan Narula)
Company Secretary

Place: Noida

Date: December 22, 2017



Related Party Transactions

Particulars	Relationship	For the period ended September 30, 2017	For the Period ended March 31, 2017	For the Period ended March 31, 2016
Unbilled Revenue:				
Spice Digital Limited	Holding Company	-	7,219,992	-
Spice VAS Ghana Ltd.	Fellow Subsidiary	21,189,399	-	-
Spice VAS Kenya Ltd.	Fellow Subsidiary	1,883,380	-	-
Spice VAS Zambia Ltd.	Fellow Subsidiary	3,271,120	-	-
Spice Digital Nigeria Ltd.	Fellow Subsidiary	3,271,120	-	-
PT Spice Digital Indonesia	Fellow Subsidiary	19,471,873	-	-
Revenue:				
PT Spice Digital Indonesia	Fellow Subsidiary	15,938,853	-	-
Spice VAS Kenya Ltd.	Fellow Subsidiary	7,929,980	-	-
Mobisoc Technology Pvt. Ltd.	Fellow Subsidiary	755,762	-	-
Expenses Reimbursement Receivable:				
PT Spice Digital Indonesia	Fellow Subsidiary	4,112,040	-	-
Spice VAS (Africa) Pte. Ltd.	Fellow Subsidiary	1,193,427	-	-
Purchase of Fixed Assets:				
Spice Digital Ltd.	Holding Company	2,274,459	-	-
Rent Paid:				
Spice Mobility Ltd.	Holding Company	2,097,152	294,000	3,108,000
Spice Digital Ltd.	Holding Company	1,048,576	960,400	-
Electricity Paid:				
Spice Mobility Ltd.	Holding Company	283,038	-	-
Communication Exp (Web):				
Spice Digital Ltd.	Holding Company	1,398,817	-	-
Rent received:				
PT Spice Digital Indonesia	Fellow Subsidiary	3,979,029	-	-
Loan/ICD (Refunded):				
Hindustan Retail Pvt Ltd.	Fellow Subsidiary	-	-	3,000,000
Interest Income:				
Hindustan Retail Pvt Ltd.	Fellow Subsidiary	915,185	3,345,074	3,041,230
Reimbursement Paid:				
Spice Digital Limited	Holding Company	-	-	10,629
Leave Encashment Paid:				
Mobisoc Technology Pvt. Ltd.	Fellow Subsidiary	992,586	-	-
Travel Expenses:				
Spice Digital Ltd.	Holding Company	1,716,936	-	75,000
Balances				
Interest Receivable:				
Hindustan Retail Pvt. Ltd.	Fellow Subsidiary	915,185	3,010,567	3,409,764
Revenue Receivable:				
Spice VAS Ghana Ltd.	Fellow Subsidiary	21,189,399	-	
Spice VAS Kenya Ltd.	Fellow Subsidiary	1,883,380	-	
Spice VAS Zambia Ltd.	Fellow Subsidiary	3,271,120	-	



Spice Digital Nigeria Ltd.	Fellow Subsidiary	3,271,120	-	-
PT Spice Digital Indonesia	Fellow Subsidiary	19,471,873	-	-
Loan Receivable:				
Hindustan Retail Pvt Ltd.	Fellow Subsidiary	27,920,331	30,409,764	27,000,000
Mobisoc Technology Pvt. Ltd.	Fellow Subsidiary	4,112,613	-	-
PT Spice Digital Indonesia	Fellow Subsidiary	18,316,618	-	-
Payable:				
Spice Mobility Limited	Holding Company	616,500	-	570,570
Spice Digital Limited	Holding Company	6,736,162	1,163,854	-
Mobisoc Technology Pvt. Ltd.	Fellow Subsidiary	-	-	20,493
Spice Digital Limited	Holding Company	-	6,056,138	-





SPICE MOBILITY LIMITED

Regd. Office: 622, 6th Floor, DLF Tower A, Jasola Distt. Centre, New Delhi -110025
Corporate Office: Spice Global Knowledge Park, 19A & 19B, Sector -125, Noida 201301
CIN: L72900DL1986PLC330369
Tel.: 0120- 3355131; **Email:** complianceofficer@smobility.in
Website: www.spicemobility.in

MEETING OF THE EQUITY SHAREHOLDERS OF SPICE MOBILITY LIMITED

(Convened pursuant to Order dated August 10, 2018 passed by the Hon'ble National Company Law Tribunal ("NCLT" or "Tribunal"), New Delhi)

In the matter of the Companies Act, 2013 (18 of 2013)

And

In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Comprehensive Scheme of Arrangement between Comprehensive Scheme of Arrangement between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors

And

Spice Mobility Limited (hereinafter referred to as "SML")
Company registered under the Companies Act, 1956
Having its registered office at:
622, 6th Floor, DLF Tower A, Jasola District Centre, New Delhi - 110025
CIN: L72900DL1986PLC330369

(Transferee Company /
Applicant Company I)

PROXY FORM

Name of the Member(s):
Registered Address:
E-mail Id:
Folio No./ Client ID:
DP ID:

I/ We, being the member(s) of _____ shares of the above named company, hereby appoint

(1) Name: _____

Address: _____

E-mail id: _____ Signature _____, or failing him;

(2) Name: _____

Address: _____

E-mail id: _____ Signature _____, or failing him;

(3) Name: _____

Address: _____

E-mail id: _____ Signature _____, or failing him;

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the NCLT convened meeting of Equity Shareholders of the Company to be held at Air Force Auditorium, Subroto park, New Delhi - 110010 on Monday, the 15th day of October, 2018 at 11:00 A.M and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution	No. of shares held	For	Against
Approval of Comprehensive Scheme of Arrangement between Spice Mobility Limited and Spice Digital Limited and Spice IOT Solutions Private Limited and Mobisoc Technology Private Limited and Spice Labs Private Limited and their respective shareholders and creditors.			

Signed this _____ Day of _____ 2018

Signature of Member _____

Signature of Proxy holder(s) _____

Affix
Re. 1/-
Revenue
Stamp

Notes:

1. The Proxy Form in order to be effective should be duly completed, dated, signed, stamped and deposited at the Registered office of the Company not later than 48 hours before the commencement of the Meeting.
2. Proxy Holder shall carry his/her identity Proof at the time of attending the Meeting.
3. A Proxy need not be a member of the Company.
4. A Person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. The holder of this Form may vote for or against each resolution.
6. In case of multiple proxies, the Proxy Form later in time shall be accepted.



SPICE MOBILITY LIMITED

Regd. Office: 622, 6th Floor, DLF Tower A, Jasola Distt. Centre, New Delhi -110025
Corporate Office: Spice Global Knowledge Park, 19A & 19B, Sector -125, Noida 201301
CIN: L72900DL1986PLC330369
Tel.: 0120- 3355131; **Email:** complianceofficer@smobility.in
Website: www.spicemobility.in

MEETING OF THE EQUITY SHAREHOLDERS OF SPICE MOBILITY LIMITED

(Convened pursuant to Order dated August 10, 2018 passed by the Hon'ble National Company Law Tribunal
("NCLT" or "Tribunal"), New Delhi)

ATTENDANCE SLIP

(THIS ATTENDANCE SLIP, DULY FILLED IN, IS TO BE HANDED OVER AT THE MEETING)

Folio No./ D.P. ID*/ Client ID*	
No. of Shares held	

*Applicable for members holding shares in electronic form.

Name of the member _____
(in block letters)

Address of the member _____

(in block letters)

Name of Proxy(s)/Representative _____
(in block letters)
(to be filled in, if a Proxy/Representative attends instead of the member)

I/ We hereby record my / our presence at the NCLT convened meeting of Equity Shareholders of the Company to be held at Air Force Auditorium, Subroto park, New Delhi - 110010 on Monday, the 15th day of October, 2018 at 11:00 A.M.

Member's/Proxy's/Representative's Signature
(to be signed at the time of handing over this slip)



SPICE MOBILITY LIMITED

Regd. Office: 622, 6th Floor, DLF Tower A, Jasola Distt. Centre, New Delhi -110025

Corporate Office: Spice Global Knowledge Park, 19A & 19B, Sector -125, Noida 201301

CIN: L72900DL1986PLC330369

Tel.: 0120- 3355131; Email: complianceofficer@smobility.in

Website: www.spicemobility.in

ROUTE MAP OF THE VENUE FOR NCLT CONVENED MEETING OF Equity Shareholders – Monday, the 15th October, 2018 Air Force Auditorium, Subroto Park, New Delhi - 110 010

