

OnMobile Global Limited

Financial Results for the Quarter ended June 30, 2010

Amount in Rs Lakhs except earnings per share and public shareholding data

Sl. No	Particulars	Quarter ended/ Year to date		Year ended
		June 30, 2010 (Unaudited)	June 30, 2009 (Unaudited)	March 31, 2010 (Audited)
1	Net Sales/ Income from Operations			
	(a) Telecom Value Added Services	10,597	8,765	36,252
	(b) Other services	30	26	140
	Total Revenue	10,627	8,791	36,392
2	Expenditure			
	(a) Cost of sales and services			
	- Content fee and royalty	2,522	1,973	8,836
	- Other sales and services	734	394	1,977
	(b) Employee cost	2,373	1,919	8,372
	(c) Depreciation	1,411	1,315	4,524
	(d) Other Expenditure	1,970	1,499	7,393
	Total Expenditure	9,010	7,100	31,102
3	Profit from operations before Other income, Interest and Exceptional items (1-2)	1,617	1,691	5,290
4	Other Income	390	453	1,804
5	Profit before Interest and Exceptional items (3+4)	2,007	2,144	7,094
6	Interest	12	2	22
7	Profit after interest but before Exceptional items (5-6)	1,995	2,142	7,072
8	Exceptional items	-	-	-
9	Profit from Ordinary Activities before tax (7+8)	1,995	2,142	7,072
10	Tax expense			
	(a) Current Tax	285	820	1,628
	(b) Earlier year provision	-	-	(102)
	(c) Deferred Tax	(29)	(124)	255
	(d) Fringe Benefit Tax	-	23	-
		256	719	1,781
11	Net profit from Ordinary Activities after tax (9-10)	1,739	1,423	5,291
12	Extraordinary items (net of tax expenses)	-	-	-
13	Net Profit for the period (11-12)	1,739	1,423	5,291
14	Paid up equity share capital (Face value of Rs 10/- each)	5,862	5,791	5,852
15	Reserves excluding revaluation reserves	-	-	66,459
16	Earnings per share (in Rs) (not annualised)			
	(a) Basic	3.0	2.5	9.1
	(b) Diluted	2.9	2.4	8.9
17	Public Shareholding			
	- Number of shares	29,214,566	24,990,830	29,109,578
	- Percentage of shareholding	49.84	43.15	49.75
18	Promoters and promoter group Shareholding			
	a) Pledged/Encumbered			
	- Number of shares	366,200	-	111,200
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	1.25	-	0.38
	- Percentage of shares (as a% of the total share capital of the company)	0.62	-	0.19
	b) Non-encumbered			
	- Number of shares	29,041,014	32,923,817	29,296,014
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	98.75	100.00	99.62
	- Percentage of shares (as a% of the total share capital of the company)	49.54	56.85	50.06

Notes

1 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on July 23, 2010.

2 The details of utilisation of Net IPO proceeds are as under:

Categories as defined in the Prospectus	Amount in Rs. Lakhs	
	Projection in Prospectus	Actual funds utilised till June 30, 2010
Purchase of equipments for offices at Bangalore, Mumbai and Delhi and various customer sites	18,052	14,163
Working Capital requirements	500	500
Repayment of loan	3,500	3,500
General Corporate purposes	13,393	13,393
Total	35,445	31,556

The proceeds from IPO (Net of Share Issue Expenses) was Rs. 35,356 lakhs. The unutilised funds as at June 30, 2010 have been temporarily invested in Short term Investments/ Fixed Deposits with Banks.

3 In continuation of the ongoing dispute pertaining to the KST, KVAT and CST demand notices amounting to Rs. 4,517 lakhs for the period from April 2002 to March 2009, the Company has received an order from the Joint Commissioner of Commercial Taxes for the period April 2005 to March 2008, increasing the original liability for these years by Rs. 983 lakhs. The Company had filed a writ petition against the same in the Honorable High Court of Karnataka. The Honorable Court had directed the Company to deposit an additional sum of Rs. 200 lakhs and furnish bank guarantee for the balance amount. As at the quarter end, the Company has deposited Rs. 2,459 lakhs of the total claim and furnished bank guarantee for Rs. 2,258 lakhs under the direction of the Honorable High Court of Karnataka, and pending resolution of the matter no amounts have been provided in the accounts.

4 Information on investor complaints pursuant to clause 41 of the Listing agreement for the quarter ended June 30, 2010 :

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
Allotment/ Refund/Transfer/others	-	3	3	-

5 Provision for Income Tax for the quarter ended June 30, 2010 has been computed on the basis of Minimum Alternate Tax (MAT) in accordance with Section 115JB of The Income Tax Act, 1961, and is net of MAT Credit availed of Rs.119 lakhs.

6 The Company has set up a Special Economic Zone (SEZ) unit, which has become operational during the quarter ended June 30, 2010.

7 The Company is engaged in providing value added services in telecom business and its operations are considered to constitute a single segment in the context of Accounting Standard 17 - "Segment Reporting".

8 Previous period figures have been reclassified/ regrouped wherever necessary

on behalf of Board of Directors

Arvind Rao
Chief Executive Officer and
Managing Director

Place: Bangalore
Date: July 23, 2010