

OnMobile Global Limited

Financial Results for the Quarter and Half year ended September 30, 2010

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

Sl. No	Particulars	Quarter ended		Half year ended		Year ended
		September 30, 2010 (Unaudited)	September 30, 2009 (Unaudited)	September 30, 2010 (Unaudited)	September 30, 2009 (Unaudited)	March 31, 2010 (Audited)
1	Net Sales/ Income from Operations					
	(a) Telecom Value Added Services	11,479	8,313	22,076	17,078	36,252
	(b) Other services	18	27	48	53	140
	<b>Total Revenue</b>	<b>11,497</b>	<b>8,340</b>	<b>22,124</b>	<b>17,131</b>	<b>36,392</b>
2	Expenditure					
	(a) Cost of sales and services					
	- Content fee and royalty	2,721	1,964	5,243	3,937	8,836
	- Other sales and services	696	448	1,430	843	1,977
	(b) Employee cost	2,501	2,113	4,874	4,031	8,372
	(c) Depreciation	1,370	833	2,781	2,148	4,524
	(d) Other Expenditure	2,477	2,305	4,447	3,804	7,393
	<b>Total Expenditure</b>	<b>9,765</b>	<b>7,663</b>	<b>18,775</b>	<b>14,763</b>	<b>31,102</b>
3	<b>Profit from operations before Other income, Interest and Exceptional items (1-2)</b>	<b>1,732</b>	<b>677</b>	<b>3,349</b>	<b>2,368</b>	<b>5,290</b>
4	Other Income	1,176	571	1,566	1,024	1,804
5	<b>Profit before Interest and Exceptional items (3+4)</b>	<b>2,908</b>	<b>1,248</b>	<b>4,915</b>	<b>3,392</b>	<b>7,094</b>
6	Interest	16	4	28	6	22
7	<b>Profit after interest but before Exceptional items (5-6)</b>	<b>2,892</b>	<b>1,244</b>	<b>4,887</b>	<b>3,386</b>	<b>7,072</b>
8	Exceptional items	-	-	-	-	-
9	<b>Profit from Ordinary Activities before tax ( 7+8)</b>	<b>2,892</b>	<b>1,244</b>	<b>4,887</b>	<b>3,386</b>	<b>7,072</b>
10	Tax expense					
	(a) Current Tax	350	181	635	1,001	1,628
	(b) Earlier year provision	-	(102)	-	(102)	(102)
	(c) Deferred Tax	53	35	24	(89)	255
	(d) Fringe Benefit Tax	-	(23)	-	-	-
		403	91	659	810	1,781
11	<b>Net profit from Ordinary Activities after tax (9-10)</b>	<b>2,489</b>	<b>1,153</b>	<b>4,228</b>	<b>2,576</b>	<b>5,291</b>
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	<b>Net Profit for the period (11-12)</b>	<b>2,489</b>	<b>1,153</b>	<b>4,228</b>	<b>2,576</b>	<b>5,291</b>
14	Paid up equity share capital (Face value of Rs 10/- each)	5,869	5,815	5,869	5,815	5,852
15	Reserves excluding revaluation reserves	-	-	-	-	66,459
16	Earnings per share (in Rs) (not annualised)					
	(a) Basic	4.2	2.0	7.2	4.4	9.1
	(b) Diluted	4.2	1.9	7.1	4.3	8.9
17	Public Shareholding					
	- Number of shares	29,281,351	25,356,449	29,281,351	25,356,449	29,109,578
	- Percentage of shareholding	49.89	43.60	49.89	43.60	49.75
18	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	1,018,200	-	1,018,200	-	111,200
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	3.46	-	3.46	-	0.38
	- Percentage of shares (as a% of the total share capital of the company)	1.73	-	1.73	-	0.19
	b) Non-encumbered					
	- Number of shares	28,389,014	32,794,539	28,389,014	32,794,539	29,296,014
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	96.54	100.00	96.54	100.00	99.62
	- Percentage of shares (as a% of the total share capital of the company)	48.37	56.40	48.37	56.40	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 October 24, 2010.
- 2 On October 5, 2010, the Company has acquired 3G video technology and mobile solutions and certain related assets from Dilithium Networks Inc., USA.
- 3 During the current quarter the Company has sold 8% of its equity holding on a diluted basis in its associate Ver se Innovation Private Limited for a consideration of Rs.1,111.20 lakhs (USD 24 lakhs) on July 31, 2010.
- 4 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 September 30, 2010
Purchase of equipments for offices at Bangalore, Mumbai and Delhi and various customer sites	18,052	15,328
Working Capital requirements	500	500
Repayment of loan	3,500	3,500
General Corporate purposes	13,393	13,393
<b>Total</b>	<b>35,445</b>	<b>32,721</b>

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

- 5 In continuation of the ongoing dispute pertaining to the KST, KVAT and CST, the Company has received total demand notices amounting to Rs. 5610.43 lakhs for the period from April 2002 to March 2009. The details are as follows:

Years	Amount in Rs. Lakhs			Status
	Total demand	Cash paid under protest	Bank Guarantee furnished	
2002-05	590.75	220.14	-	The Company has filed a writ petition before the High Court Of Karnataka and the matter is yet to be listed for hearing.
2005-08	3,934.87	1,676.05	2,258.82	The Company has preferred appeals for the periods April 2005 to March 2008 before the Karnataka Appellate Tribunal and the matter is listed for hearing on 29th Nov 2010
2008-09	1,084.81	562.48	562.48	The Company has preferred appeal before the First Appellate Authority ( Joint Commissioner of Commercial Taxes- Appeal, Bangalore) and the matter is yet to be heard.
<b>Total</b>	<b>5,610.43</b>	<b>2,458.67</b>	<b>2,821.30</b>	

Pending resolution of the above matters no amounts have been provided in the accounts.

- 6 Information on investor complaints pursuant to clause 41 of the Listing agreement for the quarter ended September 30, 2010 :

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

- 7 Provision for Income Tax for the quarter ended September 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.215 lakhs.
- 8 The Company has set up a Special Economic Zone (SEZ) unit, which has become operational during the quarter ended June 30, 2010.
- 9 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".

10 Statement of assets and liabilities as at September 30, 2010 is given below:

	30-Sep-10 Unaudited	30-Sep-09 Unaudited
<b>I SOURCES OF FUNDS</b>		
<b>1. SHAREHOLDERS' FUNDS</b>		
(a) Share capital	5,869	5,815
(b) Stock options outstanding	4	3
(c) Reserves & surplus	70,793	63,603
	76,666	69,421
<b>2. LOAN FUNDS</b>	645	501
<b>3. DEFERRED PAYMENT LIABILITY</b>	14,154	19,061
<b>4. DEFERRED TAX LIABILITY (NET)</b>	961	593
<b>TOTAL</b>	<b>92,426</b>	<b>89,576</b>
<b>II APPLICATION OF FUNDS</b>		
<b>1. FIXED ASSETS</b>		
	37,511	31,890
<b>2. INVESTMENTS</b>		
	28,013	27,007
<b>3. CURRENT ASSETS, LOANS AND ADVANCES</b>		
(a) Sundry debtors (Net of Provisions)	14,264	11,400
(b) Cash and bank balances	15,319	21,263
(c) Other Current Assets	163	194
(d) Loans and Advances	24,969	18,503
	54,715	51,360
Less: CURRENT LIABILITIES AND PROVISIONS		
(a) Current liabilities	14,962	10,038
(b) Provisions	12,851	10,643
	27,813	20,681
<b>NET CURRENT ASSETS</b>	26,902	30,679
<b>TOTAL</b>	<b>92,426</b>	<b>89,576</b>

11 Previous period figures have been reclassified/ regrouped wherever necessary.

on behalf of Board of Directors

Arvind Rao  
Chief Executive Officer and  
Managing Director

Place: Mumbai  
Date: October 24, 2010