

**AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF ONMOBILE GLOBAL LIMITED**


1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results ("the Statement") of **ONMOBILE GLOBAL LIMITED** ("the Company"), its subsidiaries and a jointly controlled entity (the Company, its subsidiaries and a jointly controlled entity constitute "the Group") for the quarter and nine months period ended December 31, 2012. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
3. The Statement includes the results of the following entities: OnMobile Singapore Pte Limited, PT OnMobile Indonesia, OnMobile Europe B.V., VoxMobili S.A., OnMobile S.A., (erstwhile Telisma S.A), Phonetize Solutions Private Limited (under liquidation) , OnMobile USA LLC, Servicios De Telefonía OnMobile SA DE CV, OnMobile Global SA , OnMobile Brasil Sistemas de Valor Agregado Para Comunicaciones Moveis Ltda, OnMobile DE Venezuela C.A, OnMobile Global for Telecommunication Services, OnMobile Senegal SARL, OnMobile Uruguay S.A., OnMobile Bangladesh Private Limited, OnMobile Mali SARL, OnMobile Servicios Corporativos De Telefonía S.A. DE C.V., OnMobile Kenya Telecom Limited, OnMobile Telecom Limited, Kabuza Marketing Private Limited (joint venture, upto November 23, 2012), OnMobile Global Spain S.A, OnMobile Costa Rica OBCR SA., OnMobile Uganda Telecom Limited, OnMobile Zambia Telecom Limited, OnMobile Madagascar Telecom Limited, OnMobile Rwanda Telecom Limited, OnMobile Nigeria Telecom Limited, OnMobile Ghana Telecom Limited, OnMobile Tanzania Telecom Limited, OnMobile Telecom (SL) Limited and OnMobile Global Solutions Canada Limited.
4. The Statement reflects the Group's share of Revenues of Rs.2,541 lakhs and Rs.8,587 lakhs for the quarter and nine months period ended December 31, 2012 respectively and Group's share of Loss of Rs. 53 lakhs and Profit after Tax of Rs.1,164 lakhs for the quarter and nine months period ended December 31, 2012 respectively, relating to two subsidiaries whose results have been reviewed by other auditors. Accordingly, our assurance on the Statement in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the reports of such other auditors which have been furnished to us.

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**Deloitte
Haskins & Sells**

5. The financial results of 19 subsidiaries which reflect the Company's share of revenue of Rs. 633 lakhs and Rs.1,826 lakhs for the quarter and nine months ended December 31, 2012 respectively and the Company's share of Losses of Rs. 209 lakhs and Rs. 553 lakhs for the quarter and nine months period ended December 31, 2012 respectively and the financial results of a joint venture which reflect the Company's net share of Loss for the quarter and nine months period ended December 31, 2012 amounts to Rs. 2 lakhs whose financial information has been compiled by the management and have not been subject to review by independent auditors.
6. Based on our review and read with our comments in paragraph 4 above and subject to our comments in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements from the details furnished by the Management and the particulars relating to the undisputed investor complaints from the details furnished by the Registrars/Management.

For Deloitte Haskins & Sells
Chartered Accountants
Registration No.008072S



V.Srikumar
Partner
Membership No.: 84494

BANGALORE, 2 February 2013
VS/VBA/SMG/2013

OnMobile Global Limited
Consolidated Financial Results for the Quarter and Nine months ended December 31, 2012

Amount in Rs Lakhs except earnings per share and shareholding data

Part- I							
Statement of Consolidated Unaudited Results:							
Sl. No	Particulars	Quarter ended			Nine months ended		Previous Year ended
		December 31, 2012 (Unaudited)	September 30, 2012 (Unaudited)	December 31, 2011 (Unaudited)	December 31, 2012 (Unaudited)	December 31, 2011 (Unaudited)	March 31, 2012 (Audited)
1	Income from Operations						
	Telecom Value Added Services	17,616	17,980	16,883	54,117	46,046	63,801
	Total Income from Operations	17,616	17,980	16,883	54,117	46,046	63,801
2	Expenses						
	(a) Cost of sales and services						
	- Content fee and royalty	1,644	1,771	2,156	5,802	5,772	8,256
	- Other sales and services	403	1,204	1,542	2,931	3,999	5,256
	- Consumption of materials	211	-	-	211	98	104
	(b) Employee benefit expenses	7,229	7,408	6,165	22,294	16,901	23,124
	(c) Depreciation and amortisation expenses	2,546	2,436	2,349	7,407	5,806	8,402
	(d) Other Expenses	3,756	4,119	3,089	11,440	9,414	13,068
	Total Expenses	15,789	16,938	15,301	50,085	41,990	58,210
3	Profit from operations before Other income and Finance cost (1-2)	1,827	1,042	1,582	4,032	4,056	5,591
4	Other Income	801	373	648	1,767	6,341	6,764
5	Profit before Finance cost (3+4)	2,628	1,415	2,230	5,799	10,397	12,355
6	Finance cost	57	64	89	213	163	313
7	Profit before Tax (5-6)	2,571	1,351	2,141	5,586	10,234	12,042
8	Tax expense						
	(a) Current Tax	640	791	380	2,333	2,535	3,626
	(b) Earlier year provision	-	-	-	-	-	144
	(c) Deferred Tax	(133)	(62)	(19)	(385)	(131)	(37)
		507	729	361	1,948	2,404	3,733
9	Net profit for the period (7-8)	2,064	622	1,780	3,638	7,830	8,309
10	Paid up equity share capital (Face value of Rs 10/- each)	11,403	11,401	11,601	11,403	11,601	11,500
11	Reserves excluding revaluation reserves						77,040
12	Earnings per share (in Rs) (not annualised)						
	(a) Basic	1.8	0.5	1.5	3.2	7.1	7.1
	(b) Diluted	1.7	0.5	1.5	3.0	7.0	7.0

Part- II							
Select Information for the Quarter and Nine months ended December 31, 2012							
A. PARTICULARS OF SHAREHOLDING							
1	Public Shareholding						
	- Number of shares	7,02,11,780	6,94,57,168	5,93,31,933	7,02,11,780	5,93,31,933	5,83,21,133
	- Percentage of shareholding	61.58	60.96	51.14	61.58	51.14	50.71
2	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	-	-	80,36,400	-	80,36,400	65,56,400
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	14.18	-	14.18	11.57
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	6.93	-	6.93	5.70
	b) Non-encumbered						
	- Number of shares	4,38,13,694	4,44,82,142	4,86,45,777	4,38,13,694	4,86,45,777	5,01,25,777
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	85.82	100.00	85.82	88.43
	- Percentage of shares (as a % of the total share capital of the Company)	38.42	39.04	41.93	38.42	41.93	43.59

B INVESTOR COMPLAINTS

Particulars	
Pending at the beginning of the quarter	-
Received during the quarter	19
Disposed off during the quarter	19
Remaining unresolved at the end of the quarter	-

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 February 02, 2013.
- 2 The above results include consolidated results of the Company and its subsidiaries \ joint venture: OnMobile Singapore Pte Limited, PT OnMobile Indonesia, OnMobile Europe B.V., VoxMobili S.A., VoxMobili Inc. (liquidated), OnMobile S.A., (erstwhile Telisma S.A), Phonetize Solutions Private Limited (under liquidation) , OnMobile USA LLC, Servicios De Telefonía OnMobile SA DE CV, OnMobile Global SA , OnMobile Brasil Sistemas de Valor Agregado Para Comunicaciones Movsis Ltda, OnMobile DE Venezuela C.A, OnMobile Global for Telecommunication Services, OnMobile Senegal SARI, OnMobile Uruguay S.A., OnMobile Bangladesh Private Limited (incorporated on June 21, 2011), OnMobile Mali SARI (incorporated on April 21, 2011), OnMobile Servicios Corporativos De Telefonía S.A. DE C.V., OnMobile Kenya Telecom Limited (incorporated on November 9, 2011), OnMobile Telecom Limited (incorporated on January 31, 2012), Kabuza Marketing Private Limited (joint venture upto November 23, 2012), OnMobile Global Spain S.A, (incorporated on June 21, 2012), OnMobile Costa Rica OBCR SA. (incorporated on February 4, 2012), OnMobile Uganda Telecom Limited (incorporated on August 3, 2012), OnMobile Zambia Telecom Limited (incorporated on June 15, 2012), OnMobile Madagascar Telecom Limited (incorporated on July 25, 2012), OnMobile Rwanda Telecom Limited (incorporated on August 23, 2012), OnMobile Nigeria Telecom Limited (incorporated on August 17, 2012), OnMobile Tanzania Telecom Limited (incorporated on August 24, 2012) OnMobile Ghana Telecom Limited (incorporated on August 31, 2012), OnMobile Telecom (SL) Limited (incorporated on November 2, 2012), OnMobile Global Solutions Canada Limited (incorporated on October 12, 2012) and hence the figures of previous period/year are not comparable.
- 3 During the quarter, the Company sold its balance stake in Ver se Innovation Private Limited ("Ver Se") for a consideration of Rs. 550 lakhs. The Company also sold its investments in Kabuza Marketing Private Limited ("Kabuza"), a joint venture, for a consideration of Rs.18 lakhs. The net profit arising on sale of these investments amounting to Rs. 474 lakhs has been disclosed in other income.
- 4 In continuation of the on-going dispute pertaining to the KST, KVAT and CST, for the period 2005-08, Karnataka Appellate Tribunal (KAT) has passed an order dated Aug 30, 2011 disposing the case in favour of the Company. It has been held that the activities of the Company other than AMC & Software development are not liable for VAT / CST. The Company has received part refund (net of VAT liability), which was paid under protest for the period 2005-08. For the period 2008-10, appeals preferred by the Company in the similar matter were favourably disposed off by the Joint Commissioner of Commercial Taxes (Appeals)-4 vide order dated Nov 19, 2012.

For the period 2002-2005, appeals preferred by the Company in the similar matter are lying before the Karnataka Appellate Tribunal (KAT) and are part heard. However, based on the above said jurisdictional KAT order, no further liability is expected.
- 5 The Company had made a public announcement on September 15, 2011 for buy back of equity shares. As on June 30, 2012, all the buyback of 40,00,000 equity shares were finalised and executed.
- 6 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".
- 7 Previous period figures have been reclassified/ regrouped wherever necessary.

on behalf of Board of Directors


Chandramouli J
Managing Director

Place: Bangalore
Date: February 2, 2013

Deloitte Haskins & Sells

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AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF ONMOBILE GLOBAL LIMITED

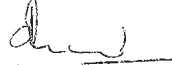
We have reviewed the accompanying statement of unaudited financial results of **ONMOBILE GLOBAL LIMITED** (the "Company") for the quarter and nine months period ended December 31, 2012 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with stock exchanges, including the manner in which to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/ encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements from the details furnished by the Management and the particulars relating to undisputed investor complaints from the details furnished by the Registrars/Management.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 008072S)



V. Srikumar
Partner
Membership No.: 84494

BANGALORE, 2 February, 2013
VS/VBA/SMG/2013

OnMobile Global Limited

Financial Results for the Quarter and Nine months ended December 31, 2012

Amount in Rs Lakhs except earnings per share and shareholding data

Part- I							
Statement of Standalone Unaudited Results:							
Sl. No	Particulars	Quarter ended			Nine months ended		Previous Year ended
		December 31, 2012 (Unaudited)	September 30, 2012 (Unaudited)	December 31, 2011 (Unaudited)	December 31, 2012 (Unaudited)	December 31, 2011 (Unaudited)	March 31, 2012 (Audited)
1	Income from Operations						
	Telecom Value Added Services	9,650	12,391	13,624	35,318	38,256	49,983
	Total Income from Operations	9,650	12,391	13,624	35,318	38,256	49,983
2	Expenses						
	(a) Cost of sales and services						
	- Content fee and royalty	1,187	1,144	2,101	4,635	5,576	7,918
	- Other sales and services	962	1,078	1,224	3,287	3,121	4,209
	(b) Employee benefits expense	3,917	4,058	3,573	12,178	9,978	13,188
	(c) Depreciation and amortisation expense	2,363	2,300	2,281	6,979	5,740	8,239
	(d) Business development expenses	21	1,774	1,707	3,637	4,275	5,042
	(e) Other Expenses	2,433	2,382	2,250	7,148	6,986	9,326
	Total Expenses	10,883	12,736	13,136	37,864	35,676	47,922
3	Profit/(loss) from operations before Other income and Finance cost (1-2)	(1,233)	(345)	488	(2,546)	2,580	2,061
4	Other Income	4,090	261	446	4,771	5,882	6,246
5	Profit/(loss) before Finance costs (3+4)	2,857	(84)	934	2,225	8,462	8,307
6	Finance costs	53	52	84	187	212	302
7	Profit/(loss) before tax (5-6)	2,804	(136)	850	2,038	8,250	8,005
8	Tax expense						
	(a) Current Tax	90	502	316	1,198	2,323	2,887
	(b) Earlier year provision	-	-	-	-	-	144
	(c) Deferred Tax	(133)	(62)	(24)	(385)	(149)	(55)
		(43)	440	292	813	2,174	2,976
9	Net profit/(loss) for the period (7-8)	2,847	(576)	558	1,225	6,076	5,029
10	Paid up equity share capital (Face value of Rs 10/- each)	11,403	11,401	11,601	11,403	11,601	11,500
11	Reserves excluding revaluation reserves						71,918
12	Earnings/(loss) per share (in Rs) (not annualised)						
	(a) Basic	2.5	(0.5)	0.5	1.1	5.5	4.3
	(b) Diluted	2.4	(0.5)	0.5	1.0	5.4	4.2

Part- II						
Select Information for the Quarter and Nine months ended December 31, 2012						
A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	- Number of shares	7,02,11,780	6,94,57,168	5,93,31,933	7,02,11,780	5,83,21,133
	- Percentage of shareholding	61.58	60.96	51.14	61.58	50.71
2	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	-	-	80,36,400	-	80,36,400
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	14.18	-	14.18
	- Percentage of shares (as a % of the total share capital of the company)	-	-	6.93	-	6.93
	b) Non-encumbered					
	- Number of shares	4,38,13,694	4,44,82,142	4,86,45,777	4,38,13,694	5,01,25,777
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	85.82	100.00	88.43
	- Percentage of shares (as a % of the total share capital of the company)	38.42	39.04	41.93	38.42	43.59

B INVESTOR COMPLAINTS

Particulars	Quarter ended December 31, 2012
Pending at the beginning of the quarter	-
Received during the quarter	19
Disposed of during the quarter	19
Remaining unresolved at the end of the quarter	-

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 February 02, 2013.
- 2 During the quarter, the Company sold its balance stake in Ver se Innovation Private Limited ("Ver Se") for a consideration of Rs. 550 lakhs. The Company also sold its investments in Kabuza Marketing Private Limited ("Kabuza"), a joint venture, for a consideration of Rs.18 lakhs. The net profit arising on sale of these investments amounting to Rs. 474 lakhs has been disclosed in other income.
- 3 As a part of the Company's periodic review of its transfer pricing policy as also the substantial growth in its international operations, the Company has decided to adopt a revised global transfer pricing policy with effect from April 1, 2012. As a result, other Income and related adjustments in taxation of the standalone results in the current quarter and nine months ended December 31, 2012 have been impacted by approximately Rs.4,122 lakhs, which includes Rs. 2,960 lakhs relating to earlier quarters of the year.
- 4 In continuation of the on-going dispute pertaining to the KST, KVAT and CST, for the period 2005-08, Karnataka Appellate Tribunal (KAT) has passed an order dated Aug 30, 2011 disposing the case in favour of the Company. It has been held that the activities of the Company other than AMC & Software development are not liable for VAT / CST. The Company has received part refund (net of VAT liability), which was paid under protest for the period 2005-08. For the period 2008-10, appeals preferred by the Company in the similar matter were favourably disposed off by the Joint Commissioner of Commercial Taxes (Appeals)-4 vide order dated Nov 19, 2012.

For the period 2002-2005, appeals preferred by the Company in the similar matter are lying before the Karnataka Appellate Tribunal (KAT) and are part heard. However, based on the above said jurisdictional KAT order, no further liability is expected.
- 5 The Company had made a public announcement on September 15, 2011 for buy back of equity shares. As on June 30, 2012, all the buyback of 40,00,000 equity shares were finalised and executed.
- 6 Previous period figures have been reclassified/ regrouped wherever necessary.

on behalf of Board of Directors


Chandramouli
Managing Director

Place: Bangalore
Date: February 2, 2013