

OnMobile Global Limited

Financial Results for the Quarter and Nine months ended December 31, 2009

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

Sl. No	Particulars	Quarter ended		Nine months ended		Year ended
		December 31, 2009 (Unaudited)	December 31, 2008 (Unaudited)	December 31, 2009 (Unaudited)	December 31, 2008 (Unaudited)	March 31, 2009 (Audited)
1	Net Sales/ Income from Operations					
	(a) Telecom Value Added Services	8,918	8,846	25,996	23,115	32,465
	(b) Other services	45	36	98	158	246
	Total Revenue	8,963	8,882	26,094	23,273	32,711
2	Expenditure					
	(a) Cost of sales and services					
	- Content fee and royalty	2,189	1,383	6,194	3,188	5,041
	- Other sales and services	507	421	1,382	1,136	1,650
	(b) Employee cost	2,132	1,787	6,063	5,243	7,385
	(c) Depreciation	1,167	1,071	3,315	2,971	4,205
	(d) Other Expenditure	1,590	1,852	5,394	5,330	6,775
	Total Expenditure	7,585	6,514	22,348	17,868	25,056
3	Profit from operations before Other income, Interest and Exceptional items (1-2)	1,378	2,368	3,746	5,405	7,655
4	Other Income	350	588	1,374	1,902	2,360
5	Profit before Interest and Exceptional items (3+4)	1,728	2,956	5,120	7,307	10,015
6	Interest	6	-	12	-	-
7	Profit after interest but before Exceptional items (5-6)	1,722	2,956	5,108	7,307	10,015
8	Exceptional items	-	-	-	-	-
9	Profit from Ordinary Activities before tax (7+8)	1,722	2,956	5,108	7,307	10,015
10	Tax expense					
	(a) Current Tax	166	821	1,167	1,966	2,547
	(b) Earlier year provision	-	-	(102)	-	-
	(c) Deferred Tax	256	64	167	19	287
	(d) Fringe Benefit Tax	-	29	-	93	113
		422	914	1,232	2,078	2,947
11	Net profit from Ordinary Activities after tax (9-10)	1,300	2,042	3,876	5,229	7,068
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	Net Profit for the period (11-12)	1,300	2,042	3,876	5,229	7,068
14	Paid up equity share capital (Face value of Rs 10/- each)	5,839	5,780	5,839	5,780	5,783
15	Reserves excluding revaluation reserves	-	-	-	-	60,676
16	Earnings per share (in Rs) (not annualised)					
	(a) Basic	2.2	3.5	6.7	9.1	12.2
	(b) Diluted	2.2	3.4	6.5	8.7	11.8
17	Public Shareholding					
	- Number of shares	26,374,467	24,779,563	26,374,467	24,779,563	24,809,502
	- Percentage of shareholding	45.17	42.87	45.17	42.87	42.90
18	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	-	-	-	-	150,000
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	-	-	-	-	0.45
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	0.26
	b) Non-encumbered					
	- Number of shares	32,020,156	33,023,817	32,020,156	33,023,817	32,873,817
	- Percentage of shares (as a % of 'the total shareholding of promoter and promoter group)	100.00	100.00	97.64	100.00	99.55
	- Percentage of shares (as a % of the total share capital of the company)	54.83	57.13	54.83	57.13	56.84

Notes

- 1 The above results have been reviewed by the Audit Committee, taken on record by the Board of Directors at its meeting held on January 29, 2010 and have been reviewed by the auditors.
- 2 The Company is in the process of expanding its business in Latin America and has made an initial commitment of Euro 370 lakhs to start its operations in this region. Various business agreements dated June 30, 2009 have been formalised with Telefonica Internacional, S.A.U, Spain (Telefonica) towards deploying Value Added Services on exclusive and non-exclusive basis across 13 countries in the region.
- 3 The Company has sold 5.08% of its equity holding, in Ver se Innovation Private Limited for a consideration of Rs 300 lakhs on September 29, 2009, as a result of which the said subsidiary has become an associate of the Company.
- 4 Based on an internal technical evaluation, the Company has revised the estimated useful life of Telephony Cards grouped under Computer and Electronic Equipment from 3 years to 5 years, the impact being the profit before tax during the quarter and period ended December 31, 2009 is higher by Rs. 270.36 lakhs and Rs. 776.69 lakhs respectively.
- 5 During the previous year the Company had received demand notices relating to KST, KVAT and CST from Deputy Commissioner of Commercial Taxes amounting to Rs.3,392 lakhs for the period from April 2002 to March 2008, which the Company had disputed and filed a writ petition in the Honorable High Court of Karnataka. The matter was dismissed by the Honorable High Court of Karnataka with direction to file an appeal to the VAT Appellate Authority and the same has been filed as on March 31, 2009. The Company had deposited 50% of the total claim amount under the direction of the Honorable High Court of Karnataka and pending resolution of the matter, no amounts have been accrued in the accounts.

A demand notice relating to KST, KVAT and CST from Deputy Commissioner of Commercial Taxes amounting to Rs. 1,124 lakhs for the period from April 2008 to March 2009 has been received by the Company on January 11, 2010. The Company has deposited 50% of the total claim amount and no amounts have been accrued in the accounts.

6 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 December 31, 2009
Purchase of equipments for offices at Bangalore, Mumbai and Delhi and various customer sites	18,052	11,688
Working Capital requirements	500	500
Repayment of loan	3,500	3,500
General Corporate purposes	13,393	12,995
Total	35,445	28,683

The proceeds from IPO (Net of Share Issue Expenses) was Rs. 35,356 lakhs. The unutilised funds as at December 31, 2009 have been temporarily invested in Short term Investments/ Fixed Deposits with Banks.

7 Information on investor complaints pursuant to clause 41 of the Listing agreement for the quarter ended December 31, 2009 :

Nature of Investor complaints	Opening Balance	Additions	Disposal	Closing Balance
Allotment/ Refund/Transfer/others	-	2	2	-

- 8 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".
- 9 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: January 29, 2010