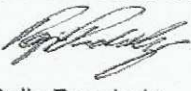
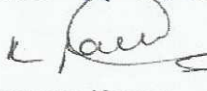
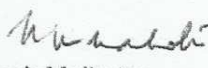
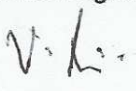



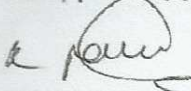
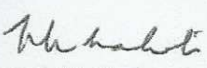

OnMobile Global Limited
Audit for the year ended March 31, 2014
FORM A (Separate financial statements)

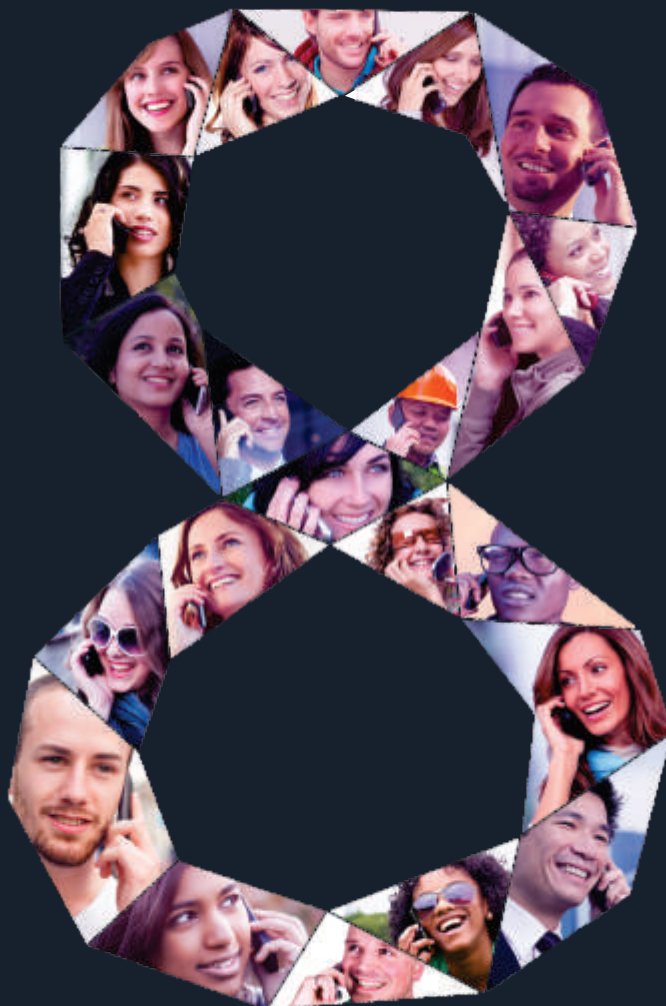
Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company:	OnMobile Global Limited
2	Annual separate financial statements for the year ended	March 31, 2014
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not applicable
5	<p>To be signed by- For OnMobile Global Limited</p>  Rajiv Pancholy Managing Director & CEO Place: <i>Montreal</i> Date: <i>16-08-2014</i>  Praveen Kumar Vice President - Finance Place: <i>Bangalore</i> Date: <i>13-08-2014</i>  Naresh Malhotra Audit Committee Chairman Place: <i>Bangalore</i> Date: <i>13-08-2014</i> <p>Refer our Audit Report dated May 29, 2014 on the separate financial statements of the Company</p> <p>For Deloitte Haskins & Sells Chartered Accountants (Firm Registration No. 008072S)</p>  V. Balaji (Partner) (Membership No. 203685) Place: <i>Bangalore</i> Date: <i>14-08-2014</i>	

OnMobile Global Limited
Audit for the year ended March 31, 2014
FORM A (Consolidated financial statements)

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company:	OnMobile Global Limited
2	Annual consolidated financial statements for the year ended	March 31, 2014
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not applicable
5	<p>To be signed by- For OnMobile Global Limited</p> <p> Rajiv Pancholy Managing Director & CEO Place: Montreal Date: 14-08-2014</p> <p> Praveen Kumar Vice President - Finance Place: Bangalore Date: 13-08-2014</p> <p> Naresh Malhotra Audit Committee Chairman Place: Bangalore Date: 13-08-2014</p> <p>Refer our Audit Report dated May 29, 2014 on the consolidated financial statements of the Company</p> <p>For Deloitte Haskins & Sells Chartered Accountants (Firm Registration No. 008072S)</p> <p> V. Balaji (Partner) (Membership No. 203685) Place: Bangalore Date: 14-08-2014</p>	



Eight seconds
infinite possibilities

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Infinite Possibilities

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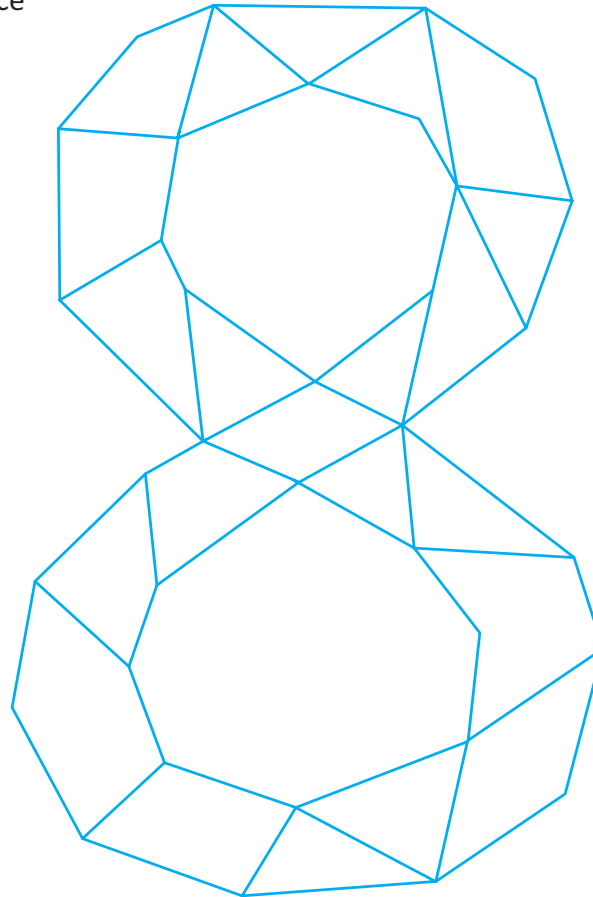
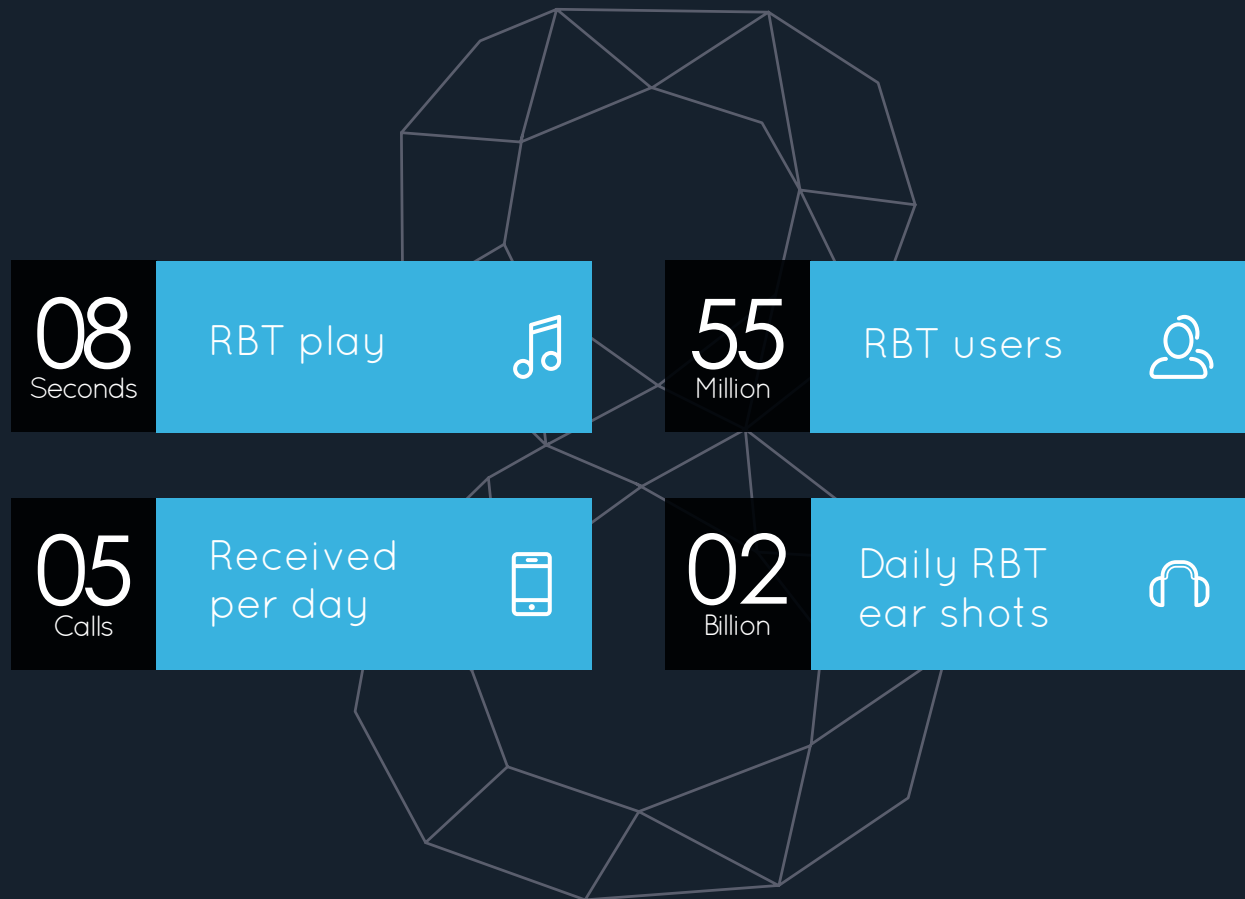


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A caller Ringback tone (RBT) is
what your callers hear, before you pick up the call.



> Express > Advertise > Communicate > Connect

Eight seconds
infinite possibilities

Chairman's Message

Dear Shareholders,

The year gone by has been a successful one for OnMobile with several significant achievements. We have also seen fundamental changes in our market segment. These changes have triggered a reassessment of our offerings and are emphasizing a need for renewal.

The mobile consumer of today is enjoying unparalleled choice of service providers, declining prices, a plethora of services that transcend geographic boundaries. Clearly the consumer of today is more discerning and demanding than ever before. But there are opportunities beseeching us as well. Having been a key player in the VAS business, we are looking at these changes as opportunities to evolve our products, change our business models, and bring a new experience to our users globally.

But first, let us recap some of the successes of last year.

We had some impressive customer wins in the year gone by, which has further strengthened our dominance as a global player. Since 2010, we have won 13 new customers for the Ringback Tone business across 21 countries. These wins will help us service 50-60 million new users. One of the major customer wins was for Ringback Tones in the Middle East & Africa region. Our innovative suite of features which include search and discovery options, storefronts, and live stream content contributed immensely towards this win. As a part of this project, we will establish operations in 14 new countries where we do not have presence today. We also went live with Ringback Tones for the largest operator in Bangladesh establishing a more dominant play in the country.

A new and improved version of our football product was launched in Africa based on a consumer insight that people follow clubs more than the game itself. The product was very successful and gathered a base of 3.2 million users. We are seeing good traction for this product in other markets as well.

In the Middle East, we tied up with an operator in Qatar, a market with one of the highest ARPU in the world. With this win, OnMobile will be powering a significant portion of the operator branded Value Added Services.

OnMobile secured deals with two large operators in Spain. With this, OnMobile now has access to 90% of mobile subscribers in Spain. OnMobile secured a partnership with a leading telecommunications operator in the Czech Republic. This win enables OnMobile to service over 6.5 million subscribers in Czech Republic and Slovakia.



OnMobile collaborated with a leading Original Equipment Manufacturer to provide a richer infotainment experience for feature phone users. This is a significant step forward in realizing our vision of providing affordable mobile services to all sections of the society.

Keeping in line with our strategy of greater focus on core products, OnMobile made an acquisition in North America and divested one of its subsidiaries in France. OnMobile acquired Livewire Mobile, a leading provider of end-to-end managed mobile entertainment solutions for network operators and consumer device manufacturers. Livewire Mobile's comprehensive product portfolio combined with OnMobile's prestigious American customers gained the company a firm foothold in North America. OnMobile also divested its French subsidiary Voxmobili S.A to Synchronoss Technologies Inc.

We have been equally active in terms of the company's governance.

Rajiv Pancholy was appointed as the CEO and Managing Director of OnMobile. He has also been nominated into the Board of Directors at OnMobile. He brings over three decades of leadership experience, particularly in transforming organizations and building growth-oriented businesses. We are convinced that with his skills and vast experience, he is just the person to lead OnMobile to new heights.

We also appointed Francois-Charles Sirois as an additional director to the Board. Mr. Sirois is currently the President and Chief Executive Officer of Telesystem, a global media and technology holding. He is also the President and Chief Executive Officer of OnMobile Systems Inc., the largest shareholder of OnMobile Global Limited. Mr. Sirois brings vast experience of having founded and grown highly successful companies in the media and technology domains.

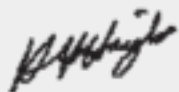
OnMobile also received several accolades over the past year.

OnMobile was honored with the 'Top VAS Company of the Year 2013' award at the Cyber Media ICT Awards 2013, graced by Honorable Mr. Narendra Modi, then Chief Minister of Gujarat, and currently the Prime Minister of India. We were also awarded the 'Top Value Added Services Company of the Year 2013' at the Amity Telecom Awards for Excellence in January 2014.

Looking at the future, I am very confident about OnMobile's long-term prospects. We are a company with global reach, with customers in five continents. Amongst other things, we satiate their appetite for music. As the explosive growth in digital media continues, OnMobile expects to play an important role in the distribution of such content, shaping how content is created, popularised and delivered. This is a huge growth opportunity with significant untapped potential.

I look forward to the coming year of renewed focus on leveraging our strengths and capitalising on every opportunity to provide greater value to all our customers and shareholders.

On behalf of OnMobile, I would like to thank each one of you and look forward to your continued support as we shape the future and strengthen our dominance in the market.



H. H. Haight
Chairman
OnMobile Global Limited

Africa

A young boy with dark skin and short hair, wearing a bright blue t-shirt, is looking up with an open mouth, expressing excitement or anticipation. Above him, a white soccer ball with black pentagonal patterns is suspended in the air. The background is a blurred outdoor setting with a red structure and a fence, suggesting a soccer field or a similar outdoor area.

“

Football is the greatest passion in Africa. Our vision is to enable and take the game to all the fans, even to those who do not have access to television. Combining Airtel's customer reach and knowledge with OnMobile's strong technology, we believe that we can take the world of football closer to the fans.

**Andre Beyers, Chief Marketing Officer,
Airtel Africa**

”

Football

Over the last few years, OnMobile has steadily grown from strength to strength in Africa. The latest in a long list of achievements is the emergence of football services, especially over the last two seasons. OnMobile has become the preferred partner for football services for most operators in Africa and Middle East.

The service when launched in August 2012 was met with lukewarm response. The team on the ground was quick to acknowledge the need for market insights and launched a pan-Africa project to understand football fans better. The learning from this was that people really do not follow football – they follow clubs. The service was then revamped keeping the connection to favourite clubs as the core value, and various service vectors were built around it, spanning both legacy and data-enabled channels of delivery.

Milestones:

Football is the most widely followed sport in the region and various SMS services have always existed both on and off the operator decks. OnMobile has managed to secure a dominant position over the last two years through concerted efforts in consumer focused product management and technology integration across various pre-existing verticals.

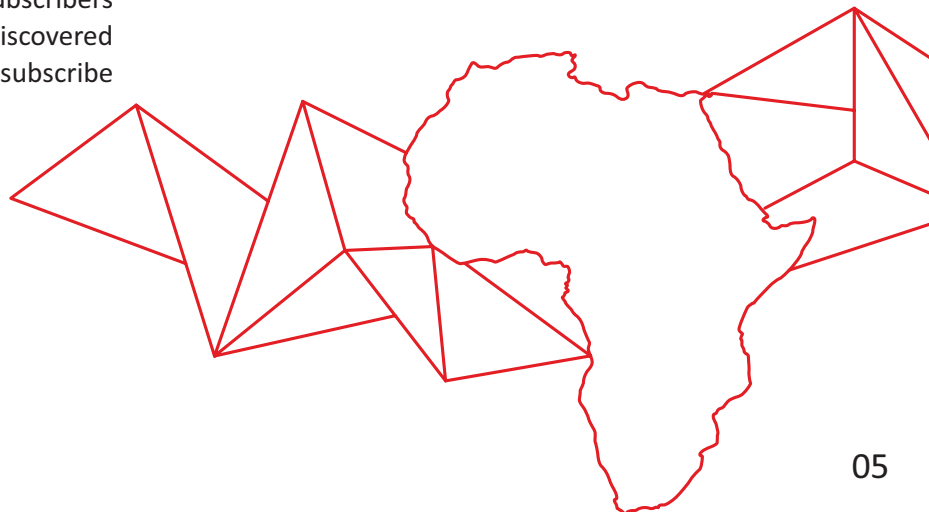
Today, OnMobile powers football for almost all the large African operators with a total reach exceeding 250 million subscribers. The existing deployments have already touched 15 million and continue to grow. Interestingly, more than half the subscribers using the product, across operators, have discovered the product themselves and chosen to subscribe through multiple pull channels.

The OnMobile Advantage:

While most of the other VAS products from competitors run almost exclusively on legacy channels, the key differentiation of the OnMobile offering has been its 360-degree approach spanning SMS, IVR, USSD, Web, Mobile Internet and Smartphone applications.

The Learning Curve:

The football success story has paved the way for adoption of a more consumer-centric approach towards product management – an outside-in approach to develop new avenues of business. This approach is being replicated wherever relevant and feasible in order to drive more successes.



A man with a beard and a white fedora-style hat is smiling broadly, showing his teeth. He is wearing a white t-shirt and is playing a large, round, light-colored drum (tambora) with his hands. The background is a warm, textured wall made of reddish-brown bricks or tiles.

Latin America

“

The best entertainment services will last, like Som de Chamada (RBT service on Vivo), which is an enormous success.

Alexandre Fernandes, Director - Product & Services, Vivo Brasil (Telefonica)

Music in Latin America reflects the very essence and soul of the region. It was invigorating to be part of a team, completely passionate and dedicated towards launching best of breed RBT services to subscribers for whom music is religion.

Jacks Sterenfeld, Vice President - LatAm, OnMobile Global Ltd.

”

OnMobile completed its fourth consecutive year of Ringback Tone (RBT) operations in Latin America for Telefonica. Several milestones including revenue generation and technical optimization were achieved and a foundation laid for future relationships. During the fourth year, our RBT revenue growth story continued unabated, with over 35% increase in operator topline revenue over the previous year. This was driven by consistent acquisition, where more than 20 million new subscribers adopted and experienced the service across the year. This helped us greatly increase our vast base of aware users and added to the popularity of the service.

Over the last year, OnMobile implemented a transformation program in Latin America to upgrade its infrastructure, improve reliability, reduce hardware footprint and operational costs. The program has already proven beneficial.

Milestones:

By the year end, the RBT service played on more than 17 million mobile phones across Telefonica LatAm, achieving an overall service penetration of nearly 15% on the addressable market. This led to a sizeable increase in RBT revenues and has now reached a level where it contributes significantly to the overall ARPU of the subscriber.

Another major milestone was the continuous increase in the music label revenue from RBT - as high as one-fifth of the label's digital revenues.

The OnMobile Advantage:

One of the key elements for the success was complete alignment of the internal team and objectives with those of the operator. The technical and business teams were fully committed towards enabling the operator achieve their goals. This helped in increasing the engagement across operator functions like marketing, customer care, BI, engineering and IT. Today RBT is the top VAS service amongst almost all countries in Latin America.

Operational positioning of global and local expertise was another advantage over competition. OnMobile

positioned a mix of expatriates and local team members to enhance business in the region. While the expatriates provided functional expertise, the local team members helped with understanding of the market and helped adapt and evolve the product suitably.

The Learning Curve:

Ecosystem approach

With major participation from music labels and other local partners, we have learnt that the future growth of the RBT service can be driven by partnering with other stakeholders in the RBT business. This will help in further increasing the reach to the consumers and add more resources for enhancing the business locally.

Consumer focus

More and more attention towards end-user value creation will further maintain the growth of our business. Consequently, our targeted approach of reaching and engaging with the consumers will help us in continuous growth of the service.



Europe



OnMobile's success story in Europe has been largely steered by its Converged Value Added Services (CVAS) offerings. CVAS is a managed service deal for all legacy and new content channels like WAP, Web, IVR, SMS, Handset Apps, etc. The content covers games, music, video and infotainment (weather, sports, news, and movies on demand).

The pilot project in this space was OnMobile's content services on Movistar Spain's (Telefonica) VAS portal, known as Emoción. OnMobile took over Emoción at a time when the service had declining trends with intimidation from new markets, Smartphone users moving to Google Play and Apple Store and the user experience gravely in need of an update. OnMobile helped the operator reclaim the service's position in the market with an invigorating management model and improved time to market.

Milestones:

Taking over content management

Today OnMobile completely handles the Telefonica service including categories like games, music, news, sports, and videos. OnMobile has been managing Emoción from January 2013 and during this period a specialized local team with extensive experience has been set up to address various aspects of the business.

Bringing down costs

OnMobile has reduced the content cost by more than 5% annually for Telefonica and helped them save more than 1 million euros annually on investments in platform and developments.

Business development

OnMobile released a solution to identify customers, bill them and deliver the content whenever the user is active on Wi-Fi networks.

Claims reduction

OnMobile has developed several activities to bring down the claims of Telefonica subscribers from 1.6% to 0.92%.

Music record subscriber

The Music Flat Rate record was broken by reaching more than 65000 users even with strong competitive presence.

Freemium games

Developments done during the first half of 2013 yielded positive impact in the fourth quarter and this now represents around 8% of all revenues generated from embedded programs. The first Telefonica device with only freemium games preinstalled was released in June 2013.

Content ingestion

There are over 1.5 million pieces of content available and 2 million in the pipeline. All the content absorbed by content partners on OnMobile's tool (Atlantis) has been made possible through an extensive partner education program. This optimizes the time and effort required from internal teams and reduces manual work.

Financial sign-up

Over 70 content partners have been inducted and an extensive programme for system onboarding, internal processes, rule definition and monthly mailing automation process was initiated.

The OnMobile Advantage:

Flexibility, deep knowledge of local preferences and expertise in the content market helped OnMobile win management of the Emoción service.

The Learning Curve:

OnMobile, along with Telefonica has identified key activities that will generate more traffic to the storefronts. The user experience during the purchase process plays a pivotal role that will help improve revenues and drive adoption. In order to increase the shelf life of the service, it is imperative to remain clear and transparent to the consumer. Defining a right and clear pricing policy and an innovative content management strategy were crucial factors that crafted our success.

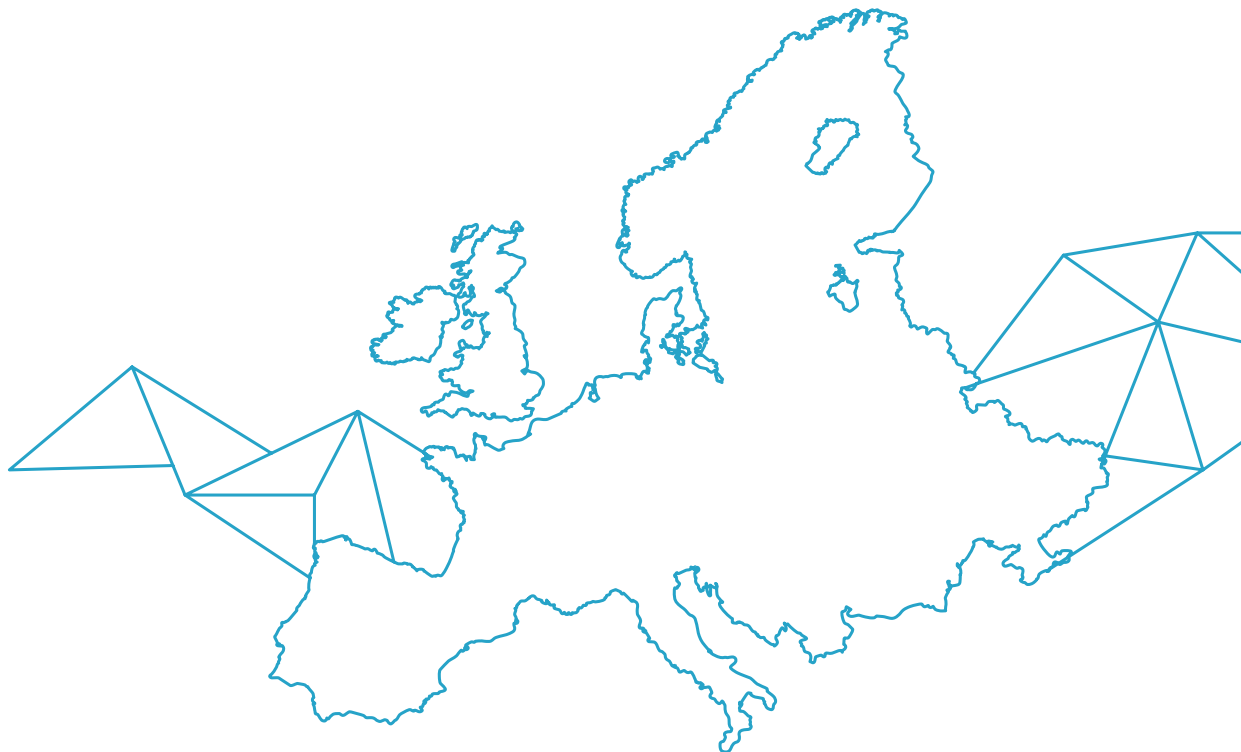
Other CVAS projects:

A new way to sell Digital Music

The ticket concert project with artist David Bisbal had great impact on fans, music industry and operators. The artist's songs climbed to a top position on account of PR activities and OnMobile's help in providing a value-added proposal that bundled music concert tickets with a voucher code that allowed users to download the latest track of the singer.

The Magic Box

OnMobile has developed functionality on the Ericsson platform to show content in real time. This had a positive impact on services like news, weather and sports. During the last match between Real Madrid and FC Barcelona, it broke new records gaining more than 1000 new subscribers in a day.





Product Lines

Music and RBT

- Ringback Tone (RBT)
- Reverse Ringback Tone (RRBT)
- Ringback Sport
- Signal
- Music Radio
- Music Search

Life Impacting Services

- Governance
- Utilities & Social Impact Projects
(Health, Agriculture & Education)

Infotainment

- Rich Alerts
- Contests & Games
- Sports
- Mobile Box Office
- Interactive Contests
- SIM Toolkit
- Cell Broadcast
- IVR/Text Alerts
- Data/WAP Portal Management

Management Team



Rajiv Pancholy
CEO & MD



Sanjay Bhambri
Chief Commercial Officer



Florent Stroppa
Senior Vice President
– Products



Christy George
Senior Vice President
– Technology



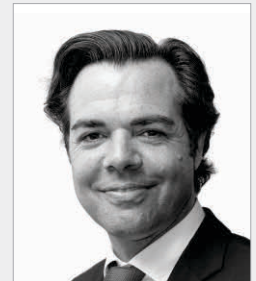
Rajesh Pandey
Vice President
– Human Resources



Bikram Sherawat
Vice President – Asia & India



Biswajit Nandi
Vice President
– Africa & Middle East



Ignacio Martin Velasco
Vice President – Europe



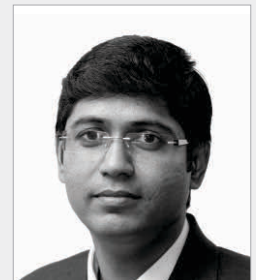
Jacks Sterenfeld
Vice President - Latin America



Sandeep Shrivastava
Vice President - Products



Madhusudan Narayanan
Vice President - Marketing



Praveen Kumar K J
Vice President - Finance

Corporate Information and Board of Directors*

Board of Directors

H H Haight IV	Non-Executive Director & Chairman
Francois Charles Sirois	Non-Executive Director
Rajiv Pancholy	Managing Director and CEO
Naresh Malhotra	Independent Director
Harit Nagpal	Independent Director
Rajiv Khaitan	Independent Director
Barry B. White	Independent Director
Nancy Cruickshank	Independent Director
Bruno Ducharme	Independent Director

Board Committees

Audit Committee

Naresh Malhotra	Chairman
Harit Nagpal	Member
Rajiv Khaitan	Member

Nomination and Compensation Committee

Harit Nagpal	Chairman
Naresh Malhotra	Member
Rajiv Khaitan	Member
H H Haight IV	Member
Barry B White	Member

Stakeholders Relationship Committee

Naresh Malhotra	Chairman
Harit Nagpal	Member

Company Secretary

P V Varaprasad

Statutory Auditors

Deloitte Haskins & Sells

Internal Auditors

Ernst & Young LLP

Bankers

Kotak Mahindra Bank Limited
 DBS Bank Limited
 Hong Kong and Shanghai Banking Corporation
 Citibank N A
 ICICI Bank Limited
 State Bank of India
 IDBI Bank Limited
 Punjab National Bank
 Canara Bank
 Axis Bank Limited
 HDFC Bank Limited
 Banco Santander, S.A. Spain
 BBVA Banco Continental, Peru
 Bank of Cyprus, Cyprus
 Banco de Chile, Chile
 Banca Popolare Di Milano, Italy
 Eco Bank
 BAC Bank (BANCO DE AMERICA CENTRAL)
 Banco Promerica, S.A, Guatemala

Registered Office

E City, Tower 1, #94/1C & 94/2, Veerasandra Village, Attibele
 Hobli, Anekal Taluk, Electronic City, Phase 1, Bangalore 560 100,
 Karnataka, India
 T +91 80 4009 6000; F + 91 80 4009 6009
 www.onmobile.com;
 Email Id - investors@onmobile.com
 CIN: L64202KA2000PLC027860

Registrar and Share Transfer Agent

Karvy Computershare Private Limited
 17-24 Vithal Rao Nagar, Madhapur
 Hyderabad 500 081, India
 Tel: (91) 40 44655000
 Fax: (91) 40 2342 0814

* The constitution of the Board and the Committees is as on July 31, 2014.

Subsidiaries and Branches of the Company

I. List of Subsidiaries of the Company

OnMobile Global Limited has the following Subsidiary Companies as on March 31, 2014:

Sl No.	Name of the Subsidiary Company	Country
1	OnMobile Singapore Pte. Ltd	Singapore
2	PT. OnMobile Indonesia	Indonesia
3	Voxmobili S A	France
4	OnMobile SA	France
5	OnMobile Europe B V	Netherlands
6	OnMobile USA LLC	USA
7	Servicios De Telefonía OnMobile SA De C V	Mexico
8	OnMobile Servicios Corporativos De Telefonía S.A. DE C.V.	Mexico
9	OnMobile Global S A	Argentina
10	OnMobile De Venezuela C A	Venezuela
11	OnMobile BrasilSistemas De Valor Agregado Para Comunicacoes Moveis Ltda	Brasil
12	OnMobile Global for Telecommunications Services	Egypt
13	OnMobile Uruguay S A	Uruguay
14	OnMobile Senegal SARL	Senegal
15	OnMobile Mali SARL	Mali
16	OnMobile Bangladesh Private Limited	Bangladesh
17	OnMobile Kenya Telecom Limited	Kenya
18	OnMobile Telecom Limited	Malawi
19	OnMobile Costa Rica OBCR, S.A.	Costa Rica
20	OnMobile Global Spain, S.L.U.,	Spain
21	OnMobile Tanzania Telecom Limited	Tanzania
22	OnMobile Zambia Telecom	Zambia
23	OnMobile Uganda Limited	Uganda
24	OnMobile Madagascar Telecom Limited	Madagascar
25	OnMobile Telecom Rwanda Limited	Rwanda
26	OnMobile Telecom Nigeria Limited	Nigeria
27	OnMobile Ghana Telecom Limited	Ghana
28	OnMobile Global Solutions Canada Limited.	Canada
29	OnMobile Telecom (SL) Limited	Sierra Leone
30	OnMobile Global Italy S.R.L.	Italy
31	OnMobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	Turkey
32	OnMobile Portugal SGPS	Portugal
33	Onmobile Telecom Burkina Faso, S.A.R.L.	Burkina Faso
34	OnMobile Live Inc.	USA
35	OnMobile Global Czech Republic s.r.o.	Czech Republic
36	FoneStarz Media Group Limited	UK
37	2DayUK Limited	UK
38	FoneStarz Limited	UK
39	FoneStarz Media Limited	UK
40	FoneStarz Media (Licensing) Limited	UK
41	Daius Limited	UK
42	FoneStarz Media (Australia) PTY Limited	Australia
43	Onmobile Global Limited Colombia S.A.S.	Colombia
44	OnMobile Global South Africa (PTY) Limited	South Africa

II. List of Branches/Representative offices of the Company

Along with the above said subsidiary companies, OnMobile Global Limited has the following Branches/ Representative offices as on March 31, 2014:

Sl No.	Branch/Representative office Locations
1	Mumbai, India
2	Gurgaon, India
3	Dhaka, Bangladesh
4	Kualampur, Malaysia
5	London, UK
6	Sydney, Australia
7	Pretoria, South Africa
8	Dubai, UAE
9	Colombo, Sri Lanka
10	Bucarest, Romania
11	Madrid, Spain
12	Nicosia, Cyprus
13	Guatemala City, Guatemala
14	Kathmandu, Nepal

Sl. No	Branch/Representative office Locations
15	Milan, Italy
16	Dar essalam, Tanzania
17	Bogota, Colombia
18	Santiago , Chile
19	Panama City, Panama
20	Guyaquil, Ecuador
21	Managua, Nicaragua
22	San Salvador, EL Salvador
23	Lima, Peru
24	Bangalore (SEZ), India
25	Noida (SEZ), India
26	Niamey, Niger
27	Democratic Republic of Congo
28	Doha, Qatar

Contact Information

ASIA-PACIFIC

BANGLADESH

OnMobile Bangladesh Private Limited
Baliaaree (4th floor), Plot # 30, Road # 130,
South Avenue, Gulshan-1, Dhaka-1212, Bangladesh

SRI LANKA

OnMobile Global Limited, Sri Lanka
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AUSTRALIA

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T +61 296571342

MALAYSIA

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+62 2152897330, F +62 2152897375

SINGAPORE

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78 Shenton Way #26-02, Singapore 079120
Tel: +65 6223 4355 Fax: +65 6223 7955

MIDDLE EAST AND AFRICA

DUBAI

OnMobile Global Limited, Dubai
#1803, Al Shatha Tower, Dubai Media city, Dubai.

EGYPT

OnMobile Global For Telecommunication Services
Regus Cairo Nile City Towers, 22nd Floor, North Tower, Nile City
Towers, Cornich, El Nil RamietBoulak, Cairo, Egypt.P.O. 11624.

MALAWI

OnMobile Telecom Limited
C/o BDO Tax & Advisory Services Pvt Ltd, 6th Floor, Unit House,
12 Victoria Avenue. P.O Box 3038 Blantyre. Malawi

MALI

OnMobile Mali SARL
BadalabougouEst–Rue 25 – Porte 271 BP 3013
Bamako – MALI

ZAMBIA

OnMobile Zambia Telecom Limited
3rd Floor, 74 Independence Avenue, Longacres, Lusaka, Zambia,
P.O Box 31198, Lusaka

UGANDA

OnMobile Uganda Limited
3rd Floor, Diamond Trust Building, Plot 17/19 Kampala Road,
P.O.Box 7166, Kampala

RWANDA

OnMobile Telecom Rwanda Limited
C/o, PKF Rwanda Ltd
Plot 9901, Off Nyarutarama Road, P.O Box 341, Kigali, Rwanda

GHANA

OnMobile Ghana Telecom Limited
N.11 Adaman Loop, Abeka Junction, Tesano, Accra, P.O. Box AN
19113, Accra-North.

BURKINA FASO

OnMobile Telecom Burkina Faso, S.A.R.L.
Secteur 15 Section 475 Lot 21 Parcelle 14 Ouagadougou
Tel: +226 503 744 48/+226 702 711 40

SOUTH AFRICA

OnMobile Global South Africa (PTY) Limited
Central Office Park No.3, 257 Jean Avenue, Centurion, Gauteng – 0157.

MALAYSIA

OnMobile Global Limited, Malaysia
802, 8th Floor, Block C, Kelana Square, 17, Jalan SS7/26
47301 Petaling Jaya, Selangor DarulEhsan.

INDONESIA

PT OnMobile Indonesia
Mayapada Tower, 9th Floor, Suit 01B, J1.Jend.
SudirmanKav 28, Jakarta 12920, Indonesia.
+62 2152897330, F +62 2152897375

SINGAPORE

OnMobile Singapore Pte. Ltd.
78 Shenton Way #26-02, Singapore 079120
Tel: +65 6223 4355 Fax: +65 6223 7955

TANZANIA

OnMobile Tanzania Telecom Limited
10th Floor, PPF Tower, Corner of Ohio Street/Garden Avenue, P O
Box 1559, Dar Es Salaam, Tanzania

SENEGAL

OnMobile Senegal SARL
3, Place de l'indépendance BP. 6454 Dakar Senegal

SOUTH AFRICA

OnMobile Global Limited, South Africa
Central Office Park No. 3, 257 Jean Avenue, Centurion 0157,
South Africa.
P.O. Box 7750, Centurion -0046.

KENYA

OnMobile Telecom Kenya Limited
Plot No. 209/19567, 6th Floor, Suite 6B, TRV Office Plaza
Muthithi Road, Westlands P.O.Box-4181-00200, Nairobi, Kenya.

MADAGASCAR

OnMobile Madagascar Telecom Limited
Escalier D 1 eretage, Immeuble FIARO, Ampefiloha ,
Antananarivo , Madagascar

NIGERIA

OnMobile Telecom Nigeria Limited
Addol House, 15 IPM Avenue, Central Business District, Alausa
Ikeja Lagos, Nigeria

SIERRA LEONE

OnMobile Telecom (SL) Limited
#12, Wilberforce Street, Regent House, Freetown.

NIGER

OnMobile Global Limited S.A.
BVD Mali Béro, rue YN 125 BP 11160 Niamey Niger

DEMOCRATIC REPUBLIC OF CONGO

19B, Avenue Maniema, Commune ET Ville De Lubumbashi,
Province Du Katanga En Republique Democratique Du Congo.

QATAR

OnMobile Global Limited
P. O. Box 164

EUROPE

NETHERLANDS

OnMobile Europe BV
PrinsBernhardplein 200, 1097JB, Amsterdam
(Mailing: Postbus990, 1000AZ, Amsterdam)

ROMANIA

OnMobile Global Limited – India SucursalaBucuresti
Bucharest, Sector 2, 34 Aurel Vlaicu Street, Ground Floor, 2nd
District, Romania

PORTUGAL

OnMobile Portugal SGPS
APML& - António M. G. Pereira, Miguel Lourenço, Sociedade
de Advogados RL, RuaJúlioDinis, 891 - 4º. Esq., 4050-327
Porto| Portugal.

UNITED KINGDOM

OnMobile Global Limited, United Kingdom
1, Furzground way, Stockley Park East, Uxbridge, Middlesex, UB11 1BD.

CZECH REPUBLIC

OnMobile Global Czech Republic S.R.O
Jugoslávská 620/29, Vinohrady, Postal Code 120 00, Prague 2

UNITED KINGDOM

2DayUK Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

UNITED KINGDOM

FoneStarz Media Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

UNITED KINGDOM

Daius Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

FRANCE

OnMobile S.A
36, rue Brunel 75017 Paris -428 720 643, France
T + 33 140262334, F +33 140269288

ITALY

OnMobile Global Italy S.R.L.
Milano (MI) Via CasatiFelice 20 Cap 20124

TURKEY

OnMobile Turkey TelekomunikasyonSistemleri Limited Şirketi
VekoGiz Plaza Meydan Sk. N. 3/45 K.14 Oda.1407 MaslakSarıyer

CYPRUS

OnMobile Global Limited, Cyprus
Lampousas, 1, P.C. 1095, Nicosia, Cyprus

SPAIN

OnMobile Global Spain, S.L.U.,
Plaza Pablo Ruiz Picasso 1 Planta 38, Torre Picasso, 28020 Madrid

SPAIN

OnMobile Latam Holding, S.L.
Avenida de Europa Numero 24, EdificioTorona, Planta 1, Modulo
A, Letra C, del ParqueEmpresarial La Moraleja, codigo postal
28108 de Alcobendas, Madrid (Espana)

UNITED KINGDOM

FoneStarz Media Group Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

UNITED KINGDOM

FoneStarz Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

UNITED KINGDOM

FoneStarz Media (Licensing) Limited
505 Pinner Road, Harrow, Middlesex, HA2 6EH

NORTH AMERICA

FLORIDA

OnMobile USA LLC
55, Merrick Way, Suite 220, Coral Gables, FL 33134, Office # 786-309-2890

BOSTON

One Monarch Drive
Suite 203, Littleton, MA 01460

MASSACHUSETTS

401 Edgewater Place
Wakefield, MA 01880

MEXICO

OnMobile Servicios Corporativos De Telefonía S.A. DE C.V.
Av. Santa Fe Torre A Piso 8, Col. Zedec Santa Fe C.P. 01210, Mexico D.F.
Tel. – 001 305 716 4139

CALIFORNIA

5401, Old Redwood Highway,Suit 100, Petaluma, California,
94954, USA

WASHINGTON

Evergreen Office Park
11000 NE 33rd Place, Suite 300, Bellevue, WA 98004, 425-633-8429

CANADA

OnMobile Global Solutions Canada Limited.
4480 Cote de liesse, Suite 390, Ville Mont-Royal, Quebec, Canada, H4N 2R1
OnMobile Live Inc.
401 Edgewater Place, Suite 120, Wakefield, Massachusetts 01880

CENTRAL AMERICA

COSTA RICA

OnMobile Costa Rica OBCR, S.A.
Barrio Escalante, Calle 31, Avenida 13, #2575
7813-1000 San José, Costa Rica

NICARAGUA

OnMobile Global Limited SucursalNicargua
Kilómetro 4 1/2 carretera Masaya, Edificio
BAC, QuintoPiso, Managua, Nicaragua, C.A.

EL SALVADOR

OnMobile Global Limited SucursalEl Salvador
Calle la mascota, Col San Benito, Casa 533, San Salvador.

GUATEMALA

Servicios De Telefonía OnMobile , SociedadAnonima De Capital Variable
14, Calle 3-51, Zona 10 EdifMurano Center Nivel 8 of 803, Guatemala

PANAMA

OnMobile , Panama
Global Bank Piso 23, Calle 50, Ciudad de Panamá, Panamá
Tel (507) 263- 9355

LATIN AMERICA

VENEZUELA

OnMobile De Venezuela, C.A
TerceraAvenida, entre 6ta y 7ma Transversal de los Palos
Grandes, Quinta Clydes. Caracas, Venezuela

CHILE

OnMobile Global Limited – Agencia En Chile
Av. Providencia No. 329, P.6, Santiago,Chile– 13

ECUADOR

OnMobile Global Limited, Ecuador
Junin 114 y Malecon Simon Bolivar Edif. Torres del Rio, piso 6 ofc.
8 Guayaquil – Ecuador

COLOMBIA

OnMobile Global Limited Colombia S.A.S.
San Jose, Santa Ana Pozos, Centro Empresarial Forum Uno Torre
G Segundo Piso.

BRASIL

OnMobile BrasilSistemas De Valor Agregado Para
ComunicaçõesMóveis Ltda.
RuaBarão do Triunfo, No. 88, cj.915 BrooklinPaulista, Zip Code
04602-000, City of São Paulo, State of São Paulo, Brazil

ARGENTINA

OnMobile Global S.A.
Av. Pte. Roque Saenz Pena 788. Piso 9°. C1035AAP.
Ciudad AutOnoma de Buenos Aires, Argentina.
Tel. +54 11 4394 8091
Fax +54 11 4394 0123

URUGUAY

OnMobile Uruguay Sa
Bulevar Artigas 1100
11300 - Montevideo – Uruguay

PERU

OnMobile Global Limited SucursalPeruana
Calle Donatello Nr. 206, San Borja, Lima 41, Peru

CEO and CFO Certification

We, Chandramouli Janakiraman, Chief Executive Officer and Managing Director and Praveen Kumar, Vice President - Finance of OnMobile Global Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet and profit and loss account (consolidated and standalone), and all its schedules and notes on accounts, as well as the cash flow statements, and the directors report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on the information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct;
5. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
6. We have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in the internal control over financial reporting during the year;
 - (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee have a significant role in the Company's internal control system over financial reporting.
7. In the event of any materially significant misstatements or omissions, we will return to the Company that part of any bonus or incentive or equity based compensation, which was inflated on account of such errors, as decided by the audit committee;
8. We affirm that we have not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices; and
9. We further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Chandramouli Janakiraman
CEO

Praveen Kumar
Vice President - Finance

Date: May 29, 2014

Place: Bangalore

Report on Corporate Governance

CORPORATE GOVERNANCE

The Company's Philosophy on Corporate Governance is as under:

- Ensure that the Board exercises its fiduciary responsibilities towards shareholders, thereby ensuring high accountability;
- Ensure that the decision making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committee thereof;
- Ensure that the Board, the senior management team, the compliance officer, the employees and all concerned are fully committed to maximizing long-term value to the share owners and the Company;
- Ensure that the financial and management information, which management shares with the Board, as well as the current and potential investors is timely and accurate;
- Ensure that the core values of the Company are protected;
- Ensure that the Company strives to achieve world class operating practices.

BOARD OF DIRECTORS

The OnMobile Board consists of Executive and Non-Executive directors. The Non-Executive directors consist of eminent professionals from business and finance. The Company does not have any nominee director. As per the articles of association of the Company, the Board can have a maximum of 12 members. As on March 31, 2014, the Board has 7 Directors, of which the chairman of the Board is a Non- Executive director.

Details of Board meetings held during the year

Sl. No.	Date of Board Meeting	Board Strength	Directors present
1.	May 15, 2013	5	5
2.	June 29, 2013	5	4
3.	July 31, 2013	5	5
4.	September 26, 2013	5	3
5.	October 29, 2013	7	7
6.	January 28, 2014	7	6
7.	March 26, 2014	7	3

MEETINGS OF THE BOARD

Strategic planning and policy formulations are looked after by the Board. The senior management personnel heading respective business units are responsible for all day-to-day operations, productivity and profitability of their units. The Board meets at least four times in a year with the intervening period between two Board meetings of not more than four months. The annual calendar of meetings is tentatively determined at the beginning of each year. Most Board meetings are well attended as shown below. During the year ended March 31, 2014, the Board met seven times on May 15, 2013, June 29, 2013, July 31, 2013, September 26, 2013, October 29, 2013, January 28, 2014; March 26, 2014. A structured agenda governs the meetings. Members of the Board, in consultation with the Chairman may bring up any matter for consideration of the Board. All items of major importance in the agenda are backed by comprehensive documentation and background information to enable the Board to take an informed decision. Agenda papers are circulated well in advance of the Board meeting. All information and matters as required under Annexure to Clause 49 of the listing agreement are regularly placed before the Board and reviewed.

DETAILS OF DIRECTORS AND THEIR ATTENDANCE

Name of Director	Position	Category	Attendance in Board Meetings		Attendance in last AGM	Other Board			
			Held	Attended##		Directorships Indian listed Companies+	Directorships all around world++	Committee Chairmanships#	Committee Memberships# (including Chairmanships)
Chandramouli Janakiraman ¹	Managing Director & CEO	Executive Director – Promoter	7	7	Yes	Nil	4	Nil	1
H H Haight	Non - Executive Chairman, Director	Non-Executive Director	7	7	Yes	Nil	19	Nil	Nil
Naresh Malhotra	Director	Independent	7	7	Yes	1	15	3	3
Harit Nagpal	Director	Independent	7	3	Yes	1	6	Nil	3
Rajiv Khaitan	Director	Independent	7	5	Yes	1	5	1	3
Rentala Chandrashekhar ²	Director	Independent	7	2	NA	Nil	4	Nil	Nil
Barry B White ³	Director	Independent	7	2	NA	Nil	4	Nil	Nil

+Excluding directorships in OnMobile Global Limited and its subsidiaries

++ Directorships in all companies around the world (listed and unlisted) including OnMobile Global Limited and its subsidiaries

Including memberships/chairmanships of audit committees and investor grievance committees in public companies (listed and unlisted) including OnMobile Global Limited.

¹Chandramouli Janakiraman resigned as MD and CEO vide his resignation letter dated May 7, 2014, and he would continue as MD and CEO till new CEO and MD joins.

²Rentala Chandrashekhar was appointed as an additional director effective October 8, 2013 and resigned as director effective April 29, 2014

³Barry B. White was appointed as a director effective October 29, 2013

excluding the participation through video/audio conferencing.

NA - Not applicable

The details of the Board of Directors are as below:

[Chandramouli Janakiraman](#) graduated with a Bachelor of Technology degree from the National Institute of Technology, Allahabad. He has over 20 years of experience in the software industry. He has previously served as Associate Vice President and Head of the Internet Products Group in Infosys Technologies Limited. In 2000, he left Infosys and co-founded OnMobile Systems Inc. He was appointed as a director by the shareholders at the AGM held on May 12, 2003. The Board of Directors at their meeting held on July 9, 2012 approved his appointment as Managing Director and the shareholders approved the same in the Annual General Meeting held on August 29, 2012. Chandramouli Janakiraman resigned as Managing Director and CEO vide his letter dated May 7, 2014, and he would continue as MD and CEO until the new CEO and MD joins. However, approval of the shareholders is being sought at the ensuing Annual General Meeting for revision of his remuneration effective August 1, 2013. As on March 31, 2014, Chandramouli Janakiraman is on the Board of the following other companies:

1. OnMobile Global for Telecommunication Services
2. OnMobile Costa Rica OBCR SA – as President
3. OnMobile Live Inc.

[H H Haight IV](#) graduated with a Bachelor of Science degree from the University of California, Berkeley and a Master of Business Administration degree from Harvard Business School. He has over 20 years of experience in the leadership and growth of various enterprise companies. He has previously served as Managing Director in Advent International Corp. He currently serves as Chief Executive Officer of Argo Global Capital, LLC and OnMobile Systems Inc. H H Haight was appointed as non-executive Chairman of the Board on December 07, 2011. Haight retires by rotation and being eligible offer himself for re-appointment at the forthcoming Annual General Meeting to be held on September 10, 2014. As on March 31, 2014, H H Haight IV is on the Board of the following other companies:

1. Argo Global Capital LLC
2. Agro Global Capital Inc.
3. Argo Holdings, LP
4. BPHC
5. Telecom Investment Inc
6. ArgnorWirelss Venture AB
7. OnMobile Systems Inc
8. Nostix
9. uReach
10. Vox Mobili
11. OnMobile SA
12. OnMobile USA LLC
13. Argo Holdings N.V
14. Argnor Holdings Limited
15. Argo GP Inc.
16. OnMobile Live Inc.

17. OnMobile Global Spain, S.L.

18. P.A.V Media.

[Naresh Malhotra](#) graduated with a Bachelor of Commerce degree from St. Xavier's College, Calcutta University. He qualified as a Chartered Accountant in 1970. He has over 40 years of experience in India and overseas in various companies including Imperial Chemical Industries, Unilever, Colgate Palmolive, Bukhatir Investments, the UB Group, KPMG and Amalgamated Bean Coffee Trading Company. He has previously served as founding partner and Managing Director of corporate finance in KPMG in India. Naresh was re-appointed at the Annual General Meeting of the shareholders held on July 30, 2013. Approval of the shareholders is being sought at the ensuing Annual General Meeting for appointment of Naresh Malhotra as an Independent Director as per the provisions of the Companies Act, 2013. As on March 31, 2014, Naresh Malhotra is on the Board of the following other companies:

1. AB Holding Private Limited
2. Balan Natural Food Private Limited
3. NM Properties and Consultancy Private Limited
4. Tarang Software Technologies Private Limited
5. Printo Document Services Private Limited
6. Deriv IT Solutions Private Limited
7. Deriv IT Solutions PTE Limited
8. Blue Star Infotech Limited
9. Modern Family Doctor Private Limited
10. B Natural Beverages & Snacks Private Limited
11. OnMobile USA LLC
12. OnMobile Bangladesh Private Limited
13. Royal Orchid Associated Hotels Private Limited
14. Orb Energy Private Limited

[Harit Nagpal](#) is the Managing Director & CEO of Tata Sky Ltd., a joint venture of the Tata Group, Newscorp and Temasek. Before joining Tata Sky he was the Group Marketing Director of Vodafone PLC based at Vodafone's global headquarters in London. Harit followed his graduation in Chemical Engineering with an MBA from FMS at Delhi. In addition to the 9 years with Vodafone, in India and the U.K., during his 29 years of professional career, he has previously worked with Shoppers Stop, Pepsi, Marico and Lakme in various leadership positions in fields like Sales, Exports, Operations & Marketing. Harit was appointed as a Director at the Annual General Meeting of the shareholders held on August 29, 2012. Approval of the shareholders is being sought at the ensuing Annual General Meeting for appointment of Harit Nagpal as an Independent Director as per the provisions of the Companies Act, 2013. As on March 31, 2014, Harit Nagpal is on the Board of the following other companies:

1. Tata Sky Limited
2. Savita Oil Technologies Limited
3. Vox Mobili

4. OnMobile SA

5. OnMobile Global for Telecommunication Services

Rajiv Khaitan is the Senior Partner of Khaitan & Co. Rajiv has over 25 years of experience in general legal practice with focus on business laws and currently leads the corporate and commercial laws practice at Bangalore. He advises on all aspects of Business including, business laws and regulations, corporate governance and finance, structuring, taxation, negotiation of commercial contracts, securities laws and takeover and listing regulations, mergers and acquisitions both in India and overseas, foreign exchange regulations, foreign investment regulations, investment and transaction structuring, business combinations, strategic alliances competition laws, trade laws, foreign collaborations, India entry strategies, private equity investments, promoter, investment and shareholder agreements, intellectual property laws, protection and licensing, technology licensing and transfer, retailing, franchising, consumer protection laws, packaging laws, labor laws, real estate and dispute resolution. Rajiv holds a Bachelor of Commerce degree and an LLB from the Calcutta University. Rajiv was appointed as a Director at the Annual General Meeting of the shareholders held on August 29, 2012. Approval of the shareholders is being sought at the ensuing Annual General Meeting for appointment of Rajiv Khaitan as an Independent Director as per the provisions of the Companies Act, 2013. As on March 31, 2014, Rajiv Khaitan is on the Board of the following other companies:

1. Himatsingka Seide Limited
2. Khaitan Consultants Limited
3. EFD Induction Private Limited
4. ABC Consolidated Private Limited

Rentala Chandrashekhara, member of the Indian Administrative Service, is an eminent bureaucrat, who joined India's premier civil service in 1975 and has held a wide variety of assignments, many of them specific to the Information Technology and Telecommunication sector, both at the Central and State Government levels, in his illustrious career. Before he retired from Government service in March 2013, Rentala Chandrashekhara was the Chairman, Telecom Commission and Secretary, Department of Telecommunication, in the Ministry of Communications & Information Technology, Government of India, responsible for all aspects of policy formulation for the telecom sector in the country as well as several aspects of regulation. He was also responsible for driving several key policies and strategies covering licensing, spectrum management, National Broadband Plan, Convergence, Manufacturing, Investment, security, R&D and the National Telecom Policy 2012. Recently, Rentala Chandrashekhara was selected as the Head of NASSCOM and is expected to assume this responsibility in January 2014. He was conferred the Prime Minister's Award for Excellence in Public Administration for the year 2007-08 and has also been the recipient of several prestigious awards including the Data Quest Path Breaker of the Year Award in 2005 and Distinguished Alumnus award of IIT-Mumbai in 2010. Rentala Chandrashekhara was appointed as a director effective October 8, 2013 and resigned as director effective April 29, 2014.

As on March 31, 2014, Rentala Chandrashekhara is on the Board of the following other companies:

1. TVS Capital Fund Limited
2. Data Security Council of India (DSCI)
3. National Institute for Smart Government – NISG

Barry B White is an eminently successful senior lawyer and thought leader who worked very closely with President Barack Obama during his Presidential campaign in 2008. He was appointed as the US Ambassador to the Kingdom of Norway/ Chief of Mission of the Embassy in Oslo in October 2009. Until September 2013, the Ambassador functioned as the CEO of the Embassy leading a staff of 200 employees from several different agencies of the US Government. Prior to his service as Ambassador, he was partner for more than 35 years at Foley Hoag LLP, a major law firm in Boston, where he also served as the Chairman and Managing Partner for over 13 years. Ambassador (Ret.) Barry White served on multiple Boards of companies - he was the Secretary, General Counsel and on the Executive Committee of the Greater Boston Chamber of Commerce and of the Initiative for a Competitive Inner City, a director of the Massachusetts Alliance for International Business and the Boston Municipal Research Bureau. He also served as board member and Chair of Lex Mundi, the world's largest association of independent law firms, with members in more than 150 US states and countries around the world. Ambassador White served on the national finance committees for, and as chair or co-chair of New England Lawyers for Bill Clinton, John Kerry and Barack Obama. He is a graduate of Harvard College, magna cum laude, and Harvard Law School, magna cum laude, where he was an editor of the Harvard Law Review. Approval of the shareholders is being sought at the ensuing Annual General Meeting for appointment of Barry B White as an Independent Director as per the provisions of the Companies Act, 2013. Barry B White was appointed as a director effective October 29, 2013. As on March 31, 2014, Barry B White is on the Board of the following other companies:

1. Global LNG Holding Ltd.
2. Massachusetts Association for Mental Health
3. EPP Holding Company, LLC.

INFORMATION PLACED BEFORE THE BOARD

Apart from the items required to be placed before the Board for its approval, some of the following are also placed for review / information:

- Annual Operating Plans and Budgets (including Capital Budgets);
- Quarterly performance, including business and financial update;
- Minutes of the Audit and Compensation Committees;
- The information and recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Any material default in financial obligations to and by the Company, or substantial non- payment for goods sold by the Company;

- Demand, prosecution, show cause notices and penalty notices which are materially important;
- Any issue which involves possible product or public liability claims against the Company or its Directors/ officers;
- Status of business risk exposure, its management and related action plans;
- Proposals pertaining to joint venture and investment/ acquisition decisions including payments towards intellectual property or goodwill;
- Non-compliance of any regulatory, statutory or listing requirements;
- All proposals requiring Strategic decisions;
- Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

COMMITTEES OF THE BOARD

For the year ended March 31, 2014 the Board had four Committees - the Audit Committee, the Compensation Committee (now renamed as Nomination and Compensation Committee), the Share Transfers and Investor Grievance Committee (now renamed as Stakeholders Relationship Committee). The Board has also constituted a Committee of Independent Directors of the Board with reference to the Voluntary Open Offer given by OnMobile Systems Inc. to the shareholders of OnMobile Global Limited vide Detailed Public Statement dated February 11, 2014, since the open offer process is closed, the objective of constituting this Committee of Independent Directors is completed. The terms of reference of the Board Committees are decided by the Board from time to time. Meeting of each Board Committee is convened by the respective Committee Chairman. The role and composition of these committees, including the number of meetings held during the financial year and the related attendance are as follows:

1. Audit Committee

This committee consists of three (3) directors of whom two thirds including the chairman are independent directors. The Committee consists of Naresh Malhotra (Chairman), Harit Nagpal and Rajiv Khaitan. The Chairman of the committee is Naresh Malhotra an

independent director. Naresh Malhotra was appointed as the Chairman of the audit committee on January 27, 2012. Naresh Malhotra graduated with a Bachelor of Commerce degree from St. Xavier's College, Calcutta University. He qualified as a Chartered Accountant in 1970. He has over 40 years of experience in India and overseas in various companies including Imperial Chemical Industries, Unilever, Colgate Palmolive, Bukhatir Investments, the UB Group, KPMG and Amalgamated Bean Coffee Trading Company. He has previously served as founding partner and managing director of corporate finance in KPMG in India. The Company Secretary acts as secretary to the committee.

The terms of reference of the Audit Committee include the following:

1. Reviewing quarterly, half yearly and annual financial statements before submission of the same to the Board of Directors;
2. Approving internal audit plans and reviewing efficacy of the function periodically;
3. Discussions with statutory auditors about the internal control systems, scope of their audit including the observations of the auditors;
4. Obtain from the statutory auditors periodic formal written statements delineating all the relations between the auditor and the Company consistent with applicable regulatory requirement and presenting statements to the Board of Directors;
5. Discussion and review of periodic audit reports;
6. Investigating any activity that may be referred by the Board from time to time;
7. Ensure that statutory compliances are met with adequately with the help of external legal or professional advice if any required;
8. To meet periodically as it may deem fit to meet its objectives and shall have at least four such meetings in a financial year on a quarterly basis;
9. Report periodically to the Board on significant results of the foregoing activities; and
10. Seek information from employees to discharge the above mentioned responsibilities.

Details of Audit Committee meetings during the financial year

During the financial year ended March 31, 2014, four meetings of the audit committee were held. The details of the same are as follows:

Sl.No.	Name of the Director	Meetings/Attendance			
		May 15, 2013	July 31, 2013	October 29, 2013	January 28, 2014
1	Naresh Malhotra- Chairman	Present	Present	Present	Present
2	Harit Nagpal- Member	Present	Present	Present	VC
3	Rajiv Khaitan- Member	Present	Present	Present	Present

~ Video Conference (VC)

2. Compensation Committee

As on March 31, 2014, this committee consists of three (3) directors of whom two thirds including the Chairman are Independent Directors. The Committee consists of Harit Nagpal (Chairman), Naresh Malhotra and Rajiv Khaitan. The Chairman of the Committee is Harit Nagpal, Independent Director. He is the Managing Director & CEO of Tata Sky Ltd., a joint venture of the Tata Group, Newscorp and Temasek. Before joining Tata Sky he was the Group Marketing Director of Vodafone PLC based at Vodafone's global headquarters in London. Harit followed his graduation in Chemical Engineering with an MBA from FMS at Delhi. In addition to the 9 years with Vodafone, in India and the U.K., during his 28 years of Professional career, he has previously worked with Shoppers Stop, Pepsi, Marico and Lakme in various leadership positions in fields like Sales, Exports, Operations & Marketing. The Company Secretary acts as secretary to the committee.

The terms of reference of the Compensation Committee include the following:

1. Annual review of the salary, bonus and other compensation plans of the CEO, CFO and Senior Management team of the Company.
2. Review and approve the salary, bonus and compensation plans for all the executive directors of the Company.
3. Framing suitable policies and systems to ensure that there is no violation, by an employee or Company of any applicable laws in India or overseas, including:
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003.
4. Administer the implementation and award of stock options under the stock option plans of the Company.
5. Perform such functions as are required to be performed by the Compensation Committee under Clause 5 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
6. Recommend to the Board of Directors of the Company on any other employment incentives as the compensation committee deems it appropriate in the best interests of the Company.
7. Such other matters as may from time to time are required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Details of Compensation Committee meetings during the financial year

During the financial year ended March 31, 2014, four meetings of the Compensation Committee were held. The details of the same are as follows:

Sl. No.	Name of the Director	Meetings/Attendance			
		May 15, 2013	July 31, 2013	October 29, 2013	January 28, 2014
1	Harit Nagpal-Chairman	Present	Present	Present	VC
2	Naresh Malhotra-Member	Present	Present	Present	Present
3	Rajiv Khaitan- Member	Present	Present	Present	Present

~ Video Conference (VC)

The 'Compensation committee' has been renamed and reconstituted as 'Nomination and Compensation Committee' by including Barry B White and H H Haight IV as members of the Committee.

Remuneration Policy

The Company's remuneration policy is based on the performance of the individual employee and the success of the Company. Through its compensation program, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay and sharing of wealth through the Company's stock options. Individual performance pay is determined by combination of individual and business performance of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and performance incentives (variable component) to its Managing / Wholtime Directors. Annual increments are decided by the Compensation Committee as approved by the Members.

The Shareholders of the Company had in the Annual General Meeting held on August 01, 2008, approved payment of remuneration of a sum not exceeding 1% of the net profits of the Company in aggregate to non-executive directors of the Company ranging from Rs. 10 to 20 lakhs per non-executive director (including independent directors) as may be decided by the Board each year. Apart from commission the non-executive directors are also entitled a sitting fee of Rs 20,000 for attending the Board and Committee meetings which has been revised to Rs. 1,00,000/- w.e.f. April 1, 2014, as permitted under the provisions of Companies Act, 2013.

The particulars of remuneration paid to all directors during the financial year ended March 31, 2014 are furnished below:

(Amount in millions)

Sl.No	Name	Salary and other benefits	Commission	Sitting Fees	Total	Remarks
1	Chandramouli Janakiraman	7.83	-	-	7.83	Appointed as Managing Director for a period of 5 years with effect from July 9, 2012. Chandramouli Janakiraman resigned as MD and CEO vide his resignation letter dated May 7, 2014, and he would continue as MD and CEO till new CEO and MD joins.
2	H H Haight IV ¹	-	-	0.14	0.14	-
3	Naresh K Malhotra	-	0.69	0.42	1.11	-
4	Harit Nagpal	-	0.69	0.26	0.95	-
5	Rajiv Khaitan	-	0.69	0.30	0.99	-
6	Rentala Chandrashekhar	-	0.34	0.04	0.38	-
7	Barry B White	-	0.29	0.04	0.33	-

1. H H Haight IV as Manager in OnMobile USA LLC, subsidiary of the Company is also paid upto USD 4,00,000 per annum by the Subsidiary Company.

Stock Options to the Non-Executive Directors

As on March 31, 2014 each of the non-executive directors has stock options as below:

Sl No.	Name	No. of Options held
1.	Naresh Malhotra	63,087
2.	H H Haight	63,087
3.	Harit Nagpal	25,000
4.	Rajiv Khaitan	25,000

None of the non-executive directors hold any shares in the Company as on March 31, 2014.

3. Share Transfers and Investor Grievance Committee

The Share Transfers and Investor Grievance Committee consists of three (3) directors of whom two thirds including the chairman are independent directors. This Committee was constituted by the Board at their meeting held on April 20, 2007. This Committee was formed to specifically look into the redressal of shareholder and investor complaints and issues pertaining to allotment or transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. The Share Transfers and Investor Grievance Committee consists of Naresh Malhotra (Chairman), Harit Nagpal and Chandramouli Janakiraman. The Chairman of the Committee is Naresh Malhotra, independent director. He has over 40 years of experience in India and overseas in various companies including Imperial Chemical Industries, Unilever, Colgate Palmolive, Bukhatir Investments, the UB Group, KPMG and Amalgamated Bean Coffee Trading Company. He has previously served as founding partner and managing director of corporate finance in KPMG in India. The Company Secretary acts as secretary to the committee.

1. To approve and register, transfer and/or transmission of all classes of shares;
2. To look into the redressal of shareholder and investor complaints like non-transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc; and
3. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Reconciliation of Share Capital Audit

The Company conducts a share capital audit on a quarterly basis in accordance with requirements of Securities and Exchange Board of India (Depositories and Participants) Regulations 1996 and SEBI Circular No. D&CC/FITTC/CIR- 16/2002 dated December 31, 2002 and SEBI Circular No. CIR/MRD/DP/30/2010 dated September 6, 2010.

The Reconciliation of Share Capital Audit Report obtained from Parameshwar G Hegde, Company Secretary in whole time practice, which has been submitted to the Stock Exchanges within the stipulated period, certifies that the equity shares of the Company held in the dematerialized form and in the physical form confirms to the issued and paid up equity shares capital of the Company.

Secretarial Compliance Certificate

As per provisions of the Clause 47(c) of the Listing Agreement entered with the National Stock Exchange of India Limited and Bombay Stock Exchange Limited, the Company has obtained the Secretarial Compliance Certificate on half yearly basis from Parameshwar G Hegde, a Company Secretary in whole time practice to the effect that all transfer of shares are effected within stipulated time. The certificate has been submitted to the Stock Exchanges within the prescribed time.

Details of Share Transfers and Investor Grievance Committee Meetings held during the financial year

During the financial year ended March 31, 2014, four meetings of the Share Transfers and Investor Grievance Committee were held. The details of the same are as follows:

Sl.No	Name of the Director	Meetings/Attendance			
		May 15, 2013	July 31, 2013	October 29, 2013	January 28, 2014
1	Naresh Malhotra-Chairman	Present	Present	Present	Present
2	Chandramouli Janakiraman-Member	Present	Present	Present	Present
3	Harit Nagpal-Member	Present	Present	Present	VC

~ Video Conference (VC)

The 'Share Transfers and Investor Grievance Committee' has been renamed as 'Stakeholders Relationship Committee' w.e.f. May 29, 2014.

Information for shareholder complaints received disposed off during financial year 2013-14:

Name of non-executive director heading the Committee	Naresh Malhotra – Independent Director
Name and designation of Compliance Officer	P V Varaprasad, Company Secretary
Number of Shareholders complaints received so far	43
Number of Shareholder complaints resolved so far	43
Number of Shareholder complaints pending	NIL
Number of pending share transfers	NIL

4. Committee of Independent Directors

The Committee of Independent Directors consists of three (3) Independent Directors ie. Rajiv Khaitan, Harit Nagpal and Naresh Malhotra. The Chairman of the Committee is Rajiv Khaitan, independent director. The Committee was constituted by the Board on February 27, 2014 with reference to the Voluntary Open Offer given by OnMobile Systems Inc. to the shareholders of OnMobile Global Limited vide Detailed Public Statement dated February 11, 2014, since the open offer process is closed, the objective of constituting this Committee of Independent Directors is completed.

The terms of reference of the Committee of Independent Directors are as follows:

1. To provide written reasoned recommendations to the shareholders of the Company on the open offer and advising the company shall publish such recommendations

at least two working days before the commencement of the tendering period, in the same newspapers where the public announcement of the open offer was published as per the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

2. To send simultaneously, a copy of the written reasoned recommendations to SEBI, Stock Exchanges and Manager to the Open offer
3. To seek external professional advice at the expense of the company, as deemed appropriate.
4. To perform such other duties as may be required as per the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

DISCLOSURES

Materially significant related party transactions

There are no materially significant related party transactions with the promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. Transaction with the related parties are disclosed in the financial statements for the year ended March 31, 2014 (Refer Note 32 forming part of the financial statements).

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets, during the period from April 01, 2013 to March 31, 2014 - NIL

The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with Clause 49 of the Listing Agreement with the Stock Exchanges, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee. The Company has disclosed all the mandatory requirements under Clause 49 of the Listing Agreement.

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

As regards the adoption of non-mandatory requirements as contained in Annexure I-D to Clause 49 of the Listing Agreement, the Company has implemented the requirements with relation to constitution of Compensation Committee and matters related therewith

MANAGEMENT DISCUSSION AND ANALYSIS

As required by Clause 49 of the listing agreement, the Management Discussion and Analysis is provided elsewhere in the Annual Report.

CEO/CFO CERTIFICATION

As required by Clause 49 of the listing agreement, the CEO/CFO certification is provided elsewhere in the Annual Report.

AUDITORS' CERTIFICATION ON CORPORATE GOVERNANCE

As required by Clause 49 of the listing agreement, the auditor's certificate is obtained and provided elsewhere in this Annual Report.

ANNUAL GENERAL MEETINGS

Details of the last three Annual General Meetings and special resolutions passed there at are as follows:

Year	Venue	Date & Time	Special Resolutions passed
2010-11	Hotel Royal Orchid, 01 Golf Avenue, adjoining KGA Golf course, HAL Airport Road, Bangalore-560008	August 4, 2011, 10.00A.M	<ol style="list-style-type: none"> 1. Employee Stock Option Plan-I, 2011 2. Employee Stock Option Plan-I, 2011 for subsidiary company employees participation 3. Re-Appointment of Arvind Rao as Managing Director of the Company 4. Re-Appointment of Chandramouli Janakiramanas Whole Time Director of the company designated as Executive Director
2011-12	MLR Convention Centres, Brigade Millennium Campus, 7th Phase, J.P. Nagar, Bangalore - 560 078	August 29, 2012, 10:00 A.M	<ol style="list-style-type: none"> 1. Appointment of Chandramouli Janakiraman as Managing Director of the Company 2. Employee Stock Option Plan – I, 2012 3. Employee Stock Option Plan – I, 2012 for subsidiary company employees participation 4. extend the exercise period of any options granted under ESOP Plan I, 2003 5. extend the exercise period of any options granted under ESOP Plan III, 2006 6. extend the exercise period of any options granted under ESOP Plan I, 2007
2012-13	Hotel Royal Orchid, 01 Golf Avenue, adjoining KGA Golf course, HAL Airport Road, Bangalore-560008	July 30, 2013 at 11.00 A.M	<ol style="list-style-type: none"> 1. Employee Stock Option Plan – I, 2013 2. Employee Stock Option Plan – I, 2013 for subsidiary company employees participation

During the year 9 special resolutions were passed by the shareholders through postal ballot on April 18, 2013. Voting pattern for these resolutions is as under:

Resolution / Item No.	Subject matter	No. of votes cast	
		For	Against
1.	Special resolution for appointing H H Haight IV to hold an office or place of profit as a Director/ Manager / Consultant/ Employee, in Onmobile USA LLC, a subsidiary of the company	55861165	101613
2.	Special resolution for payment of sitting fees to Independent Directors in subsidiary companies	55835789	125852
3.	Special resolution for re-pricing of outstanding options under ESOP III, 2006	55708624	253478
4.	Special resolution for re-pricing of outstanding options under ESOP I, 2007	55709023	253079
5.	Special resolution for re-pricing of outstanding options under ESOP II, 2008	55712369	249633
6.	Special resolution for re-pricing of outstanding options under ESOP III, 2008	55714251	247751
7.	Special resolution for re-pricing of outstanding options under ESOP IV, 2008	55713708	247612
8.	Special resolution for re-pricing of outstanding options under ESOP I, 2010	55708074	254228
9.	Special resolution for re-pricing of outstanding options under ESOP II, 2010	55716909	247793

MEANS OF COMMUNICATION

Quarterly results: The Company's quarterly results are published in the newspapers namely The Financial Express (English) and Samyukta Karnataka/Vijaya Vani (Kannada) and are further posted in the Company's website (www.onmobile.com).

News releases: Official news releases and official media releases are sent to Stock Exchanges.

Presentations to institutional investors / analysts: Presentations made to the institutional investors and analysts after the declaration of the quarterly, half yearly and annual results are displayed on the Company's website. (www.onmobile.com).

Website: The Company's website (www.onmobile.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The

Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website (www.onmobile.com).

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

General Information for Shareholders

CONTACT INFORMATION

Registered and Corporate Office

OnMobile Global Limited

E City, Tower 1, #94/1C & 94/2, Veerasandra Village, Attibele Hobli, Anekal Taluk, Electronic City, Phase 1, Bangalore - 560 100, Karnataka, India
T + 91 80 40096000 F + 91 80 4009 6009
CIN: L64202KA2000PLC027860
<http://www.onmobile.com>

OTHER LOCATIONS

MUMBAI: Sumer Plaza, Floor 4 and 5, Marol Maroshi Road, Marol, Andheri (E), Mumbai – 400 059
T + 91 22 40588588, F + 91 22 40588558

DELHI: #105/106, First Floor, Time Tower (Opp. Gurgaon Central Mall), M.G.Road, Gurgaon-122 002 Haryana, INDIA
T +91 124 – 4130000, F +91 124 - 4130099

SEZ OFFICES

BANGALORE

West Wing Face No: 1 Adarsh Prime Project Pvt. Ltd,
4th Floor SEZ, Varthur Hobli, Devarabisanahalli Village, Outer Ring Road, Sarjapur, Bangalore - 560037

NOIDA

Unit-4, III Floor, Building II, Plot # 20 & 21, UnitechInfospace Building- SEZ premises, Sector 135, Noida - 201305 UP.

Representing Officers of the Company

Correspondence to the following officers may be addressed at the registered office of the Company.

COMPANY SECRETARY AND COMPLIANCE OFFICER

P V Varapasad - Company Secretary

T + 91 80 4009 6000
F + 91 80 4009 6009
E investors@onmobile.com

INVESTOR RELATIONS – INSTITUTIONAL

Praveen Kumar K J - Vice President - Finance
P V Varapasad - Company Secretary

T + 91 80 4009 6000 F + 91 80 4009 6009
E: investors@onmobile.com

PUBLIC RELATIONS

Madhusudan N - Vice President - Marketing
Srividhya Parthasarathy - Senior Manager - Communications

T + 91 80 4009 6000
F + 91 80 4009 6009
E: madhusudan.narayanan@onmobile.com;
Srividhya.parthasarathy@onmobile.com

Listing details	The shares of the Company are listed on: Bombay Stock Exchange (BSE) Phiroze Jheejheebhouy Towers, Dalal Street, Fort, Mumbai – 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 The Listing Fee for both the exchanges has been paid for the FY 2014-15. The Company has complied with the provisions of the listing agreement for the year ended March 31, 2014.											
Stock code	National Stock Exchange of India Limited (NSE) –ONMOBILE Bombay Stock Exchange Limited (BSE) – 532944 Reuters – ONMO. Bloomberg – ONMB:IN											
Forthcoming Annual General Meeting (AGM)	The Fourteen Annual General Meeting (AGM) of the Members of OnMobile Global Limited will be held on Wednesday, September 10, 2014, at Hotel Royal Orchid, adjoining KGA Golf course, HAL Airport Road, Bangalore- 560 008 at 10.00 A.M.											
Financial Calendar (tentative and subject to change)	<table><tr><td>Event</td><td>Likely Board Meeting Schedule</td></tr><tr><td>Financial reporting for the quarter ending June 30, 2014</td><td>End of July 2014</td></tr><tr><td>Financial reporting for the quarter ending September 30, 2014</td><td>End of October 2014</td></tr><tr><td>Financial reporting for the quarter ending December 31, 2014</td><td>End of January 2015</td></tr><tr><td>Financial reporting for the quarter/year ending March 31, 2015</td><td>End of April 2015</td></tr></table>		Event	Likely Board Meeting Schedule	Financial reporting for the quarter ending June 30, 2014	End of July 2014	Financial reporting for the quarter ending September 30, 2014	End of October 2014	Financial reporting for the quarter ending December 31, 2014	End of January 2015	Financial reporting for the quarter/year ending March 31, 2015	End of April 2015
Event	Likely Board Meeting Schedule											
Financial reporting for the quarter ending June 30, 2014	End of July 2014											
Financial reporting for the quarter ending September 30, 2014	End of October 2014											
Financial reporting for the quarter ending December 31, 2014	End of January 2015											
Financial reporting for the quarter/year ending March 31, 2015	End of April 2015											
Book Closure Date(s)	From Saturday, August 30, 2014 to Wednesday, September 10, 2014 (both days inclusive)											
Dividend Payment Date	within 30 days from the date of AGM											
Registrars And Share Transfer Agents	Karvy Computershare Private Limited Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081 T +91 40 2342 0818 F +91 40 2342 0814											
Depository System	Currently 99.87% of the Company’s share capital is held in dematerialised form. For any assistance in conversion of the physical shares to demat form or vice versa, the investors may approach Karvy Computershare Private Limited or P V Varaprasad, Compliance Officer, at the addresses mentioned above.											
Email ID of Grievance Redressal Division	einward.ris@karvy.com or investors@onmobile.com											

Distribution Schedule

Distribution Schedule - Consolidated as on 31/03/2014					
Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1-5000	37,695	83.89	53,81,838	5,38,18,380	4.71
5001- 10000	3,364	7.49	27,58,342	2,75,83,420	2.41
10001- 20000	1,631	3.63	25,36,836	2,53,68,360	2.22
20001- 30000	627	1.40	16,30,351	1,63,03,510	1.43
30001- 40000	348	0.77	12,39,042	1,23,90,420	1.08
40001- 50000	272	0.61	12,99,704	1,29,97,040	1.14
50001- 100000	461	1.03	34,48,447	3,44,84,470	3.02
100001& Above	537	1.20	9,59,40,942	95,94,09,420	83.99
TOTAL	44,935	100.00	11,42,35,502	1,14,23,55,020	100.00

Shareholding Pattern as on March 31, 2014

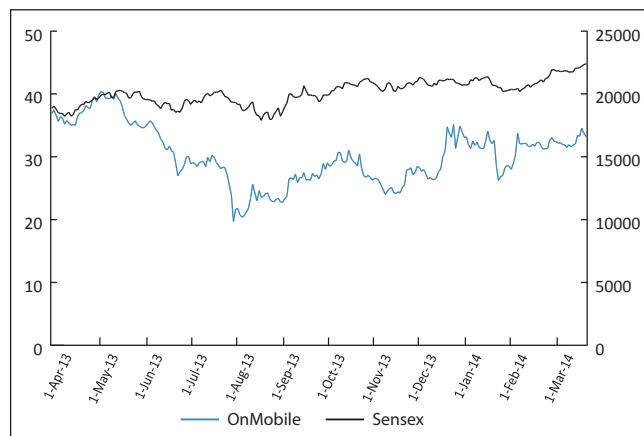
Description	No. of shareholders	Total Shares	% To Equity
Promoter and promoter group	6	4,37,17,569	38.27
Mutual funds	3	93,73,600	8.21
Financial institutions/banks	4	2,16,999	0.19
Foreign institutional investors	17	59,52,424	5.21
Bodies corporate	771	1,88,98,333	16.54
Individuals	42,380	3,26,86,110	28.60
HUF	936	11,98,912	1.05
Non Resident Indians	566	12,89,577	1.13
Clearing members	230	8,54,472	0.75
Trusts	4	7,400	0.01
Foreign nationals	18	40,106	0.04
Total	44,935	11,42,35,502	100.00

Stock Market Data

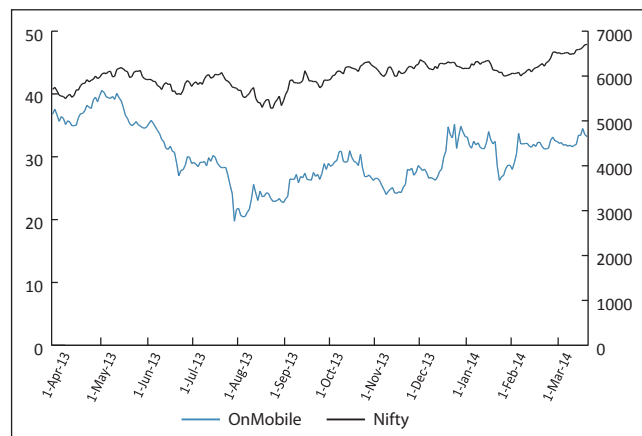
Monthly high and low quotes during each month in the financial year 2013-14 as well as the volume of shares traded on NSE and BSE are as below:

Financial Year 2013 – 14	BSE			NSE		
Month	High (Rs.)	Low (Rs.)	Total Traded Quantity	High (Rs.)	Low (Rs.)	Total Traded Quantity
April	40.80	34.50	16,75,418	40.85	34.50	60,30,258
May	41.80	34.55	21,52,564	41.85	34.50	79,63,499
June	36.35	26.50	40,97,280	36.40	26.50	67,29,889
July	33.20	19.20	27,27,860	33.35	19.30	79,37,406
August	26.40	19.05	16,41,477	26.40	19.00	52,41,526
September	28.25	22.50	15,33,289	28.40	22.50	53,09,357
October	32.10	26.15	40,65,662	32.20	25.70	1,13,23,567
November	28.25	23.50	25,48,611	28.35	23.35	78,75,755
December	35.50	26.20	53,62,961	35.50	25.00	1,51,81,700
January	36.70	25.85	1,04,59,139	36.70	25.50	3,19,08,695
February	34.50	26.30	49,78,437	34.45	26.30	1,70,87,997
March	35.45	31.00	27,05,012	35.35	31.00	92,18,886

OnMobile Global Limited vs BSE (Sensex)



OnMobile Global Limited vs NSE (Nifty)



Investor Grievance and Share Transfer

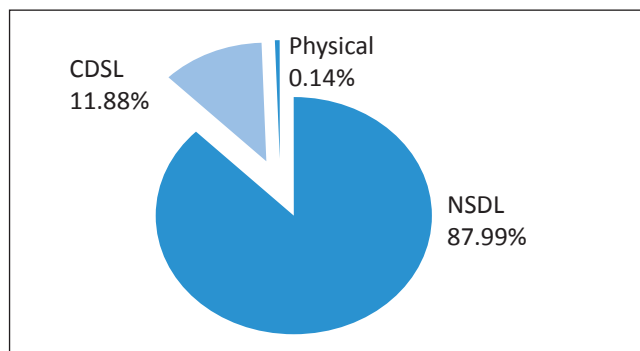
The Company has an Investor Grievances committee of the Board to examine and redress shareholders' and investor complaints. The status on share transfers is reported to the Board by the Company Secretary. Details of complaints received and their nature is provided below. For shares transferred in physical form, the Company gives adequate notice to the seller before registering the transfer of shares. The Company Secretary receives the share transfers and reports the same to the committee at their meeting. For matters regarding shares transferred in physical form, share certificates, dividends, change of address, etc., Shareholders should communicate with Karvy Computershare Private Limited, our registrar and share transfer agent. The address is given in the section on Shareholder information. For shares transferred in electronic form, after confirmation of sale /purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need for separate communication to register the share transfer.

For the year under review the summary of the investor grievances/complaints are as below:

Sl. No.	Description	Received	Resolved	Pending
1.	Non receipt of electronic credits	0	0	0
2.	Non receipt of annual reports	5	5	0
3.	Non receipt of dividend warrants	35	35	0
4.	Non receipt of Refund orders	0	0	0
5.	Non receipt of securities	3	3	0
	TOTAL	43	43	0

Dematerialization of Shares

The Company's shares are admitted into both the depositories viz., National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2014, 99.87% of the Company's shares are held in electronic form.



CODE OF CONDUCT

The Company has a Code of Conduct for senior officers ('Code') of the Company. This code is also applicable to all the members of the Board of Directors of the Company and its subsidiaries. A copy of the said Code is available on the website of the Company www.onmobile.com.

All Board Members and senior management personnel have confirmed compliance with the Code for the financial year 2013-14. A declaration to this effect signed by the Managing Director and CEO of the Company is given below:

"I confirm that the Company has in respect of the year ended March 31, 2014, received from its Board Members as well as senior management personnel affirmation as to compliance with the Code of Conduct."

CERTIFICATE OF COMPLIANCE FROM AUDITORS AND/OR INDEPENDENT COMPANY SECRETARY AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES IN INDIA

CERTIFICATE FROM THE AUDITOR

To the Members of OnMobile Global Limited

We have examined the compliance of conditions of Corporate Governance by OnMobile Global Limited (the "Company") for the year ended March 31, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the relevant Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

V. Balaji
Partner

Place: Bangalore
Date: May 29, 2014

Membership No.: 203685

CERTIFICATE FROM THE COMPANY SECRETARY

We have examined all relevant records of M/s. OnMobile Global Limited (the Company), for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement(s) entered into with Indian Stock Exchanges for the financial year ending March 31, 2014.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said clause. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our findings recorded in the annexed report from the examination of the records produced and explanations and information furnished to us, in our opinion the Company has complied with the conditions of corporate governance as stipulated in the Clause 49 of the Listing Agreement as on March 31, 2014.

Place: Bangalore
Date: May 29, 2014

P.G.HEGDE
Hegde & Hegde
Company Secretaries
C.P.No.640

Directors' Report

Dear Members,

The Directors take pleasure in presenting the 14th Annual Report on the business and operations of the Company together with the Audited Financial Statements and Accounts for the year ended March 31, 2014.

RESULTS OF OPERATIONS FOR THE YEAR 2013-14

(In Rs. Million)		
PARTICULARS	2013-14	2012-13
Revenue from operations	4,062.32	4,664.28
Earnings before other income, depreciation and amortisation, finance charges, Exceptional item and tax	439.73	701.40
Exceptional item	559.48	-
Profit before other income, depreciation and amortisation, finance charges and tax	(119.75)	701.40
Profit/(Loss) before tax	(303.58)	351.43
Profit/(Loss) for the year	(372.99)	263.83
Equity Share Capital	1,142.36	1,141.53
Reserves and Surplus	6,647.39	7,221.78
Networth	7,789.75	8,363.31
Net Block	2,013.95	3,144.13
Net Current Assets	1,819.71	1,568.35
Cash and Cash Equivalents	313.75	1,077.87
Earnings/(Loss) per share (Diluted) (In Rs.)	(3.30)	2.30

BUSINESS PERFORMANCE / FINANCIAL OVERVIEW

Standalone Financials:

During 2013-14, the Company recorded net revenue of Rs.4,062.32 million, a decrease of 13% over the previous year of Rs.4,664.28 million. The Profit/(Loss) after tax of the Company is Rs.(372.99) million in 2013-14 as compared to Rs.263.83 million in 2012-13. The diluted earnings/(Loss) per share (EPS) is Rs.(3.3) per share as compared to Rs.2.3 per share in 2012-13.

Consolidated Financials:

During 2013-14, the Company recorded consolidated net revenue of Rs.8,653.13 million, an increase of 19% over the previous year of Rs.7,252.69 million. The consolidated Profit/(Loss) after tax of the Company for the year 2013-14 is Rs.(1,319.52) million as compared to Rs.471.77 million in 2012-13. The consolidated diluted earnings/(Loss) per share (EPS) for the year 2013-14 is Rs.(11.5) as compared to Rs.4.1 per share in 2012-13.

Appropriations

Dividend

Your directors are pleased to recommend a dividend of Rs. 1.50/- per equity share of Rs. 10/- each which is payable on obtaining shareholders' approval in the 14th Annual General Meeting.

The dividend payout amount for the current year inclusive of dividend distribution tax will be Rs. 200.47 million.

The register of members and the share transfer books will remain closed from Saturday, August 30, 2014 to Wednesday, September 10, 2014(both days inclusive). The Annual General Meeting of the Company has been scheduled for September 10, 2014.

The Company proposes to retain Rs.3,200.32 million in the Statement of Profit and Loss.

CHANGES TO THE SHARE CAPITAL

During the year under review the Company allotted 82,680 equity shares (including bonus) on the exercise of stock options under its various Employee Stock Option Plans and accordingly the paid up equity share capital of the Company as on March 31, 2014 stands at 11,42,35,502 equity shares of face value Rs. 10/- each. (i.e. Rs. 1,14,23,55,020).

OPEN OFFER BY PROMOTER

OnMobile Systems Inc., one of the promoters of the Company vide their Detailed Public Statement dated February 11, 2014 announced a voluntary open offer to the Shareholders of the Company for acquisition of 11,900,000 paid up equity shares of Rs. 10/- each representing about 10% of the fully diluted voting share capital at Rs. 40/- per share. Subsequently OnMobile Systems Inc. had issued a letter of offer dated April 3, 2014 to the shareholders and completed the open offer process.

SIGNIFICANT EVENTS & AWARDS: 2014

International Market Expansion

OnMobile had a major customer win for Ringback Tones in the Middle East & Africa region. OnMobile's innovative suite of Ringback Tone features which include search and discovery options, storefronts, and live stream content contributed immensely towards this win. As a part of this project, the Company will establish operations in 14 new countries where there is no presence today.

OnMobile deployed RBT services for the largest operator in Bangladesh. This deployment will help OnMobile establish a more dominant play in Bangladesh.

In the Middle East, OnMobile tied up with an operator in Qatar, a market with one of the highest ARPU in the world. With this win, OnMobile will be powering a significant portion of operator branded Value Added Services.

OnMobile secured deals with two large operators in Spain. OnMobile now has access to 90% of mobile subscribers in Spain. A partnership was also secured with a leading telecommunications operator in the Czech Republic. OnMobile gets an opportunity to service over 6.5 million subscribers in Czech Republic and Slovakia.

OnMobile's new and improved Football product was launched in Africa based on a consumer insight that people follow clubs more than the game itself. The product was very successful and gathered a base of 3.2 million users.

Acquisition: Assets of Livewire Mobile

OnMobile acquired the business assets and liabilities of Livewire Mobile, a leading provider of end-to-end managed mobile entertainment solutions for network operators and consumer

device manufacturers. Livewire Mobile's comprehensive portfolio of mobile music, RBT and gaming solutions and its marquee client base, combined with OnMobile's prestigious American customers gained the company a firm foothold in North America.

The new combined entity presents a single source solution for integrated Value Added Services that will cater to high value subscriber segments, including youth and upwardly mobile professionals.

AWARDS

OnMobile Global was honoured with the 'Top VAS Company of the Year 2013' award at the Cyber Media ICT Awards 2013, graced by Shri Narendra Modi, Hon'ble Prime Minister of India.

OnMobile Global was awarded the 'Top Value Added Services Company of the Year 2013' at the Amity Telecom Awards for Excellence in January 2014.

SUBSIDIARIES

As on March 31, 2014, the Company has 44 Subsidiaries.

The Ministry of Corporate Affairs, Government of India vide its circular no.2/2011 dated February 8, 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the Annual Report. Accordingly, audited consolidated financial statements have been furnished in the Annual Report and it does not contain the financial statements of the subsidiaries. The audited financial statements and related information of subsidiaries, where applicable, will be made available upon request. These documents will also be available for inspection during business hours at the registered office of the Company at Bangalore, India. The statement pursuant to Section 212 of the Companies Act, 1956 is provided elsewhere in the Annual Report.

NEW LOCATIONS

The Company continued its expansion internationally during this year as well. The Company has signed various important global contracts during the year under review. As part of the Company's global expansion, the Company has setup new branch offices in Democratic Republic of Congo and Doha (Qatar). The Company has setup new subsidiaries in Turkey, Portugal, Burkina Faso, Czech Republic, Colombia and South Africa.

Six subsidiary from UK and one subsidiary from Australia have been added to the Company as a result of acquisition of certain assets of LiveWire Inc. during the year.

Material Changes for the period between end of the Financial Year and the Date of the Report

There have been no Material Changes for the period between end of the financial year 2013-14 and the date of this report.

NEW PRODUCTS AND SERVICES DEPLOYED IN THE YEAR 2013-14

Help Me on Mobile

OnMobile launched Help Me on Mobile - a free 24x7 mobile application that assists women, children, young adults and senior citizens in fighting crime and calling for help during emergencies. The free application houses a bank of two services 'I am here' and

'I need help', which are designed to ensure personal safety of an individual and is easily accessible from a single place. Help Me on Mobile equips mobile consumers with a safety application on their phones without having to look for an external source. Users can get assistance in tracking location, sending panic alerts to chosen family and friends, trigger off panic alarms and more.

Light a Candle

OnMobile launched Light a Candle, a service which enables anyone to request for a candle to be lit at the Holy Shrine on his/her behalf from anywhere, at any time. The service is as easy as using a recharge card, wherein the user simply purchases the card, enters the unique security number on the automated IVR and proceeds to place the request for the candle to be lit. The candle is in turn lit by representatives of OnMobile at these places of worship.

Khidki

Khidki is a pre-embedded content store for feature phones and delivers content via notifications in multiple languages. Easy access to a host of services, easy navigation, simplified user experience and free sampling of content are its key USPs.

OPERATIONAL EFFICIENCY

OnMobile's platform for Value Added Services has been time-tested and validated globally for scalability, stability and security. The platforms have been consistently upgraded to support the latest developments in hardware and software technology.

It is an endeavor at the company to continually reduce the deployment costs and optimize the deployment models. The current scalability and optimization programs have led to a significant reduction in the cost per deployment.

OnMobile has developed systems and tools to power the Global Network Operations Center (GNOC) for state of the art infrastructure monitoring. This central 24x7 service desk monitors every hardware node that OnMobile has deployed as part of its managed services globally. This helps catch anomalies and respond within agreed Service Level Agreements (SLAs). GNOC also helps streamline Information Technology operations in terms of round-the-clock system and application monitoring, fault management and visibility to system performance. In turn, this helps achieve resource optimization at an organizational level.

INFRASTRUCTURE

OnMobile is going strong with more than 40 offices across the globe, 2.25 lakh square feet of office space and 1690 employee base. The offices are categorized as virtual office, business centers and leased offices. The largest facility is the Electronic city office in Bangalore with 1.30 lakh square feet of office space. All the OnMobile facilities are well equipped with good working atmosphere and high level of security and safety competency. Regular planned preventive measures are in place to avoid downtime and ensure business continuity.

HUMAN RESOURCES MANAGEMENT

People world of OnMobile

OnMobile has always believed in building a culture of innovation and creativity where our employees are inspired to achieve excellence in their area of functioning. As OnMobile grows globally,

expanding its footprint through its own and acquired offices, we continue to endeavor to foster a common culture among our globally diversified workforce.

Employee Strength

Our head count, was 1690 as on March 31, 2014.

Today, we are a multicultural company with employees from all across the globe creating a vibrant & dynamic work environment.

Talent Acquisition

Our vision of “Making a large scale positive impact on people through mobile” has been the fabric of our vision and we try to recruit people who believe in this philosophy through our stringent selection process. Our goal is to attract the best talent around the globe. We continue to hire a diverse workforce and we believe in hiring individuals with vision, creativity and the energy to lead the changes that take place in the telecommunications industry each day.

We continue to tap into the campus talent pool, attracting the best and brightest from the country’s top Engineering and Management colleges. This year we added 22 campus hires into our workforce from top engineering campuses across India.

Employee engagement and development

OnMobile offers its employees a unique blend of an informal work environment and a corporate culture that encourages personal empowerment. We have always believed in creating an environment where our employees feel safe and secure. The year that went by saw a plethora of engagement activities conducted across locations to inculcate & build the “one company” culture.

Training at OnMobile is one of the means of continuously enhancing the skills, knowledge and attitudes of our employees to make them more effective in their current and future roles. With this mandate, in the year 2013-2014, we conducted training programs across organization covering approximately 1100 employees in these trainings.

CORPORATE SOCIAL RESPONSIBILITY

As a responsible Corporate Citizen, OnMobile is committed to contributing to the society, environment and community. The focus area on which OnMobile strived to ‘Make a Difference’ was Education. We have participated in few events such as Give India Payroll program (ongoing) and tie up with NGO’s during festivals. But we feel as an organization we should focus on specific causes instead trying to do a one off event.

We have identified two causes:

1. Education: Teach for India: We participated in the “Joy of Giving Week” program - India Giving challenge by Give India. Through this initiative we worked with Teach For India (for Bangalore & offices outside Bangalore).

Teach for India is a nationwide movement of outstanding college graduates and young professionals who teach full time in low income schools for two years. The fellowship enables them to become lifelong leaders advocating for educational equity.

2. Wild Life Rescue and Rehabilitation Center (WRCC) – www.wrrcbangalore.org : WRCC is a registered public charitable

trust for the conversation and welfare of wildlife rescued from Urban and rural areas around Bangalore.

We have worked with above mentioned organization throughout the year on various initiatives.

RESEARCH AND DEVELOPMENT

OnMobile’s products serve millions of consumers globally, bearing testimony to the company’s focus on innovation and technological excellence. The company’s Research & Development centers are spread across multiple locations.

Data Analytics and Business Intelligence

A critical success factor in the Value Added Service business is the ability to understand consumer needs and behavior across different markets. OnMobile has made significant investments in Technology to handle large amount of data and distill insights. OnMobile has state of art predictive models which help drive usage and prevent churn among consumers.

Consumer Connect is a company initiative that focuses on gathering consumer insights from the market which gives an understanding of likes & dislikes of consumers as well as new product ideas. These insights feed into the Product Development process to improve the relevance of products for the consumers.

Product Innovation

Emergence of the Smartphone in the last few years has significantly changed consumer behavior in terms of discovery, adoption and usage of mobile services. The falling prices of Smartphones and Data Plans have dramatically increased the share of Smartphone users in many markets.

A key focus of Product Innovation at OnMobile is to create new products and enhance the appeal of existing products for consumers of the Smartphone world. OnMobile has launched applications for products like Ringback Tones and Football to provide a superior experience to smart phone users.

While the world of smartphone users expands rapidly, a large set of consumers who use a simple feature phone or an ultra-low cost phone continues to exist. To address the needs of these consumers OnMobile launched Khidki, a content store for feature phone users.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance. The Company meets the standards and guidelines set by the Securities and Exchange Board of India on Corporate Governance and has implemented all the stipulations prescribed. A detailed report on corporate governance pursuant to the requirements of Clause 49 of the Listing Agreement forms part of the Annual Report. The certificate(s) from the auditors of the Company, M/s Deloitte Haskins & Sells, Chartered Accountants, and independent Practicing Company Secretary, Parameshwar G Hegde confirming compliance of conditions of corporate governance as stipulated under the aforesaid Clause 49 are annexed to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with the Listing Agreements, the Management Discussion and Analysis Report is presented in the separate section forming part of the Annual Report.

DIRECTORS

Appointments

Barry B. White was appointed as an additional Director of the Company by the Board w.e.f October 29, 2013. In terms of Section 161 of the Companies Act, 2013 he holds office until the date of Annual General Meeting. He is proposed to be appointed as an Independent Director of the Company pursuant to Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, at the forthcoming Annual General Meeting.

Retirement and re-appointment

H H Haight, Director, retires by rotation and being eligible has offered himself for re-appointment at the forthcoming Annual General Meeting of the Company.

Harit Nagpal, Rajiv Khaitan and Naresh Malhotra, the Directors designated as Independent Directors of the Company pursuant to Clause 49 of the Listing agreement entered into with Stock Exchanges, are proposed to be appointed as Independent Directors pursuant to the applicable provisions of the Companies Act, 2013.

Resignation

Rentala Chandrashekhar who was appointed as an additional director w.e.f October 8, 2013 has resigned w.e.f April 29, 2014 due to policy decisions in his current organization.

Chandramouli Janakiraman resigned as MD and CEO vide his resignation letter dated May 7, 2014, and he would continue as MD and CEO till new CEO joins.

AUDITORS

The statutory auditors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants, who retire as statutory auditors of the Company at the conclusion of the forthcoming Annual General Meeting, having confirmed that their appointment, if made, will be within the limits under Section 139 of the Companies Act, 2013 are recommended for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the directors to the best of their knowledge and belief confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. they have selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the

provisions of the Companies Act, 1956 and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. they have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

In terms of provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are set out in the Annexure to the Directors' Report. However, having regard to the provisions of Section 219 (1)(b)(iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company, being a service provider organization, most of the information as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, as amended is not applicable. However, the Company endeavors to effectively utilize and conserve energy by using improved technology in its infrastructure such as lightings and paper usage.

FIXED DEPOSITS

The Company has not accepted fixed deposits during the year under review falling within the purview of Section 58A of the Companies Act, 1956 and the Rules thereunder.

EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company had approved following Employee Stock Option Schemes i.e. Employee Stock Option Plan-I, 2003, Employee Stock Option Plan-II, 2003, Employee Stock Option Plan-III, 2006, Employee Stock Option Plan-I, 2007, Employee Stock Option Plan-II, 2007 Employee Stock Option Plan-I, 2008, Employee Stock Option Plan-II, 2008, Employee Stock Option Plan-III, 2008, Employee Stock Option Plan-IV, 2008, Employee Stock Option Plan-I 2010, Employee Stock Option Plan-II, 2010; Employee Stock Option Plan I, 2011, Employee Stock Option Plan I, 2012 and Employee Stock Option Plan I, 2013 for granting stock options to its employees.

All the schemes endeavor to provide incentives and retain employees who contribute to the growth of the Company. A summary disclosure in compliance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999), as amended, is presented as below and the complete details have been disclosed under Note 31 of Notes to the financial statements which forms part of the Annual Report. During the year under review there has been no variation in the terms of ESOP schemes.

No. of Options											
Particulars	Plan I 2003	Plan II 2003	Plan II 2007	Plan I 2008	Plan III 2006	Plan I 2007	Plan II 2008	Plan III 2008	Plan IV 2008	Plan I 2010	Plan II 2010
Options Outstanding on April 01, 2013	2,26,888	-	-	-	4,11,036	5,21,930	1,64,400	17,38,750	3,42,706	35,000	10,14,760
Options Granted During the Year								6,30,000			
Options Time extended During the Year											
Options Exercised During the Year	82,654							26			
Options Forfeited/Lapsed During the Year	85,851				2,30,356	97,510		5,72,524			1,65,400
Options Granted Outstanding at the End of the Year	58,383	-	-	-	1,80,680	4,24,420	1,64,400	17,96,200	3,42,706	35,000	8,49,360
Weighted average exercise price per option (after adjusting for Bonus issue, if applicable)	Not Applicable				36						

The guidance note issued by the Institute of Chartered Accountants of India requires the disclosure of proforma net results and EPS both basic & diluted, had the Company adopted the fair value method. Had the Company accounted the option under fair value method, amortising the stock compensation expense thereon over the vesting period, the reported profit/(Loss) for the year ended March 31, 2014 would have been higher by Rs. 48.88 Million (Previous year: lower Profit of Rs.24.61 Million) and Basic and diluted EPS would have been revised to Loss of Rs.3.7/- (Previous year Earnings Rs 2.1/-) and Loss of Rs.3.7/- (Previous year Earnings- Rs 2.1/-) respectively as compared to Loss of Rs.3.3/- (Previous year Earnings Rs 2.3/-) and Loss of Rs.3.3/- (Previous year Earnings Rs 2.3/-) without such impact. Basic and Diluted Earnings/(Loss) Per Share (EPS) have been restated for all the corresponding period to give effect of the said issue of Bonus shares, in accordance with Accounting Standard (AS) 20 "Earnings Per Share" notified under Section 211(3C) of the Companies Act, 1956.

FOREIGN EXCHANGE EARNINGS AND OUTGO

(In Rs. million)

Description	Year ended	
	March 31, 2014	March 31, 2013
Foreign exchange earnings	2,400.86	2,251.20
Foreign exchange out go	1,066.92	1,646.81

ACKNOWLEDGMENTS

The Board of Directors takes this opportunity to express their appreciation to the customers, shareholders, investors, vendors, and bankers who have supported the Company during the year. The Directors place on record their appreciation to the OnMobilians at all levels for their contribution to the Company. The Directors would like to make a special mention of the support extended by the various departments of the Government of India, particularly the Software Technology Parks, the Service tax and Income Tax Departments, the Customs and Excise departments, the Ministry of Commerce, the Department of Telecommunications, the Reserve Bank of India, Ministry of Company Affairs, Securities and Exchange Board of India and look forward to their support in all future endeavors.

For and on behalf of the Board of Directors

H H Haight IV
Chairman

Place: Bangalore
Date: May 29, 2014

Management Discussion and Analysis

ONMOBILE GLOBAL LIMITED ("OnMobile")

1. INDUSTRY ANALYSIS

GLOBAL

The mobile industry has grown phenomenally over the last decade. There were 3.4 billion unique subscribers and 6.9 billion SIM connections in 2013, with an average of 1.8 active SIM cards per unique subscriber. As per the GSMA report, 880 million additional unique subscribers will be added in the developing markets by 2020. The number of commercially available LTE networks is projected to increase to more than 500 in 128 countries across the world over the next four years. The number of mobile broadband connections has grown tenfold from just over 200 million in 2008 to well over 2 billion by 2013. Moreover, 4 billion connections are expected to be added by 2020.

One of the key factors fueling this growth is the falling prices of Smartphones, making them more affordable than ever before.¹ Another driving force is the significant investment of over US\$ 1 trillion by mobile operators in the last six years to improve network coverage and facilitate growth in mobile broadband connections. The mobile industry is reported to have contributed around 3.6% of global gross domestic product (GDP) in 2013, equivalent to over US\$ 2.4 trillion. This figure is expected to increase to 5.1% of global GDP by 2020.

However, revenue growth for mobile operators is expected to slow down due to a plethora of challenges, in particular rising competitive pressures and regulatory intervention in many markets. Despite these challenges, the mobile industry is still considered the backbone of development due to its power of connecting almost anything and anyone. There will be a range of life-enhancing services, powered by a vibrant mobile ecosystem, connecting both physical and digital worlds by 2020. This is bound to introduce innovations that will improve the quality of consumers' lives and productivity of enterprises. The benefits of mobility will spread far beyond communications to provide dramatic improvements in sectors such as energy efficiency, security, health and education.¹

INDIA

The Indian telecom industry is one of the major development drivers for the country and is expected to be on an upward growth curve over the next few years. Smartphones and smarter networks have facilitated communication between communities of connected users. India represents a quarter of all mobile connections in Asia Pacific with nearly 900 million mobile connections. This figure is expected to rise to 1.16 billion by 2017.²

India has been adding about 4 million new Internet users a month and is projected to have 250 million users by the end of 2014 and over 300 million users by the end of 2015. Nearly 155 million users are expected to access the internet through a mobile device. Majority of mobile Internet users have started moving away from 2G with the fall in 3G data tariff and introduction of 4G.³ The great

user experience provided by high bandwidth social media apps have also helped promote this shift. Operators will attempt to integrate services more closely with social media platforms, and start introducing advanced analytics through big data in order to get a 360-degree understanding of customer behaviour. Enterprise players will increase their focus on collaborating for solutions in areas such as healthcare, logistics and financial services. The year 2014 will see the beginnings of a long journey in the avenue of SMAC (Social Media, Mobility, Analytics and Cloud).

LTE (4G) is a key growth area today. The recent launches in this space are expected to disrupt the data usage pattern in India with lower pricing and an array of content services like Live TV, Video on Demand, Cloud base Sync and Storage. Credit rating agency CRISIL has predicted that the operating profit growth rate of mobile telecom companies will double in the next two years due to increased voice call prices and stabilization of policy.⁴

The recent release of the merger & acquisition (M&A) guidelines provides much needed clarity in the telecom sector and takes it a step closer to industry consolidation. As per the new guidelines, the combined market share that will be allowed for a merged entity is now 50 per cent as compared to the earlier 35 per cent.

The industry is witnessing market share battles amongst as many as 11 operators in some circles. The new M&A norms are expected to bring about consolidation in the highly fragmented Indian telecom industry.

The Indian telecom industry is all set for a transformation in 2014 that will see it leap from a chronic spectrum crunch to an abundance of airwaves, offering opportunities to emulate global business models and data services across radio frequency bands. With mobile penetration well over 100% in urban India, the airwaves on offer across all bands can be used to increase data consumption.

MVAS INDUSTRY ANALYSIS

Analysts forecast the Global Mobile VAS market to grow at a CAGR of 10.67 percent over the period 2012-2016 owing primarily to the increasing adoption of Smartphones and tablets. The Global Mobile VAS market has also been witnessing an increasing adoption of m-Commerce. However, lack of awareness amongst mobile VAS users could pose a challenge to the growth of this market.⁵

The Indian market is expected to grow at a CAGR of 22.13 percent over the period 2013-18, fuelled by a healthy uptake of data services as well as increased government funding for mobile governance applications.⁶ According to a study by SAP, 97% of consumers are asking for more mobile interactions with banks, operators, retailers, utilities and other businesses. This indicates a huge scope for MVAS growth in m-Governance, banking, utilities etc. A recent report by Wipro and IAMAI predicts that the MVAS market will reach \$9.5 billion in 2015.⁷

4 CRISIL: CRISIL says, profit growth rate of telco's may double in next two years

5 Research and Markets: Global Mobile VAS Market - Forecasts to 2016

6 Research and Markets: Mobile Value Added Services Market in India 2014-2018

7 Wipro and IAMAI Report: MVAS Market in India Set to Grow to US \$9.5 Billion in 2015 from an Estimated US \$4.9 Billion in 2012

1 GSMA ME Report 2014

2 GSMA ME India Executive Summary 2013

3 [Indian Express](#)

2. OPPORTUNITIES

Today, there are several growth areas which present significant opportunities for the industry and benefits for consumers.

i Life enriching services: Services which seek to digitally empower citizens by providing efficient access to essential information and foster inclusive growth. Some services under this category including m-Commerce, m-Health, and m-Education have already gained considerable traction, while there is a lot of untapped potential in areas like m-Governance, m-Agriculture and m-Law.⁸

ii Regional Language Services: Interactive Voice Response or IVR services in regional languages will continue to gather momentum. Markets with diverse demographics as well as lower literacy rates will have appetite for this business. With mobile services transcending boundaries, regional IVR services will further help in information dissemination to semi-urban and rural areas in local languages.

iii Enterprise Services: For product and service companies, a very important factor for business sustainability is to have their brand reach more and more consumers. The existing service channels can be utilized in a way that benefits both enterprises as well as end consumers, with more reach and offering better consumer experience. Services range from simple and innovative solutions to increased business reach such as missed call marketing, customized IVRS, SMS Social media integration and recharge gratification.

iv The App-way: Greater Internet speed and increasing Smartphone penetration have led to a big uptake in handset applications. There is an opportunity to consolidate and create 360-degree applications which provide an array of services under one umbrella, such that users don't have to switch between apps.

v Rural to drive the next wave of growth: The next wave of growth in subscriptions will come from semi-urban and rural areas. Rural India too has witnessed a surge in mobile Internet usage with 21 million active mobile Internet users in rural India in June 2013, a five-fold growth over 2012.⁹

vi Business on the Go: A survey from Gartner found that most of the collaborative applications will be equally available on desktops, mobile phones, tablets and browsers by 2016. Cross platform business mobility solutions on mobile devices are here to stay and will run a majority of the business in the coming years.¹⁰

3. CHALLENGES

The mobile industry is overcoming cost barriers and developing innovative solutions to deploy networks in more remote and challenging environments, especially in developing regions. The industry is competitive and significant price reductions over recent years have helped drive strong subscriber growth across the region. However, the industry faces a number of challenges.

i Affordability: There is a large segment of the population in many markets which are yet to gain access to the mobile. Cost is a key barrier for adoption in this segment and hence affordability remains a key challenge.

ii Network: Network expansion poses a challenge given that the growth is expected to come from remotely situated rural areas with low population densities.

iii Policies for users affecting user experience: The dual confirmation process for service activation was introduced for better authenticity and eliminating scenarios where services are activated by mistake. However, this added further step in the activation process and many subscribers find it too cumbersome. This does pose a challenge as cumbersome user experience has led to a fall in activation of services.

iv The Offdeck Challenge: The proliferation of smart devices has brought in Internet based social media and communication services which are easy to use. These services pose a serious challenge to traditional voice and messaging services.

4. OUTLOOK 2014-15

The mobile consumer of today enjoys unparalleled choice of service providers, declining prices, and a plethora of services that transcend geographic boundaries. With plenty of free content available, consumers have become more discerning and will pay only if a service is relevant and specific. These changes present OnMobile with an opportunity to evolve its products, change business models, and bring a new experience to users globally. OnMobile is a company with global reach, with customers in five continents. Amongst other things, it satiates their appetite for music. The explosive growth in digital media presents OnMobile with a large opportunity. OnMobile expects to play an important role in the distribution of such content, shaping how content is created, popularized and delivered.

5. RISKS AND CONCERNS

In the current extremely competitive environment, OnMobile has broadened its horizons with aggressive expansion in international geographies and is always on lookout to explore new opportunities for growth. Established as global pioneers in the realm of MVAS, the Company ensures that the multitude of risks are undertaken only after a great amount of research, forward thinking, strategic focus and contingency planning. With a strong reputation of placing client requirements at the forefront, OnMobile is known for its technology innovation and adherence to quality. The existing MVAS market is highly fragmented and OnMobile, with its pioneering position in the industry, is one of the few players capable of providing end-to-end Value Added Services for operators across the globe.

These include the development of innovative revenue generating products as well as revenue and product planning, service deployments with customers involving complex hardware systems and software applications deeply embedded within the carrier's network infrastructure.

Most of the Company's customer contracts are based upon revenue share. Therefore, the revenue accrues to the Company only if customers' end-user subscribers use or subscribe to the services offered by them. As a result, the Company's revenue is subject to uncertainties that are beyond its control, such as customer acceptance of its application services along with the

⁸ ASSOCHAM MVAS study

⁹ Business Standard

¹⁰ Gartner BYOD Study

subscription rate, that is largely dependent on the pricing of the services, product placement, and promotional activities conducted by the Company's customers, either jointly with the Company or solely. Given the Company's in-depth understanding of consumer needs, creative user interface and continued focus on developing innovative products, the Company believes that its products are well placed on its customers' menus and websites. Further, the Company will continue to invest in research and development to remain at the forefront of latest development in the telecommunication industry. The Company aims to develop and roll out new and differentiated products and services/upgrade or improve the existing ones, for each of its customers.

The ARPU (Average Revenue per User) of the Company's carrier customers is influenced by the demographic makeup of their subscriber base. A substantial number of new subscribers of carrier customers are from non-metro areas with lower levels of ARPU. The Company has invested resources in understanding consumer needs and their spending pattern in order to increase the penetration level of value-added services. This has led to the development of new pricing solutions thereby making products affordable to the existing as well as new subscribers.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

In any industry, the processes and internal control systems play a critical role in the health of the Company. OnMobile's well-defined organizational structure, documented policy guidelines,

defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. The management information system provides timely and accurate information for effective control.

7. DISCUSSION ON CONSOLIDATED FINANCIAL PERFORMANCE FOR THE YEAR ENDED 2013-14

The consolidated financial statements relate to OnMobile Global Limited, referred to as "the Company" and its subsidiaries and associates together referred to as "the Group".

The consolidation for the FY 2013-14 includes figures of Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi, Onmobile Portugal SGPS., Onmobile Telecom Burkina Faso, SARL, Onmobile Global South Africa (PTY) LTD, Onmobile Global Czech Republic s.r.o., Onmobile Live Inc, Fonestarz Media Group Limited., 2dayUK Limited., Fonestarz Media (licensing) Limited, Daius Limited., Fonestarz Limited., Fonestarz Media (Australia) PTY Limited, Fonestarz Media Limited and OnMobile Global Limited Columbia S.A.S. formed/acquired during the year.

RESULT OF OPERATIONS

	FY 2013-14	% of total revenue	FY 2012-13	% of total revenue	Growth %
(In Rs. Million except EPS)					
Results from operations					
Telecom Value Added Services	8,653.13	-	7,252.69	-	19
Other Income	154.28	-	220.42	-	-30
Total Revenue	8,807.41	-	7,473.11	-	18
Cost of Sales and Services	1,821.05	21	1,115.57	15	63
Employee Benefits expense	3,516.62	40	2,890.52	39	22
Finance costs	36.97	0	27	0	37
Depreciation and amortization expense	1,366.88	16	986.2	13	39
Other expenses	2,009.12	23	1,753.06	23	15
Total Expenses	8,750.64	99	6,772.35	91	29
Profit before exceptional items and tax	56.77	1	700.76	9	-42
Exceptional items	1194.84	14	-	-	100
Profit before tax	-1,138.07	-13	700.76	9	-262
Provision for taxation	181.45	2	228.99	3	-21
Profit for the year	-1,319.52	-15	471.77	6	-380
Profit attributable to Consolidated group	-1,319.52	-15	471.77	6	-380
EPS- Basic	-11.6	-	4.1	-	-
EPS -Diluted	-11.5	-	4.1	-	-

Revenue

Revenue is derived from Telecom Value Added Services, Sale of User licenses and other services. Revenue from Telecom Value Added Services is recognized on provision of services in terms of revenue-sharing arrangements with the telecom operators. Revenue from sale of user licenses for software applications is recognized when the applications are functionally installed at the customer's location as per the terms of the contract and Revenue from Other Services including maintenance services are recognized

proportionately over the period during which the services are rendered as per the terms of the contract.

The revenue for the FY 2013-14 was Rs.8,653.13 million as against Rs. 7,252.69 million for FY 2012-13, thus recorded a growth of 19%. High growth in International markets like Latin America, Europe and Africa driven by launch of new customers, expansion of subscriber base and revenue from the acquired company, Live Wire Inc. during the year has offset the de-growth on the domestic front.

The segmentation of revenue by geography is as follows:

	(Rs. In million)				
	FY 2013-14	% of total Revenues	FY 2012-13	% of total revenue	Growth %
India	2,313.04	27	2,842.60	39	(19)
Outside India	6,340.09	73	4,410.09	61	44
Total Revenue	8,653.13		7,252.69		19

Other Income

Other Income primarily consists of Interest earned on Fixed Deposits and Dividends yield on Mutual Funds. It was Rs.154.28 million in FY 2013-14 as compared to Rs.220.42 million in the FY 2012-13. The Other Income in FY 2012-13 was higher mainly due to sale of stake in Ver se Innovation Private Limited.

The surplus funds of the group continue to remain invested in fixed deposits and money market securities in adherence to the investment policy.

Cost of Sales and Services

Cost of Sales and Services consists of amount incurred towards content fee and cost of software development and other charges. Content fee is paid to content providers such as music label companies, royalty agencies, sports licensing authorities and other content licensors, from whom the group sources and aggregates content, pursuant to licensing agreements with them. Cost of software development and other charges primarily represents cost of software packages, tools and services procured by the group for providing/ enhancing the quality of its services to the customers. During FY 2013-14, the cost of sales and services was Rs.1,821.05 million as against Rs.1,115.57 million incurred in FY 2012-13. The increase is largely due to one-time minimum guarantee payment towards a contract in Europe and change in revenue mix.

	(In Rs. Million)				
	FY 2013-14	% of total revenue	FY 2012-13	% of total revenue	Increase %
Content fee	1,298.64	15	698.74	9	86
Cost of development and other charges	522.41	6	416.83	6	25
Cost of sales and Services	1,821.05	21	1,115.57	15	63

Employee Benefits Expense

Employee Benefits Expense comprise of salaries including bonus paid to employees, contribution made to various employee welfare funds and expenses incurred towards welfare of the employees.

During the FY 2013-14, the group incurred a cost of Rs.3,516.62 million as against Rs.2,890.52 million in the FY 2012-13 thus, representing an increase of 22% over the previous year. The increase was primarily on account of Increments given to employees in line with the market and investment in manpower resources in certain geographies like Europe, Africa and North America.

The total employee strength as on March 31, 2014 was 1690 which included a net addition of 26 employees during the financial year. Also, during the year, there was a sustained focus on improving the existing employee productivity and optimization of human resources.

Finance Charges

The Finance Charges represent interest paid/payable towards the finance lease entered into by the Company for procurement of computer and electronic equipment and interest paid/payable towards loan to meet working capital requirements, acquisition of Livewire Mobile business and capital expenditure.

During FY 2013-14, the Company incurred Finance Charges of Rs.36.97 million as compared to Rs.27.00 million in FY 2012-13.

Depreciation and Amortisation

The group provided a sum of Rs.1,366.88 million and Rs.986.20 million towards Depreciation and Amortisation for the FY 2013-14 and FY 2012-13, respectively, thus representing a growth of 39% over the previous year. Increase in Depreciation and Amortization is on account of:

- Increased investment in fixed assets resulting from new deployments in Africa and other geographies.
- Higher Amortization of market development and deployment rights in the FY 2013-14 as compared to the previous year.
- Amortisation related to Livewire Mobile business acquisition in FY 2013-14.

Depreciation and Amortisation on assets is provided on a monthly basis using the straight-line method based on useful/commercial lives of these assets as estimated by the Management, other than for market development and deployment rights, which is amortized over its useful/ commercial life in time proportion of its economic benefits, that are expected to accrue to the Company. The amortization method is reviewed at each year-end for any significant change in the expected pattern of the economic benefits. Expenditure incurred on research and development is not being capitalized.

The Depreciation and Amortization as a percentage of average gross block is 17% and 14% for the years ended March 31, 2014 and 2013, respectively.

Other Expenses

In the FY 2013-14, Other Expenses increased by 15% to Rs.2,009.12 million as against Rs.1,753.06 million incurred in FY 2012-13. The break- up of the expenses is as follows:

	(Rs. In million)				
	FY 2013-14	% of total revenue	FY 2012-13	% of total revenue	Increase %
Travelling and Conveyance	400.05	5	350.24	5	14
Rent and other facilities cost	323.84	4	296.71	4	9
Legal, professional & consultancy charges	475.27	5	234.22	3	103
Rates and taxes	246.82	3	271.70	4	-9
Communication charges	131.74	1	137.52	2	-4
Marketing Expenses	78.45	1	64.33	1	22
Others	352.95	4	398.34	5	-11
Total	2,009.12	23	1,753.06	23	15

The reasons for the increase in the expenses are as follows:

- Travelling and Conveyance: Increase in travel expenses is on account of increase in business activity in different geographics.
- Legal, Professional & Consultancy Charges: The Group had engaged consultants for acquisition of Livewire Mobile business and at various new geographic locations to take care of book-keeping, tax, legal and statutory compliances, which has resulted in higher cost during the year.

Exceptional Items

- The Venezuelan Government introduced a new currency exchange process (SICAD II) which has resulted in a devaluation of their local currency against US Dollars at 49.81 Bolivars per USD as of 31st March 2014 as against the official exchange rate of 6.3 Bolivars per USD. Accordingly, the Company has used SICAD II exchange rate to remeasure the Venezuela operations and its net monetary assets, and charged off the impact amounted to Rs. 161.09 Million in the consolidated results.
- The Company has recognised provision for diminution in value of Investment in its subsidiary OnMobile Europe B.V. which has underlying investment in OnMobile S.A., which has resulted in a non-cash write down of goodwill arising on consolidation of OnMobile SA amounting to Rs. 679.62 Million.
- The Company has executed a binding Share Purchase Agreement (SPA) with Synchronoss Technologies Inc., a Company headquartered in New Jersey and a leading player in synchronization technology products, for divestment of Voxmobili SA. The proposed deal was subject to and contingent upon certain events, including applicable regulatory and shareholders' approvals. Pursuant to the terms of the said agreement, the Company has recorded the settlement claim in the consolidated results amounting to Rs. 354.13 Million.

Profit before Tax

The Profit/(Loss) before Tax of Rs.(1,138.07) million in the current FY 2013-14, as compared to Rs.700.76 million earned during the previous year, represents a 262% decline over the previous year.

Provision for Taxation

The amount provided for taxation in the current year is Rs.181.45 million as against Rs.228.99 million provided in FY 2012-13, thus representing 16% and 33% of Earnings before Tax, respectively. The amount includes international taxes.

Profit for the year

The Profit/(Loss) after Tax of Rs. (1,319.52) million in the current FY 2013-14, as compared to Rs.471.77 million earned during the previous year, represents a 380% decline from the previous year.

FINANCIAL CONDITION

Share Capital

The Authorized Share Capital of the group is Rs.1,500 million, comprising of 149,500,000 equity shares of Rs.10/-each and 500,000 preference shares of Rs.10/- each.

As at March 31, 2014, the group has 114,235,502 equity shares of Rs 10/- each as Issued, Subscribed and Paid-up Capital which is increased from 114,152,822 equity shares of Rs 10/- each as at March 31, 2013. The increase is consequent to allotment of 82,680 fully paid up Equity Shares of Rs.10/- each in pursuance of stock options exercised during the year.

Reserves and Surplus

A summary of the Reserves and Surplus is given below:

	(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013
Capital Redemption Reserve	40	40
Securities premium	3,393.43	3,394.22
Stock Option outstanding	0.44	0.44
General Reserve	13.20	13.20
Foreign Currency Translation Reserve	144.67	45.27
Surplus in Statement of Profit and Loss	2,935.41	4,455.54
Total	6,527.15	7,948.67

The decrease in securities premium account of Rs.0.79 million during the year is the net adjustment of receipt on exercise of stock options during the year.

Foreign Currency Translation Reserve represents exchange differences arising out of consolidation in case of non-integral operations. In case of integral operations, these exchange differences are included under Exchange Loss/ Gain and charged to the Statement of Profit and Loss.

The surplus retained in the Statement of Profit and Loss as at March 31, 2014 is Rs.2,935.41 million.

The total Net Worth of the group as March 31, 2014 is Rs.7,669.51 million with the book value of each share being Rs.67. The corresponding numbers for the previous FY are Rs.9,090.20 million and Rs.80 respectively.

Long-term borrowings

It represents the amounts outstanding beyond 12 months from the date of Balance sheet for loan availed during the year for acquisition of Live Inc.

Deferred Tax Liability and Asset

Deferred Tax Assets and Liabilities are recognized for the future tax consequences of temporary differences between carrying values of the assets and liabilities and their respective tax bases and are measured using enacted tax rates applicable on the Balance Sheet date. Deferred Tax Assets are recognized subject to management's judgment that realization is virtually certain. The Deferred Tax

Liability represents the deferred tax liability of the Group and as on March 31, 2014 is Rs.7.39 million as compared to Rs.32.26 million as on March 31, 2013. The Deferred Tax Asset represents the deferred tax assets of the Group and as on March 31, 2014 is Rs.121.03 million as compared to Rs.31.26million as on March 31, 2013.

Long-term provisions

The Long-term Provisions outstanding as on March 31, 2014 are Rs.87.54 million as compared to Rs.147.40 million as on March 31, 2013, thus representing a decrease of Rs.59.86 million. The decrease is primarily on account of decrease in provision for credit notes.

Non-Current Liabilities

The Non-Current Liabilities outstanding as on March 31, 2014 are Rs.537.95 million as compared to Rs.182.26 million as on March 31, 2013, thus representing an increase of Rs.355.69 million. Which is mainly on account of term loan (repayable beyond 12 months) relating to acquisition of Livewire Mobile business.

Current Liabilities

The Current Liabilities outstanding as on March 31, 2014 are Rs.3,782.85 million as compared to Rs.3,745.61 million as on March 31, 2013, thus representing an increase of Rs.37.24 million. Increase in unearned revenue, statutory remittances, provision for tax and trade payables is partially offset by decrease in deferred payment Liability and provision for credit notes.

Goodwill on consolidation

Goodwill on Consolidation represents the excess of cost to the Company of its investments in the subsidiaries over its share of the equity of the subsidiaries, at the date on which the investments in the subsidiary Company were made.

The Goodwill as on March 31, 2014 is Rs.1,366.61 million as compared to Rs. 2046.26 Million as of March 31, 2013. The decrease is on account of impairment of investment in OnMobile Europe BV, which has underlying investment in OnMobile SA.

Fixed Assets

The Company incurred an amount of Rs.2,203.75 million (Rs. 960.19 million in the previous year) as capital expenditure in the FY 2013-14. Addition to the gross block mainly comprises of additions to computers and electronic equipment, software and market development and deployment rights consequent to expanding operations and acquisition of Livewire Mobile business.

Non-current Investments

Non-current Investment is Rs 0.02 million as at March 31, 2014 as compared to Rs. Nil as at March 31, 2013.

Long-term loans and advances

The Long-term Loans and Advances recoverable as on March 31, 2014 are Rs.1,461.72 million as compared to Rs.1,071.69 million as on March 31, 2013, thus representing an increase of Rs.390.03 million. The increase is primarily on account of Advance Income Tax, Tax deducted at source and withholding taxes during the year.

Current Investments

The Increase in short-term investment to Rs.406.42 million as at March 31, 2014 from Rs.337.30 million as at March 31, 2013 was due to increased investment in money market securities.

Trade receivables

The Trade Receivables (net of Provision for Doubtful Trade Receivables) amount to Rs.2,030.15 million as on March 31, 2014 as against Rs.1,786.87 million as on March 31, 2013.

Below is the ageing of Trade receivables:

	As at March 31, 2014	As at March 31, 2013
Less than 6 months	1,884.70	1,468.32
More than 6 months	145.45	318.55

Cash and cash equivalents

The Cash and Cash Equivalents as on March 31, 2014 were Rs.833.94 million as against a balance of Rs.1,671.37 million as on March 31, 2013. The decrease in balance is mainly on account of repayment of short-term loan for working capital requirement and payment of dividend during FY 2013-14.

Short-term loans and advances

The short-term loans and advances outstanding as on March 31, 2014 is Rs.902.63 million as compared to Rs.874.67 million outstanding as on March 31, 2013, thus representing an increase of Rs.27.96 million.

Other current assets

The Other current assets outstanding as on March 31, 2014 are Rs.1,076.98 million as compared to Rs. Rs.1,668.48 million outstanding as on March 31, 2013, thus representing a decrease of Rs.591.50 million.

The decrease is resulting from:

- Decrease in unbilled revenue to Rs.1,075.13 million as of March 31, 2014 from Rs. 1,572.98 million as of March 31, 2013, which is because of higher billing as compared to last year.
- Decrease in Accrued Interest on deposits to Rs.1.85 million as of March 31, 2014 from Rs.13.58 million as of March 31, 2013.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

OnMobile has always believed in building a culture of innovation and creativity where our employees are inspired to achieve excellence in their area of functioning. As OnMobile grows globally, expanding its footprint through its own and acquired offices, we continue to endeavor to foster a common culture among our globally diversified workforce.

Today, we are a multicultural company with presence in 58 countries, having Latin American, Europeans, North Americans and Asians of multiple nationalities as associates at OnMobile.

Our vision is to make large-scale, positive impact in people's lives through mobile. We attract the best talent around the globe. We have been hiring diverse workforce. We believe in hiring Individuals with vision, creativity and the energy to lead the changes that take place in the telecommunications industry each day.

Employee engagement and development

OnMobile offers its employees a unique blend of an informal work environment and a corporate culture that encourages personal empowerment. We have always believed in creating an environment where our employees feel safe and secure. The year that went by saw a plethora of engagement activities conducted across locations to inculcate & build the “one company” culture.

Training at OnMobile is one of the means of continuously enhancing the skills, knowledge and attitudes of our employees to make them more effective in their current and future roles. With this mandate, in the year 2013-2014, we conducted training programs across organization covering approximately 1100 employees in these trainings.

9. CORPORATE SOCIAL RESPONSIBILITY

As a responsible Corporate Citizen, OnMobile is committed to contributing to the society, environment and community. The focus area on which OnMobile strived to ‘Make a Difference’ was Education. We have participated in few events such as Give India Payroll program (ongoing) and tie up with NGO’s during festivals. But we feel as an organization we should focus on specific causes instead trying to do a one off event.

We have identified two causes:

Education: Teach for India: We participated in the “Joy of Giving Week” program - India Giving challenge by Give India. Through this

initiative we worked with Teach For India (for Bangalore & offices outside Bangalore)

Teach for India is a nationwide movement of outstanding college graduates and young professionals who teach full time in low income schools for two years. The fellowship enables them to become lifelong leaders advocating for educational equity.

Wild Life Rescue and Rehabilitation Center (WRCC) – www.wrrcbangalore.org : WRCC is a registered public charitable trust for the conservation and welfare of wildlife rescued from Urban and rural areas around Bangalore.

We have worked with above mentioned organization throughout the year on various initiatives.

10. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the industry’ projections and estimates (which are based on reliable third party sources) as well as Company’s objectives, estimates, projections and expectations may be “forward-looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company’s operations include economic developments within the country, demand and supply conditions in the industry, changes in Government regulations, tax laws and other factors such as litigation and labour relations.

Addendum to the Directors' Report

Appointments

Rajiv Pancholy, who was appointed as Chief Executive Officer (CEO) of the Company w. e. f. June 02, 2014, was inducted to the Board, and consequent to the resignation of the then managing director he was also appointed as the Managing Director & CEO of the Company w. e. f. June 26, 2014. He brings over three decades of leadership experience, particularly in transforming organizations and building growth-oriented businesses. Shareholders' approval is sought by special resolution to the appointment of Rajiv Pancholy as Managing Director and CEO of the Company.

Francois Charles Sirois was appointed as an additional director of the Company w.e.f June 26, 2014 and he holds office as such until the date of the AGM in terms of Section 161 of the Companies Act, 2013. The company has received a requisite notice in writing from a member proposing Francois Charles Sirois as a Director of the Company.

Nancy Cruickshank and Bruno Ducharme were appointed as additional directors of the Company by the Board w.e.f. July 31, 2014. In terms of Section 161 of the Companies Act, 2013 they hold office until the date of AGM. They are proposed to be appointed as Independent Directors of the Company pursuant to Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, at the forthcoming AGM.

The Board seeks support of the shareholders in confirming all the above appointments

Resignation.

Chandramouli Janakiraman has resigned as Managing Director and Chief Executive Officer w.e.f June 02, 2014.

Further Chandramouli has resigned as director from the Board effective June 26, 2014 as he believed that OnMobile has the right CEO in Rajiv Pancholy and that is important to fully enable him in charting the way forward for the Company.

For and on behalf of Board of Directors

H H Haight IV
Chairman

Place: London
Date: July 31, 2014

The details of the above said Directors are as below:

[Francois Charles Sirois](#) is the President and CEO of Telesystem, a global media and technology holding company. He is also the President and Chief Executive Officer of OnMobile Systems Inc., the largest shareholder of OnMobile. François-Charles has more than 15 years of experience in corporate mergers, acquisitions and financing. His entrepreneurship expertise and talent for developing successful joint ventures with innovative partners have enabled Telesystem to leverage the momentum in the media and technology industry. Before joining Telesystem, François-Charles founded and helmed up2 technologies, Microcell i5 and Masq. He currently serves on the Boards of Telesystem, Stingray Digital, iPerceptions, Zone3 and the Sainte-Justine UHC Foundation. Francois Charles Sirois has been appointed as a director effective June 26, 2014. As on date, Francois Charles Sirois is on the Board of the following other companies:

1. OnMobile Systems Inc.
2. Telesystem Ltd.
3. Stingray Digital Group Inc.
4. Zone3 Inc.
5. Telesystem Media, Inc
6. iPerceptions

[Rajiv Pancholy](#) is a veteran in the telecommunications industry possessing over three decades of experience in a variety of roles. He has a proven track record of successfully implementing organisational transformation, conceptualizing innovative product and marketing strategies, international business development and planning and policy development. He joins OnMobile after founding his own company TTP Media where he served as Founder and President. Prior to founding TTP Media, Rajiv was the CEO and Chairman of TenXc Wireless Inc. Before joining TenXc, Rajiv was the President and CEO of Mitec Telecom Inc., a designer and manufacturer of wireless network products. Rajiv was also the President and Chief Operating Officer of Canada's fourth largest national wireless operator, Microcell Connexions Inc. During his tenure at Microcell, better known for the brand name Fido, Rajiv revitalized the business to new levels of customer and business performance and presided over Microcell becoming the first Canadian carrier to nationally launch commercial high speed wireless data services. He was engaged as an Advisor to the Telecom Policy Review Panel launched by the Government of Canada to make recommendations on Canadian Telecom Policy. Rajiv also serves as an advisor to many venture funds in North America and is on the Board of Directors of several technology companies. He has degrees from McGill University, Montreal and the Indian Institute of Technology, Delhi. Rajiv Pancholy has been appointed as a CEO effective from June 02, 2014. Further he has been appointed as Managing Director and CEO on June 26, 2014. As on date, Rajiv Pancholy is on the Board of the following other companies:

1. TenXc Wireless India Pvt Ltd
2. TTP Media (7954689 Canada Inc.)
3. Gen24 Capital (6556027 Canada Inc.)

The disclosure pursuant to Section II of Schedule V of the Companies Act, 2013 regarding remuneration payable to Rajiv Pancholy as Managing Director is given in the statement attached to the notice of AGM pursuant to Section 102(1) of the Companies Act, 2013.

Nancy Cruickshank is the Founder & CEO of MyShowcase Ltd, a new kind of online & direct Beauty retailer that champions female entrepreneurialism. She is actively involved in building a new distribution channel for innovative beauty brands via a growing base of female Stylists or entrepreneurs. Nancy is a serial entrepreneur herself and has an advisory role in a number of companies. From April 2012 to March 2013 she was Launch CEO of Weve, leading a team that secured clearance from the EC for the UK's leading mobile operators (EE, Vodafone and Telefonica) to launch a media & mCommerce JV in the UK. Having graduated from Leeds University with History Honours degree, she started life working for Condé Nast in marketing and advertising on titles such as Vogue and World of Interiors, becoming commercial director of Condé Nast online in 1995 – the start of a career with the digital world at its core.

In 2001 she launched Handbag.com - the pioneering fashion and beauty portal which she sold to Hearst in 2006. She stayed on after the buy-out to oversee their portfolio of web properties including, cosmopolitan.co.uk, netdoctor.co.uk, menshealth and Handbag.com, which under her leadership grew its audience to over 1.3 million women per month.

In 2008 she joined VideoJug, the market-leading How To website, as Global CEO and in May 2009 moved to the Telegraph Media Group (TMG) as Executive Director, Digital Development where her focus was on growing TMG's digital proposition and revenues. This included the award winning Telegraph.co.uk which today attracts over 50 million unique users per month globally. Approval

of the Shareholders is being sought at the ensuing AGM for appointment of Nancy Cruickshank as an Independent Director as per the provisions of the Companies Act, 2013. As on date, Nancy Cruickshank is on the Board of the following other Companies:

1. TelecityGroup PLC [London FTSE 250]
2. MyShowcase Ltd [London]

Bruno Ducharme is the co-founder and former CEO of Telesystem International Wireless (TIW). From 1995 until 2005 TIW developed and operated mobile networks in several countries, including China, India, Brazil, Romania, The Czech Republic and the United Kingdom. In 2005 TIW sold its operations to Vodafone for \$4.4B. From 1990 to 2005 Bruno Ducharme was also Executive Vice-President of Telesystem Ltd. Since 2005, Bruno has participated in the acquisition of several telecommunications operators alongside financial sponsors and has served as a director of several telecommunication companies, including mobile operators in Austria, Greece, Lithuania, Latvia, Malta, Russia and Switzerland, a Luxembourg-based global satellite services provider, and developers of fibreoptic infrastructure and internet service providers in the United Kingdom. He is a graduate of McGill University (Bachelor of Civil Law) and the Wharton School of the University of Pennsylvania (MA/MBA) where he was a fellow of the Lauder Institute. Approval of the Shareholders is being sought at the ensuing AGM for appointment of Bruno Ducharme as an Independent Director as per the provisions of the Companies Act, 2013. As on date, Bruno Ducharme is on the Board of the following other Companies:

1. Orange Communications SA
2. UAB Bitė Lietuva
3. LLC T2 RTK Holding
4. Melital Capital plc
5. Hyperoptic Ltd
6. Cirrus Inns Holdings Limited
7. Bluestreak Technology (Canada) Inc.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ONMOBILE GLOBAL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **ONMOBILE GLOBAL LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
(Partner)
(Membership No. 203685)

Bangalore, 29 May, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

TO THE MEMBERS OF ONMOBILE GLOBAL LIMITED FOR THE YEAR ENDED 31st MARCH, 2014

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Having regard to the nature of the Company's business/activities/results during the year, clauses ii, vi, viii, xii, xiii, xiv, xix and xx of paragraph 4 of the Order are not applicable to the Company.

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion do not constitute a substantial part of the fixed assets of the Company and such disposal, in our opinion does not affect the going concern status of the Company.
- (ii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (iii) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and the sale of services. During the course of our audit, we have not observed any major weakness in such internal control system. The Company's operations during the year did not entail purchases of inventory or the sale of goods.
- (iv) In respect of contracts or arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act 1956, to the best of our knowledge and belief, and according to the information and explanations given to us,
 - (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of Rs.5 lakhs in respect of any party, having regard to our comments in paragraph (iv) above, the transactions have been made at prices which are, *prima facie*, reasonable having regard to the prevailing market prices at the relevant time, other than certain purchases which are of a special nature for which comparable quotations are not available and in respect of which we are, therefore, unable to comment if the transactions have been carried out at prices having regard to the prevailing market prices at the relevant time.
- (v) In our opinion, the internal audit functions carried out during the year by an external agency appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (vi) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears, as at March 31, 2014 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2014 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount (Rs. in Million)
Income Tax Act, 1961	Income tax	Commissioner (Appeals)	AY 2009-10	36.47
Income Tax Ordinance, 1984, Bangladesh	Income tax	High Court	AY 2010-11	6.40
Income Tax Ordinance, 1984, Bangladesh	Income tax	Tribunal	AY 2011-12	5.84
Income Tax Act, 2004, Tanzania	Income tax	Commissioner, Tanzania Revenue Authority	Year ended December 31, 2011	3.90
Chapter V, Finance Act, 1994	Service tax	Customs Excise & Service Tax Appellate Tribunal (CESTAT)	2006-07 to 2008-09	5.52

- (vii) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. There are no outstanding dues to financial institutions and the Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, *prima facie*, prejudicial to the interests of the Company.
- (x) The Company has not availed any term loans during the year.
- (xi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, *prima facie*, not been used during the year for long-term investment.
- (xii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xiii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
(Partner)
(Membership No. 203685)

Bangalore, 29 May, 2014

BALANCE SHEET

		(In Rs. Million)	
	Note No.	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	1,142.36	1,141.53
Reserves and surplus	3	6,647.39	7,221.78
		7,789.75	8,363.31
Non-Current Liabilities			
Long-term borrowings	4	-	2.60
Deferred tax liabilities (net)	34 a	-	23.74
Long-term provisions	5	35.78	121.72
		35.78	148.06
Current Liabilities			
Short-term borrowings	6	167.86	307.48
Trade payables	7	1,573.79	1,806.13
Other current liabilities	8	504.30	846.63
Short-term provisions	9	206.32	379.78
		2,452.27	3,340.02
TOTAL		10,277.80	11,851.39
ASSETS			
Non-Current Assets			
Fixed assets			
Tangible Assets	10	462.02	559.06
Intangible Assets	10	1,551.93	2,585.07
Capital work-in-progress		37.07	126.91
		2,051.02	3,271.04
Non-current investments	11	2,156.57	2,624.27
Deferred tax assets (net)	34 a	64.12	-
Long-term loans and advances	12	1,734.11	1,047.71
Current Assets			
Current investments	13	356.11	295.40
Trade receivables	14	1,167.05	1,114.37
Cash and cash equivalents	15	313.75	1,077.87
Short-term loans and advances	16	487.98	593.06
Other current assets	17	1,947.09	1,827.67
		4,271.98	4,908.37
TOTAL		10,277.80	11,851.39
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

1 to 46

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells
Chartered Accountants

Chandramouli J
Chief Executive Officer and Director

H. H. Haight IV
Director

V. Balaji
Partner

Praveen Kumar K J
Vice President- Finance

P V Varaprasad
Company Secretary

Place: Bangalore
Date: May 29, 2014

Place: Bangalore
Date: May 29, 2014

STATEMENT OF PROFIT AND LOSS

(In Rs. Million except per share data)

	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
REVENUE FROM OPERATIONS			
Telecom Value Added Services		4,062.32	4,664.28
Other Operating revenue			
- Reimbursement of expenses	42	671.11	433.89
Other Income	18	105.42	161.46
Total Revenue (A)		4,838.85	5,259.63
EXPENSES			
Cost of Sales and Services	19	857.51	1,011.27
Employee benefits expense	20	1,626.85	1,545.41
Finance costs	21	14.63	22.64
Depreciation and amortisation expense	10	945.73	922.68
Other expenses	22	1,138.23	1,406.20
Total Expenses (B)		4,582.95	4,908.20
Profit before exceptional item and tax		255.90	351.43
Exceptional item	45	559.48	-
Profit/ (Loss) before tax (C) = (A-B)		(303.58)	351.43
TAX EXPENSE / (BENEFIT)			
Current Tax expense		185.02	131.46
Minimum Alternate Tax (MAT) credit entitlement		(27.75)	-
Deferred tax		(87.86)	(43.86)
Net tax expense (D)		69.41	87.60
Profit/ (Loss) for the year (E) = (C-D)		(372.99)	263.83
EARNINGS/ (LOSS) PER SHARE			
1. Basic (Face value of equity share of Rs 10/- each)	33	(3.3)	2.3
2. Diluted (Face value of equity share of Rs 10/- each)		(3.3)	2.3
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

1 to 46

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells

Chartered Accountants

Chandramouli J
Chief Executive Officer and Director

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Director

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Praveen Kumar K J
Vice President- Finance

P V Varaprasad
Company Secretary

Place: Bangalore
Date: May 29, 2014

Place: Bangalore
Date: May 29, 2014

CASH FLOW STATEMENT

	(Rs. In Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (Loss) before tax	(303.58)	351.43
Adjustments for :		
Depreciation and amortisation	945.73	922.68
Provision for Impairment of Investment	559.48	-
Unrealised Foreign Exchange Loss/(Gain)	(102.91)	16.44
Loss/(Gain) on Sale of Fixed Assets (Net)	(9.27)	(7.76)
Loss/(Gain) on sale/ redemption of Investment (Net)	0.02	(47.32)
Bad Trade Receivables	54.67	63.60
Provision for Doubtful trade receivables (Net)	28.92	37.57
Dividend Income	(20.49)	(28.97)
Finance cost	14.63	22.64
Interest Income	(46.79)	(67.56)
	1,423.99	911.32
Operating profit before working capital changes	1,120.41	1,262.75
(Increase)/decrease in operating assets:		
Trade receivables	(183.83)	(8.26)
Short-term loans and advances and other current assets	(96.09)	(456.67)
Long-term loans and advances	(477.16)	46.81
Increase/(decrease) in operating liabilities:		
Current liabilities and provisions	(241.74)	40.32
Non-Current liabilities and provisions	(85.94)	(1.75)
	(1,084.76)	(379.55)
Cash generated from operations	35.65	883.20
Direct taxes paid (including refunds)	(362.13)	(599.11)
Net cash generated from operating activities	(326.48)	284.09
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital advances	(357.23)	(396.25)
Sale of fixed assets	210.68	33.60
Sale, Redemption/ (Purchase) of short term investments (net)	(60.72)	71.37
Sale, Redemption/ (Purchase) of Long term investments	-	54.95
(Purchase) / Sale of Investment in Subsidiaries/ Joint ventures	(91.76)	(64.30)
Loans realised from subsidiary	-	3.02
(Increase)/decrease in earmarked bank balances	103.03	255.25
Dividend Income	42.01	7.45
Interest received	58.65	99.96
Net cash (used in) / generated from investing activities	(95.34)	65.05
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of Share Capital (net of refund of share application money)	0.03	0.09
Buyback of Equity Share Capital	-	(43.38)
Repayment of Finance Lease	(11.42)	(17.12)
Proceeds from/ (Repayment of) Short Term Borrowings	(100.11)	(351.68)
Finance cost	(15.94)	(23.95)
Dividend Paid including tax	(200.47)	(132.42)
Net cash (used in) / generated from financing activities	(327.91)	(568.46)
Net increase/(decrease) in cash and cash equivalents	(749.73)	(219.32)
Cash and cash equivalents as at March 31, 2013 (Opening Balance)	956.16	1,143.83
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(88.63)	(31.65)
Cash and cash equivalents as at March 31, 2014 (Closing Balance)	295.06	956.16
	(749.73)	(219.32)
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 15)	313.75	1,077.87
Less: Bank balances not considered as Cash and cash equivalents as defined in AS-3	18.69	121.71
Cash and cash equivalents at the end of the year	295.06	956.16

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

V. Balaji
Partner

Place: Bangalore
Date: May 29, 2014

For and on behalf of the Board of Directors

Chandramouli J
Chief Executive Officer and Director

Praveen Kumar K J
Vice President- Finance

Place: Bangalore
Date: May 29, 2014

H. H. Haight IV
Director

P V Varaprasad
Company Secretary

Notes forming part of the financial statements

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Examples of such estimates includes provision for doubtful trade receivables, future obligations under employee benefit plans, income taxes and the useful lives of fixed assets. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reliably estimated. When no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates.

c. Cash flow Statement

Cash Flow Statement has been prepared in accordance with the Indirect method prescribed in Accounting Standard 3-"Cash flow statements". The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

d. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e. Depreciation/Amortisation

Depreciation/Amortisation on assets is provided using the straight-line method based on useful/commercial lives of these assets as estimated by the Management, other than for Market development and deployment rights which is amortised over its useful/ commercial life in time proportion of its economic benefits that are expected to accrue to the Company. The amortisation

method is reviewed at each year end for any significant change in the expected pattern of the economic benefits. The useful/commercial lives are as follows:

Category of Asset	No. of years
Leasehold Improvements	Primary lease period of 3 years -5 years
Building	61 years
Office equipments	3 years
Computers & Electronic equipments	3 years-5 years
Finance Lease Assets	Primary lease period of 3 years -5 years
Furniture & Fixtures	3 years
Motor Cars	3 years
Softwares	3 years
Intellectual Property Rights	3 years
Market development and deployment rights	Over the term of the agreement

Individual assets costing less than Rs.5,000/- are depreciated in full in the year of purchase. The depreciation rates adopted are the same as or higher than the rates specified in Schedule XIV of the Companies Act, 1956.

f. Revenue Recognition

Revenue from Telecom Value Added Services, net of credit notes, is recognized on provision of services in terms of revenue sharing arrangements with the telecom operators.

Revenue from sale of user licences for software applications is recognized when the applications are functionally installed at the customer's location as per the terms of the contracts.

Revenue from Other Services including maintenance services is recognized proportionately over the period during which the services are rendered as per the terms of contract.

Dividend on current investments is recognized on an accrual basis. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and the carrying value of the investment.

Rental Income is recognised on an accrual basis.

Interest Income is recognised on an accrual basis.

g. Fixed assets

Fixed assets are stated at cost of acquisition including taxes, duties, freight and other incidental expenses relating to acquisition and installation. Capital work in progress is stated at cost and includes the cost of fixed assets that are not ready for their intended use at the Balance Sheet date.

Notes forming part of the financial statements

h. Foreign currency transactions

Initial recognition:

Company: Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Integral foreign operations: Transactions in foreign currencies entered into by the Company's integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date:

Company: Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Integral foreign operations: Foreign currency monetary items (other than derivative contracts) of the Company's integral foreign operations outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company's integral foreign operations are carried at historical cost.

Premium or discount on forward exchange contract is amortised over the life of such contract and is recognised as income or expense.

Any profit or loss arising on cancellation, renewal or restatement of forward contract is recognised in the Statement of Profit and Loss.

i. Investments

Current investments are carried individually at lower of cost and fair value.

Long-term investments are stated at cost. Provision is made for any diminution in value of long-term investment which is other than temporary in nature. Cost of investments include acquisition charges such as brokerage, fees and duties.

j. Employee Benefits

a) Short-term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits (such as medical care) for current employees are estimated and measured on an undiscounted basis.

b) Defined Contribution Plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

c) Defined Benefit Plan

Liabilities for gratuity funded in terms of a scheme administered by the Life Insurance Corporation of India, are determined by Actuarial Valuation made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried in the Balance Sheet.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

d) Long-term liability for compensated absences is provided based on actuarial valuation of the accumulated leave credit outstanding to the employees as on the Balance Sheet date.

k. Employee Stock Option Plan

The Company has formulated 14 Employee Stock Option Plans ("ESOP") - OnMobile Employees Stock Option Plan – I 2003, OnMobile Employees Stock Option Plan – II 2003, OnMobile Employees Stock Option Plan – III 2006, OnMobile Employees Stock Option Plan – I 2007, OnMobile Employees Stock Option Plan – II 2007, OnMobile Employees Stock Option Plan – I 2008, OnMobile Employees Stock Option Plan – II 2008, OnMobile Employees Stock Option Plan – III 2008, OnMobile Employees Stock Option Plan – IV 2008, OnMobile Employees Stock Option Plan – I 2010, OnMobile Employees Stock Option Plan – II 2010, OnMobile Employees Stock Option Plan 2011, OnMobile Employees Stock Option Plan 1, 2012 and OnMobile Employees Stock Option Plan 1, 2013.

The Company has obtained legal opinion that the Guidance Note on Accounting for Employee Share Based Payments are not applicable to OnMobile Employee Stock Option Plan – I 2003 and II 2003. Options granted in terms of OnMobile Employee Stock Option Plan – III 2006, OnMobile Employees Stock Option Plan – I 2007, OnMobile Employees Stock Option Plan – II 2007, OnMobile Employees Stock Option Plan – I 2008, OnMobile Employees Stock Option Plan – II 2008, OnMobile Employees Stock Option Plan – III 2008 OnMobile Employees Stock Option Plan – IV 2008, OnMobile Employees Stock Option Plan – I 2010, OnMobile Employees Stock Option Plan – II 2010, OnMobile Employees Stock Option Plan 2011

Notes forming part of the financial statements

OnMobile Employees Stock Option Plan 1, 2012 and OnMobile Employees Stock Option Plan 1, 2013 to which the said Guidance Note is applicable, are accounted under intrinsic value method and accordingly, the difference between the fair value of the underlying shares and the exercise price, if any, is expensed to Statement of Profit and Loss over the period of vesting.

l. Borrowing Costs

Borrowing costs incurred for the acquisition of qualifying assets are recognised as part of cost of such assets when it is possible that they will result in future economic benefits to the company while other borrowing costs are expensed.

m. Leases

Assets taken on lease where the company acquires substantially the entire risks and rewards incidental to ownership are classified as finance leases. The amount recorded is the lower of the present value of minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease. The rental obligations, net of interest charges, are reflected as secured loan. Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases and lease rentals are expensed to Statement of Profit and Loss on an accrual basis.

n. Earnings per Share

In determining the Earnings per share, the Company considers the net profit after tax. The number of shares used in computing Basic Earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing Diluted Earnings per share comprises the weighted average number of equity shares considered for deriving Basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year unless issued at a later date.

o. Income Tax

Income tax expense includes Indian and International income taxes. Income tax comprises of the current tax and previous year tax provision and net change in deferred tax asset or liability in the year.

Provision for current tax is made taking into account the admissible deductions/allowances and is subject to revision based on the taxable income for the fiscal year ending 31 March each year.

Provision for taxation includes tax liabilities in India on the Company's global income as reduced by exempted income and any tax liabilities arising overseas on income sourced from

those countries.

Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in the future years. Accordingly, MAT is recognised as an asset in the balance sheet where it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences between carrying values of the assets and liabilities and their respective tax bases and are measured using enacted or substantively enacted tax rates applicable on the Balance Sheet date.

Deferred Tax assets are recognized subject to management's judgement that realization is reasonably/virtually certain.

p. Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date for any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying amount of assets exceeds its recoverable amount. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

q. Provisions and Contingencies

Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Contingent Liabilities are disclosed in the Notes to the financial statements. Contingent assets are not recognised in the financial statements

r. Operating Cycle

Based on the nature of services / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Notes forming part of the financial statements

		(In Rs. Million)	
		As at March 31, 2014	As at March 31, 2013
2. SHARE CAPITAL			
Authorised			
149,500,000 Equity Shares of Rs.10 each with voting rights (as at March 31, 2013 - 149,500,000 Equity Shares of Rs.10 each)		1,495.00	1,495.00
500,000 Preference Shares of Rs.10 each (as at March 31, 2013 - 500,000 Preference Shares of Rs.10 each)		5.00	5.00
		1,500.00	1,500.00
Issued, Subscribed and Fully Paid up			
114,235,502 Equity Shares of Rs.10 each fully paid up with voting rights (as at March 31, 2013 - 114,152,822 Equity Shares of Rs.10 each)		1,142.36	1,141.53
		1,142.36	1,141.53

Notes:

A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2014		As at March 31, 2013	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares with voting rights				
Opening balance	114,152,822	1,141.53	115,003,310	1,150.03
Add: Exercise of Employee Stock Option Plan	82,680	0.83	213,512	2.14
Less: Buy back	-	-	1,064,000	10.64
Closing balance	114,235,502	1,142.36	114,152,822	1,141.53

B) Details of share holders holding more than 5% of the shares of the Company

	Number of Shares	%	Number of Shares	%
Equity Shares with voting rights				
OnMobile Systems Inc	39,023,703	34.16	39,023,703	34.19

C) Aggregate Number of shares allotted as fully paid up pursuant to contracts without payment being received in cash, bonus shares and buyback of shares for the period of five years immediately preceeding the Balance Sheet date:

- During the year ended March 31, 2010, 75,862 Equity Shares have been issued to the promoters and employees of Telisma, S.A. France as a part of Purchase consideration for its acquisition.
- During the year ended March 31, 2012, the company made a bonus issue of 58,954,543 shares in the ratio of 1 : 1 to the shareholders by capitalisation of Securities Premium account.
- During the year ended March 31, 2012 after obtaining approval of the shareholders and completion of the formalities prescribed for buy-back of equity shares u/s. 77A of the Companies Act, 1956, the Company bought back 2,936,000 Equity Shares of Rs.10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for Rs. 29.36 Million being the nominal value of equity shares bought back in terms of Sec.77AA of the Companies Act, 1956.

During the year ended March 31, 2013, the Company completed the above referred buy-back of equity shares and bought back 1,064,000 Equity Shares of Rs.10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for Rs. 10.64 Million being the nominal value of equity shares bought back in terms of Sec.77AA of the Companies Act, 1956.

- Total number of Options outstanding under various employee stock option plans, that are convertible into equity shares, as on March 31, 2014 are 3,851,149 (at March 31, 2013: 4,455,470) (Refer Note 31)

E) Rights and restrictions attached to equity shares:

The Company has only one class of equity shares with voting rights (one vote per share). The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company the equity shareholders are entitled to receive only the residual assets of the Company. The distribution of dividend is in proportion to the number of equity shares held by the shareholders.

Notes forming part of the financial statements

(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013
3. RESERVES AND SURPLUS			
Capital Redemption Reserve			
Opening Balance	40.00		29.36
Add: Transfer from Securities Premium Account	-		10.64
Closing Balance		40.00	40.00
Securities Premium Account			
Opening Balance	3,394.22		3,439.65
Less: Utilised during the year for:			
Transfer to Capital Redemption Reserve	-		10.64
Shares buy back	-		32.74
Discount on exercise of eligible stock options	0.79		2.05
Closing Balance		3,393.43	3,394.22
Stock Options Outstanding		0.44	0.44
General Reserve			
Opening Balance	13.20		-
Add: Transfer from Surplus in Statement of Profit and Loss	-		13.20
Closing Balance		13.20	13.20
Surplus in Statement of Profit and Loss			
Opening Balance	3,773.92		3,722.38
Add : Profit/(Loss) for the year	(372.99)		263.83
Add/(Less): Proposed dividend for earlier year (including tax)	(0.14)		1.24
Less: Appropriations			
Transfer to General Reserve	-		13.20
Proposed equity dividend (amount per share Rs.1.50 (as at March 31, 2013: Rs. 1.50))	171.35		171.23
Tax on proposed equity dividend	29.12		29.10
Closing Balance		3,200.32	3,773.92
		6,647.39	7,221.78

(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013
4. LONG- TERM BORROWINGS			
Long- Term Maturities of Finance Lease Obligations*		-	2.60
(Refer Note 29)		-	2.60

*Secured by underlying assets acquired under finance lease.

* Repayable within 24 months, the implicit interest rate is in the range of 9% to 13.50%

(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013
5. LONG- TERM PROVISIONS			
Provision for employee benefits:			
Provision for Compensated Absences		35.78	29.05
Provision - Others		-	92.67
Credit Notes (Refer Note 35)			
		35.78	121.72

Notes forming part of the financial statements

		(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013	
6. SHORT- TERM BORROWINGS			
Loans repayable on demand (Secured)			
From Banks	167.86	307.48	
	167.86	307.48	

Notes:

- Buyers' Credit Rs.107.76 Million (at March 31, 2013: Rs 307.48 Million) repayable within six to twelve months. Secured by first paripassu charge on movable fixed assets. Second paripassu charge on current assets.
- Pre-shipment credit in foreign currency Rs 60.10 Million (at March 31,2013: Nil) repayable in six months. Secured by first paripassu charge on present and future stocks and book debts.

		(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013	
7. TRADE PAYABLES			
Total outstanding dues of micro enterprises and small enterprises (Refer Note 37)	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,573.79	1,806.13	
	1,573.79	1,806.13	

		(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013	
8. OTHER CURRENT LIABILITIES			
Deferred payment Liability (Refer Note 26)	33.47	389.03	
Current Maturities of Finance Lease obligations (Refer Note 29)	3.08	10.56	
Interest Accrued but not due on Borrowings	0.34	1.65	
Income received in advance/ Unearned revenue	118.34	8.16	
Share application Money (Refer Note 23)	0.24	0.24	
Other Payables			
Statutory remittances	180.30	110.45	
Payables on purchase of Fixed Assets:			
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 37)	0.28	0.28	
- Total outstanding dues of creditors other than micro enterprises and small enterprises	165.70	326.26	
Others	2.55	-	
	504.30	846.63	

		(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013	
9. SHORT- TERM PROVISIONS			
Provision for employee benefits:			
Provision for Compensated Absences	2.14	2.04	
Provision for Gratuity (Refer Note 27)	3.71	1.75	
Provision - Others			
Credit Notes (Refer Note 35)	-	175.66	
Proposed equity dividend	171.35	171.23	
Provision for tax on proposed equity dividend	29.12	29.10	
	206.32	379.78	

Notes forming part of the financial statements

10. FIXED ASSETS		(In Rs. Million)									
		GROSS BLOCK			DEPRECIATION/ AMORTISATION				NET BLOCK		
		As at April 1, 2013	Additions	Deletions	As at March 31, 2014	As at April 1, 2013	For the year	Deletions	As at March 31, 2014	As at March 31, 2014	
Tangible assets (Owned, unless otherwise stated)	Leasehold Improvements	39.31 (59.92)	84.23 (24.86)	3.64 (45.47)	119.90 (39.31)	15.47 (39.86)	24.47 (20.71)	1.50 (45.10)	38.44 (15.47)	81.46 (23.84)	23.84 (20.06)
	Building	106.75 (106.75)	- (-)	- (-)	106.75 (106.75)	9.90 (8.15)	1.75 (1.75)	- (-)	11.65 (9.90)	95.10 (96.85)	96.85 (98.60)
	Office Equipments	3.87 (3.15)	28.96 (0.89)	- (0.17)	32.83 (3.87)	3.16 (2.66)	9.03 (0.66)	- (0.16)	12.19 (3.16)	20.64 (0.71)	0.71 (0.49)
	Computer and Electronic Equipments	2,341.69 (2,250.40)	135.89 (197.87)	186.28 (106.58)	2,291.30 (2,341.69)	1,920.33 (1,635.04)	255.66 (342.54)	122.57 (57.25)	2,053.42 (1,920.33)	237.88 (421.36)	421.36 (615.36)
	Computer and Electronic Equipments under finance lease	139.03 (123.57)	1.34 (15.49)	2.06 (0.03)	138.31 (139.03)	122.85 (106.60)	13.26 (16.28)	2.00 (0.03)	134.11 (122.85)	4.20 (16.18)	16.18 (16.97)
	Furniture and Fixtures	7.46 (15.05)	27.61 (0.58)	- (8.17)	35.07 (7.46)	7.34 (14.61)	9.03 (0.28)	- (7.55)	16.37 (7.34)	18.70 (0.12)	0.12 (0.44)
	Motor Cars	13.74 (13.74)	5.18 (-)	12.47 (-)	6.45 (13.74)	13.74 (13.74)	1.15 (-)	12.48 (-)	2.41 (13.74)	4.04 (-)	- (-)
	Total Tangible assets	2,651.85 (2,572.58)	283.21 (239.69)	204.45 (160.42)	2,730.61 (2,651.85)	2,092.79 (1,820.66)	314.35 (382.22)	138.55 (110.09)	2,268.59 (2,092.79)	462.02 (559.06)	559.06
	Previous Year										
Intangible assets (Owned)	Softwares	754.71 (740.25)	28.01 (14.46)	48.95 (-)	733.77 (754.71)	653.37 (545.31)	74.56 (108.06)	26.70 (-)	701.23 (653.37)	32.54 (101.34)	101.34 (194.94)
	Intellectual Property Rights	181.90 (181.90)	- (-)	- (-)	181.90 (181.90)	157.45 (108.64)	24.41 (48.81)	- (-)	181.86 (157.45)	0.04 (24.45)	24.45 (73.26)
	Market Development and Deployment Rights	3,134.35 (2,717.09)	- (417.26)	417.26 (-)	2,717.09 (3,134.35)	675.07 (291.48)	532.41 (383.59)	9.74 (-)	1,197.74 (675.07)	1,519.35 (2,459.28)	2,459.28 (2,425.61)
	Total Intangible assets	4,070.96 (3,639.24)	28.01 (431.72)	466.21 (-)	3,632.76 (4,070.96)	1,485.89 (945.43)	631.38 (540.46)	36.44 (-)	2,080.83 (1,485.89)	1,551.93 (2,585.07)	2,585.07
	Previous Year										
Note: Figures in brackets relate to the previous year.											

Note: Figures in brackets relate to the previous year.

Notes forming part of the financial statements

	(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013
11. NON- CURRENT INVESTMENTS		
Investments (At Cost)		
Trade Investments (Unquoted) In Equity Shares of:		
Wholly owned subsidiaries:		
OnMobile Singapore Pte. Ltd., Singapore 4,485,000 (at March 31, 2013: 4,485,000) equity shares of Singapore \$ 1 each, fully paid	154.49	154.49
Pt. OnMobile Indonesia 1,000 (at March 31, 2013: 1,000) equity shares of USD 100 each, fully paid	4.06	4.06
Onmobile Europe B.V., Netherlands 12,908,844 (at March 31, 2013: 12,908,844) equity shares of Euro 1 each, fully paid	2,207.51	2,207.51
Phonetize Solutions Private Ltd , India Nil (at March 31, 2013: 9,999) equity shares of Rs 10/- each, fully paid	-	0.10
OnMobile USA LLC, USA 20,100 (at March 31, 2013: 20,100) units of Common Stock of USD 100/- each fully paid	91.51	91.51
Servicios De Telefonía Onmobile Sa De Cv, Mexico 1,829,877 (at March 31, 2013: 1,829,877) equity shares of 1 peso each fully paid	6.86	6.86
OnMobile Global S A, Argentina 2,073,850 (at March 31, 2013: 2,073,850) equity shares of 1 ARS each fully paid	25.63	25.63
OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda, Brazil 2,365,109 (at March 31, 2013: 2,365,109) equity shares of 1 BRL each fully paid	65.64	65.64
OnMobile Global for Telecommunications Services, Egypt 100 (at March 31, 2013: 100) equity shares of 100 EGP each fully paid	0.08	0.08
OnMobile Bangladesh Private Limited 720,000 (at March 31, 2013: 370,000) equity shares of TK 10 each fully paid	5.09	2.28
Onmobile Global Spain, S.L.U. 961,000 (at March 31, 2013: 3,000) equity shares of Euro 1 each fully paid	81.90	0.21
OnMobile Kenya Telecom Limited 500,000 (at March 31, 2013: 500,000) equity shares of KES 20 each fully paid	41.50	41.50
OnMobile Zambia Telecom Limited 5,000,000 (at March 31, 2013: 5,000,000) equity shares of ZMK 1 each fully paid	8.24	8.24
OnMobile Madagascar Telecom Limited 10,000 (at March 31, 2013: 10,000) equity shares of MGA 100 each fully paid	1.08	1.08
OnMobile Telecom Limited, Malawi 10,000 (at March 31, 2013: 10,000) equity shares of MWK 1 each fully paid	0.81	0.81
OnMobile Uganda Limited 10,000 (at March 31, 2013: 10,000) equity shares of UGX 100 each fully paid	13.51	13.51

Notes forming part of the financial statements

	(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013	
OnMobile Global Italy S.R.L. 10,000 (at March 31, 2013: 10,000) equity shares of Euro 1 each fully paid		0.71		0.71
OnMobile Turkey Telekomunikasyon Sistemleri Limited Sirketi 25 (at March 31, 2013: Nil) equity shares of TRY 100 each fully paid		0.08		-
OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira) 5,000 (at March 31, 2013: Nil) equity shares of Euro 1 each fully paid		0.79		-
OnMobile Ghana Telecom Limited 95,000 (at March 31, 2013: Nil) equity shares of GHS 1 each fully paid		2.94		-
OnMobile Telecom Sierra Leone Limited 1,000,000 (at March 31, 2013: Nil) equity shares of Le 1,000 each fully paid		1.01		-
OnMobile Telecom Rwanda Limited 500 (at March 31, 2013: Nil) equity shares of Rwf 1,000 each fully paid		0.05		-
OnMobile Global Czech Republic S.R.O 200,000 (at March 31, 2013: Nil) equity shares of CZK 1 each fully paid		0.65		-
OnMobile Telecom Nigeria Limited 2,500,000 (at March 31, 2013: Nil) equity shares of NGN 1 each fully paid		0.98		-
OnMobile Tanzania Telecom Limited 20,000 (at March 31, 2013: Nil) equity shares of TZS 1,000 each fully paid		0.73		-
OnMobile Telecom Burkina Faso, S.A.R.L. 100 (at March 31, 2013: Nil) equity shares of FCFA 10,000 each fully paid		0.13		-
Other entities:				
Mobile Voice Konnect Private Limited 5,000 (at March 31, 2013: 5,000) equity shares of Rs 10 each fully paid		0.05		0.05
Turaco Mobile Private Limited 1,600 (at March 31, 2013: Nil) equity shares of Rs 10 each fully paid		0.02		-
		2,716.05		2,624.27
Less: Provision for Impairment of Investment in Onmobile Europe B.V.		559.48		-
		2,156.57		2,624.27

Aggregate amount of unquoted investment Rs 2,716.05 Million (at March 31, 2013 Rs 2,624.27 Million)

Notes forming part of the financial statements

	(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013
12. LONG - TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
Capital Advances	14.14	37.51
Security Deposits	53.52	54.43
Prepaid expenses	20.17	-
Loans to Subsidiaries (Refer Note 25)	468.65	10.43
Advances to Employees	2.96	3.28
Advance Income tax (net of provisions of Rs.1,326.32 Million (at March 31, 2013: Rs.1,296.23 Million))	1,046.65	841.79
MAT Credit Entitlement	127.32	99.57
Fringe Benefit Tax (net of provisions of Rs 70 Million (at March 31, 2013: Rs 70 Million))	0.70	0.70
	1,734.11	1,047.71

	(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013
13. CURRENT INVESTMENTS		
Investments in Mutual Funds (Unquoted) at lower of cost and fair value		
Birla Sun life Cash Plus-Instl-Daily Dividend -Reinvestment 2,001,021 (at March 31, 2013 –200,217) units, Net Asset Value Rs.200.76 Million (at March 31, 2013 –Rs.20.06 Million)	200.76	20.06
HDFC Cash Management Fund-Treasure Advantage Plan-WholeSale Daily Dividend Option Reinvest Nil (at March 31, 2013 –4,985,322) units, Net Asset Value Nil (at March 31, 2013 –Rs. 50.26 Million)	-	50.26
ICICI Prudential Liquid super Regular Plan- Daily Dividend Nil (at March 31, 2013 –250,775) units, Net Asset Value Nil (at March 31, 2013 –Rs.25.08 Million)	-	25.08
Reliance liquidity Fund Daily Dividend Reinvestment Option Nil (at March 31, 2013 –2,149,826) units, Net Asset Value Rs.Nil (at March 31, 2013 – Rs.21.51 Million)	-	-
Reliance Liquidity Fund - Treasury Plan- Institutional Option-Daily Div Option 33,719 (at March 31, 2013 –Nil) units, Net Asset Value Rs.51.55 Million (at March 31, 2013 – Nil)	51.55	-
Tata Liquid Fund Plan A- Daily Dividend 18,105 (at March 31, 2013 –Nil) units, Net Asset Value Rs.20.18 Million (at March 31, 2013 – Nil)	20.18	-
Religare Liquid Fund- Daily Dividend 29,894 (at March 31, 2013 –Nil) units, Net Asset Value Rs.30.04 Million (at March 31, 2013 – Nil)	30.04	-
ICICI Prudential Liquid Plan- Daily Dividend 535,414 (at March 31, 2013 –Nil) units, Net Asset Value Rs.53.58 Million (at March 31, 2013 – Nil)	53.58	-
Current portion of Long-term Investments		
Investment in mutual funds (Quoted):		
Kotak FMP Series 82- Growth Nil (at March 31, 2013- 10,000,000) units, Net Asset Value Nil (at March 31, 2013- Rs.110.76 Million)	-	100.00
HSBC Fixed Term Series- 86- Growth Nil (at March 31, 2013- 10,000,000) units, Net Asset Value Nil (at March 31, 2013- Rs.110.75 Million)	-	100.00
	356.11	295.40

Aggregate amount of quoted investment Rs Nil (at March 31, 2013- Rs 200 Million)

The market value of quoted investments Rs Nil (at March 31, 2013- Rs 221.51 Million)

Notes forming part of the financial statements

	(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013	
14. TRADE RECEIVABLES				
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	235.26		281.37	
Unsecured, considered doubtful	151.82		105.87	
	387.08		387.24	
Less: Provision for doubtful Trade receivables*	151.82	235.26	105.87	281.37
Other Trade Receivables				
Unsecured, considered good	931.79		833.00	
Unsecured, considered doubtful	-		7.52	
	931.79		840.52	
Less: Provision for doubtful Trade receivables*	-	931.79	7.52	833.00
		1,167.05		1,114.37

* Includes foreign exchange fluctuations

	(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013	
15. CASH AND CASH EQUIVALENTS				
Cash on hand		0.08		0.22
Balances with bank :				
- In Current Accounts (Note 1 below)		233.97		578.52
- In Deposit Accounts		61.01		377.42
- Earmarked Balances				
- Share application money received for allotment of securities and due for refund		0.24		0.24
- Margin money on Bank Guarantees		18.45		121.47
		313.75		1,077.87

Notes:

- Balances with Banks include Rs Nil (as at March 31, 2013- Rs 263.80 Million) which have restriction on repatriation.
- The balances that meet the definition of Cash and Cash equivalents as per AS-3 Cash Flow Statement is Rs.295.06 Million (at March 31, 2013: Rs.956.16 Million)

	(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013	
16. SHORT - TERM LOANS AND ADVANCES				
(Unsecured, Considered good)				
Security Deposits		20.03		82.57
Prepaid Expenses		100.68		82.68
Balances with Statutory authorities (Refer Note 2 below)		298.10		309.74
Loans and Advances to Employees (Refer Note 1 below)		29.87		32.27
Advances to Vendors		39.30		85.80
		487.98		593.06

Notes:

- Advances to employees include Rs.0.01 Million (at March 31, 2013 Rs.0.26 Million) as travel advance to a director.

Notes forming part of the financial statements

- 2) Balances with statutory authorities include Rs.82.41 Million (at March 31, 2013: Rs.146.28 Million) paid to VAT Authorities under direction of the Honorable High Court of Karnataka.

	(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013	
17. OTHER CURRENT ASSETS				
Unbilled Revenue		332.58		1,051.30
Accrued Interest on deposits		1.72		13.58
Accrued Dividend on investments		-		21.52
Others				
- Receivable on sale of Fixed Assets (including CWIP)		-		60.40
- Receivables from subsidiaries		1,612.79		680.87
		1,947.09		1,827.67

	(In Rs. Million)			
	For the year ended March 31, 2014		For the year ended March 31, 2013	
18. OTHER INCOME				
Interest				
- From Banks on deposits		23.86		66.93
- From Subsidiaries on long- term loans		22.93		0.63
Dividend income from current investments		20.49		28.97
Profit on sale of Long- term investments (Net)		-		47.32
Net gain on foreign currency transactions and translations		20.35		-
Other Non- Operating Income:				
- Profit on Sale of Fixed Assets (Net)		9.27		7.76
- Miscellaneous Income		8.52		9.85
		105.42		161.46

	(In Rs. Million)			
	For the year ended March 31, 2014		For the year ended March 31, 2013	
19. COST OF SALES AND SERVICES				
Content fees		335.46		544.68
Cost of software development and other charges		522.05		466.59
		857.51		1,011.27

	(In Rs. Million)			
	For the year ended March 31, 2014		For the year ended March 31, 2013	
20. EMPLOYEE BENEFITS EXPENSE				
Salaries and wages		1,420.33		1,373.09
Contractors Expenses		67.59		45.03
Contribution to provident fund and other funds		96.43		91.53
Staff welfare expenses		42.50		35.76
		1,626.85		1,545.41

	(In Rs. Million)			
	For the year ended March 31, 2014		For the year ended March 31, 2013	
21. FINANCE COSTS				
Interest on Finance leases		2.85		3.18
Interest on Short- term Borrowings		9.18		13.34
Other borrowing costs		2.60		6.12
		14.63		22.64

Notes forming part of the financial statements

	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
22. OTHER EXPENSES		
Power and Fuel	28.44	28.50
Rent	79.40	121.03
Insurance	5.86	5.48
Repairs and Maintenance		
- Machinery	27.10	1.89
- Others	20.82	34.66
Office maintenance	43.07	45.54
Rates and taxes	17.35	13.87
Printing and stationery	4.35	3.76
Postage, courier and octroi	8.21	6.56
Communication charges	92.68	107.18
Training and Recruitment expenses	37.54	36.38
Travelling and conveyance	247.58	208.30
Legal, professional & consultancy charges	206.27	125.52
Commission to non whole time directors	2.70	3.40
Remuneration to auditors (Refer Note 28)	10.40	11.41
Marketing expenses	68.74	52.73
Business development expenses (Net)	141.50	424.13
Bad Trade Receivables	54.67	63.60
Provision for Doubtful Trade Receivables (Net)	28.92	37.57
Brokerage and Commission	5.46	6.49
Bank charges	4.81	5.00
Net loss on foreign currency transactions and translations	-	62.30
Miscellaneous expenses	2.36	0.90
	1,138.23	1,406.20

23. Share application money represents unencashed refund instruments issued to the investors. This does not include any amount, due and outstanding, to be credited to the Investor Education and Protection Fund as per the provisions of the Companies Act.

24. Contingent liabilities and Commitments

- The Company has been named as one of the 3 defendants in a civil dispute for injunction pending adjudication. However in the opinion of the management no liability would arise in this regard.
- Disputed Value Added Tax Rs. Nil (Previous year: Rs 59.08 Million), Disputed Service tax Rs. 17.55 Million (Previous year: Rs. 14.18 Million) and disputed Income Tax Rs.67.82 Million (Previous year: Rs.111.74 Million)
- Bank Guarantees given for loans availed by subsidiaries Rs 708.83 Million (Previous year: Rs.170.29 Million)
- Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is Rs. 61.97 Million (Previous year: Rs. 123.35 Million).

25. Loans to Subsidiaries

The Company has given loan to its subsidiaries the details of which are given below and which in the opinion of the Management is realisable in full.

	(In Rs. Million)			
Particulars	As at March 31, 2014	As at March 31, 2013	Maximum amount due at any time during the year 2013-14	Maximum amount due at any time during the year 2012-13
Subsidiaries				
- OnMobile Global Czech Republic S.R.O	6.06	-	6.06	-
- Pt. OnMobile Indonesia	11.97	10.43	11.97	10.43
- OnMobile Singapore Pte. Ltd	-	-	-	2.78
- OnMobile Portugal SGPS, Unipessoal LDA (Zona Franca Da Madeira)	4.14	-	4.14	-
- OnMobile Telecom Rwanda Limited	2.72	-	2.72	-
- OnMobile Global Spain, S.L.U.	61.72	-	61.72	-
- OnMobile Turkey Telekomunikasyon Sistemleri Limited Sirketi	12.41	-	12.41	-
- OnMobile USA LLC	364.71	-	773.46	-
- OnMobile Zambia Telecom Limited	4.92	-	4.92	-
Total	468.65	10.43	877.40	13.21

Notes forming part of the financial statements

26. Deferred Payment liability includes Rs. 33.47 Million (BRL 1.27 Million) (previous year: Rs. 34.35 Million (BRL 1.27 Million)) payable to a customer in Brazil towards deploying value added services on an exclusive basis in the region and Rs. Nil (previous year: Rs. 354.68 Million (Euro 5.1 Million)) Payable to a customer in Europe towards deploying value added services on an exclusive basis.

27. Employee Benefits:

I Defined Contribution Plans

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:

Particulars *	For the year ended March 31, 2014 (In Rs. Million)	For the year ended March 31, 2013 (In Rs. Million)
Employer's Contribution to Provident Fund	58.98	64.31
Contribution for Foreign Branches	9.97	8.55
Employee State Insurance Contribution	0.16	0.70

* Included in Note 20

II Defined Benefit Plans

Gratuity

In accordance with Accounting Standard 15 (Revised 2005) - "Employee Benefits", actuarial valuation as on March 31, 2014 was done in respect of the aforesaid defined benefit plan of Gratuity based on the following assumptions:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Discount Rate	8.85% p.a	8.25% p.a
Expected Rate of Return on Plan Assets	8% p.a	8% p.a
Salary Escalation Rate	12% p.a. for first 6 years and 7.0% p.a thereafter	10% p.a. for first 6 years and 7.0% p.a thereafter

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

Change in Present Value of Obligation:

Particulars	As at March 31, 2014 (In Rs. Million)	As at March 31, 2013 (In Rs. Million)
Present Value of Obligation (Opening)	58.99	52.47
Current Service Cost	21.85	10.64
Interest on Defined Benefit Obligation	4.88	3.94
Benefits Paid	(7.61)	(9.32)
Net Actuarial Losses / (Gains) Recognized in Year	(0.16)	1.26
Past Service Cost	-	-
Losses / (Gains) on "Curtailments and Settlements"	-	-
Closing Present Value of Obligations	77.95	58.99

Change in the Fair Value of Assets:

Particulars	As at March 31, 2014 (In Rs. Million)	As at March 31, 2013 (In Rs. Million)
Opening Fair Value of Plan Assets	57.24	44.87
Expected Return on Plan Assets	5.04	3.91
Actuarial Gains / (Losses)	0.46	0.67
Assets Distributed on Settlements	-	-
Contributions by Employer (net of risk premium etc)	19.11	17.11
Assets Acquired due to Acquisition	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(7.61)	(9.32)
Closing Fair Value of Plan Assets	74.24	57.24
Details of investment composition of Plan Assets has not been provided by the Fund managers and hence not disclosed.		

Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Plan Assets:

Particulars	As at March 31, 2014 (In Rs. Million)	As at March 31, 2013 (In Rs. Million)
Closing Present Value of Funded Obligations	77.95	58.99
Closing Fair Value of Plan Assets	74.24	57.24
Unfunded Net Asset / (Liability) recognised in Balance Sheet	(3.71)	(1.75)

Notes forming part of the financial statements

Experience Adjustments:

Particulars	As at March 31, 2014 (In Rs. Million)	As at March 31, 2013 (In Rs. Million)	As at March 31, 2012 (In Rs. Million)	As at March 31, 2011 (In Rs. Million)	As at March 31, 2010 (In Rs. Million)
Defined Benefit Obligations	77.95	58.99	52.47	47.58	30.02
Plan Assets	74.24	57.24	44.87	31.94	26.21
Surplus/ (Deficit)	(3.71)	(1.75)	(7.60)	(15.64)	(3.81)
Experience adjustments on Plan Liabilities	(0.16)	1.26	(1.74)	(0.24)	(0.72)
Experience adjustments on Plan Assets	0.46	0.67	0.66	0.60	0.79

Amount recognized in the Balance Sheet:

Particulars	As at March 31, 2014 (In Rs. Million)	As at March 31, 2013 (In Rs. Million)
Closing Present value of obligations	77.95	58.99
Closing Fair Value of Plan Assets	(74.24)	(57.24)
Liability Recognised in the Balance Sheet	3.71	1.75

Estimate of amount of contribution in the immediately next year Rs 3.71 Million.

Expenses recognised in the Statement of Profit and Loss:

Particulars	For the year ended March 31, 2014 (In Rs. Million)	For the year ended March 31, 2013 (In Rs. Million)
Current Service Cost	21.85	10.64
Past Service Cost	-	-
Interest Cost	4.88	3.94
Expected Return on Plan Assets	(5.04)	(3.91)
Actuarial Losses / (Gain)	(0.62)	0.59
Total Expense recognized in the Statement of Profit and Loss	21.07	11.26

III Other long- term benefits

Cost of compensated absences expensed in the Statement of Profit and Loss:

Particulars	For the year ended March 31, 2014 (In Rs. Million)	For the year ended March 31, 2013 (In Rs. Million)
Compensated absences	13.59	11.41

28. Auditors Remuneration

Particulars	For the year ended March 31, 2014 (In Rs. Million)	For the year ended March 31, 2013 (In Rs. Million)
For Audit	2.85	2.85
For Taxation matters	2.44	2.34
For other attest services	4.76	5.93
Reimbursement of expenses	0.35	0.29
Total	10.40	11.41

The Company avails input credit for Service Tax and hence no Service Tax expense was accrued during the year.

29. Finance Lease:

The lease transactions of the Company represent lease of electronic equipments on a non-cancellable basis.

The minimum lease payments and their present value as at March 31, 2014 under the various agreements are given below:

(In Rs. Million)

Particulars	Present value of Minimum Lease Payments		Future Interest		Minimum Lease Payments	
	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2014	For the year ended March 31, 2013
Amount repayable not later than 1 year	3.08	10.56	1.25	2.80	4.33	13.36
Amount repayable later than 1 year and not later than 5 years	-	2.60	-	1.16	-	3.76
Total	3.08	13.16	1.25	3.96	4.33	17.12

Notes forming part of the financial statements

30. Operating lease:

The Company is obligated under non-cancellable operating lease for office space and vehicles provided to employees.

Total rental expense and future lease payments under non-cancellable operating lease for office space and vehicles are as follows:

(In Rs. Million)		
Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Total Rental expense charged to Statement of Profit and Loss	79.40	121.03
Future lease payments under non- cancellable leases:		
Not later than 1 year	47.43	53.88
Later than 1 year and not later than 5 years	3.77	51.80

31. Employee Stock Option Plans

Details of ESOP introduced to which the guidance note as issued by Institute of Chartered Accountants of India(ICAI) is not applicable:

Plan	Board approval date	Share holder's approval date	Total options appropriated before Bonus	Terms of Vesting
OnMobile Employees Stock Option Plan – I 2003	31-Oct-03	Extra Ordinary General Meeting held on March 5, 2001, November 29, 2003 and December 30, 2003	1,026,000	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first vesting.
OnMobile Employees Stock Option Plan – II 2003	4-Dec-03		114,000	

Numbers of options granted, exercised and forfeited during the year under the above plans are given below:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Options granted outstanding at the beginning of the year	226,888	396,954
Exercised during the year	82,654	213,512
Time Extended during the year	-	94,536
Forfeited/Lapsed during the year	85,851	51,090
Options granted outstanding at the end of the year	58,383	226,888
Grants outstanding which are vested as at Balance Sheet date including increase due to issuance of bonus shares	58,383	226,888

Details of ESOP introduced to which the guidance note as issued by Institute of Chartered Accountants of India(ICAI) is applicable:

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan – III 2006	24-Jul-06	24-Jul-06	61,567	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan – I 2007	12-Jul-07	17-Aug-07	975,000	25% of the Options granted would vest at the end of twelve (12) months from the date of the grant and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.

Notes forming part of the financial statements

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan-II 2007	12-Jul-07	17-Aug-07	74,360	65%, 30%, 3% and 2% of the options granted would vest at the end of one year, two years, three years and four years from the grant date, respectively.
OnMobile Employees Stock Option Plan – I 2008	18-Mar-08	18-Apr-08	26,000	100% of the Options would vest over a period of four years.
OnMobile Employees Stock Option Plan II 2008	31-Oct-08	1-Aug-08	100,000	100% of the options granted would vest at the end of two years.
OnMobile Employees Stock Option Plan III 2008	31-Oct-08	1-Aug-08	748,240	For 297,170 Options 50% of the options granted would vest at the end of one year and 25% of the options would vest on a monthly basis at the end of each of second and third years from the grant date respectively and for the balance 451,070 Options granted under the Plan the vesting would be 25% of the Options would vest at the end of one year and the rest of the options shall vest at the rate of 1/36th of the options shall vest every month for the next three years.
OnMobile Employees Stock Option Plan III 2008	29-Apr-09	1-Aug-08	113,150	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	31-Jul-09	1-Aug-08	26,680	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	26-Oct-09	1-Aug-08	75,000	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan III 2008	28-Jan-10	1-Aug-08	68,500	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan IV 2008	26-Sep-08	31-Oct-08	173,953	100% of such Options granted would vest at the end of one year.
OnMobile Employees Stock Option Plan I 2010	30-Apr-10	24-Jul-10	325,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan II 2010	30-Apr-10	24-Jul-10	875,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
Plan	Board approval date	Share holder's approval date	Total options appropriated	Terms of Vesting
OnMobile Employees Stock Option Plan 2011	30-Apr-11	4-Aug-11	1,150,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2012	7-May-12	29-Aug-12	3,000,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2013	15-May-13	30-Jul-13	1,500,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option

Notes forming part of the financial statements

Numbers of options granted, exercised and forfeited during the year under the above plans are given below:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Options granted outstanding at the beginning of the year	4,228,582	5,449,591
Bonus shares issued during year	-	-
Granted during the year	630,000	697,500
Exercised during the year	26	-
Time Extended during the year	-	219,824
Forfeited during the year	1,065,790	2,138,333
Options granted outstanding at the end of the year	3,792,766	4,228,582
Weighted average remaining contractual life (years) at the year end	3.3	3.4
Weighted average exercise price per option (after adjusting for Bonus issue)	Rs. 36	Rs. 61
Range of exercise price (after adjusting for bonus issue)	Rs 22.28 to Rs 40.05	Rs 37.03 to Rs 79.23

The guidance note issued by the Institute of Chartered Accountants of India requires the disclosure of pro forma net results and EPS both basic & diluted, had the Company adopted the fair value method. Had the Company accounted the option under fair value method, amortising the stock compensation expense thereon over the vesting period, the reported profit/(Loss) for the year ended March 31, 2014 would have been higher by Rs. 48.88 Million (Previous year: lower Profit of Rs.24.61 Million) and Basic and diluted EPS would have been revised to Loss of Rs.3.7/- (Previous year Earnings Rs 2.1/-) and Loss of Rs.3.7/- (Previous year Earnings- Rs 2.1/-) respectively as compared to Loss of Rs.3.3/- (Previous year Earnings Rs 2.3/-) and Loss of Rs.3.3/- (Previous year Earnings Rs 2.3/-) without such impact. Basic and Diluted Earnings/(Loss) Per Share (EPS) have been restated for all the corresponding period to give effect of the said issue of Bonus shares, in accordance with Accounting Standard (AS) 20 "Earnings Per Share" notified under Section 211(3C) of the Companies Act, 1956.

The fair value of stock based award to employees is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected weighted average term of the options to be 4.3 years (Previous year 4.4 years), a 3%(Previous year 2%) expected dividend yield on the underlying equity shares, weighted average volatility in the share price of 52.27% (Previous year 55.74%) and a risk free rate of 8.85% p.a. (Previous year 8.25% p.a.). The Company's calculations are based on a single option valuation approach, and forfeitures are recognized as they occur. The expected volatility is based on historical volatility of the share price after eliminating the abnormal price fluctuations.

As per the provisions of SEBI (ESOS) Guidelines, 1999, the Shareholders, vide their resolution dated April 18, 2013 through postal ballot process, approved the re-pricing of options granted but not exercised. Consequently the Committee of Board of Directors vide their circular resolution dated April 19, 2013 re-priced the unexercised options at Rs. 36.43 each.

Incremental fair value granted as a result of re-pricing of Employee Stock options

Plan	Incremental fair value range per option (In Rs.)
OnMobile Employees Stock Option Plan – III 2006	5.28
OnMobile Employees Stock Option Plan – I 2007	5.28
OnMobile Employees Stock Option Plan II 2008	5.28
OnMobile Employees Stock Option Plan III 2008	0.15 to 7.19
OnMobile Employees Stock Option Plan IV 2008	5.28
OnMobile Employees Stock Option Plan I 2010	5.28
OnMobile Employees Stock Option Plan II 2010	5.28

The incremental fair value of stock based award consequent to re-pricing of exercise price of stock options to employees is calculated through the use of option pricing models as on the date of re-pricing, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected weighted average term of the options to be 4.35 years, a "3%" expected dividend yield on the underlying equity shares, weighted average volatility in the share price of 53.1% and a risk free rate of 8.85% p.a. The Company's calculations are based on a single option valuation approach, and forfeitures are recognized as they occur. The expected volatility is based on historical volatility of the share price during the year after eliminating the abnormal price fluctuations.

Notes forming part of the financial statements

32. Transactions with related parties:

I List of Related parties and relationship:

Sl No.	Relationship	Related parties
(i)	Subsidiaries	OnMobile Singapore Pte. Ltd. PT. OnMobile Indonesia . Vox Mobili S.A. (subsidiary of Telisma S.A. w.e.f. October 14, 2009) OnMobile SA. Phonetize Solutions Private Limited (liquidated) OnMobile Europe B.V. OnMobile Servicios Corporativos De Telefonía S.A. DE C.V. Servicios De Telefonía OnMobile, SA DE CV OnMobile USA LLC. OnMobile Global S A OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda OnMoible Global for Telecommunication Services OnMobile Senegal SARL OnMobile De Venezuela C.A. (subsidiary of OnMobile USA LLC) OnMobile Mali SARL OnMobile Bangladesh Private Limited OnMobile Kenya Telecom Limited OnMobile Costa Rica OBCR, SA OnMobile Ghana Telecom Limited OnMobile Madagascar Telecom Limited OnMobile Nigeria Telecom Limited OnMobile Zambia Telecom Limited OnMobile Telecom (SL) Limited OnMobile Tanzania Telecom Limited OnMobile Global Spain S.A OnMobile Uruguay S.A OnMobile Uganda Telecom Limited OnMobile Rwanda Telecom Limited OnMobile Global Italy S.R.L. OnMobile Telecom Limited Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi Onmobile Telecom Burkina Faso, SARL OnMobile Portugal SGPS OnMobile Live Inc Fonestarz Media Group Limited 2dayUK Limited Fonestarz Media (licensing) Limited Daius Limited Fonestarz Limited Fonestarz Media (Australia) PTY Limited Fonestarz Media Limited OnMobile Global Czech Republic s.r.o. OnMobile Global Limited Columbia S.A.S. OnMobile Global South Africa (PTY) Ltd OnMobile Global Solutions Canada Limited
(ii)	Other related parties with whom the Company had transactions	
	Key Management Personnel	Arvind Rao (Upto July 9, 2012) Chandramouli Janakiraman
(iii)	Joint Venture	Kabuza Marketing Private Limited (till November 23, 2012)
(iv)	Associate	Mobile Voice Konnect Private Limited
(v)	Enterprises owned or significantly influenced by key management personnel/Directors or their relatives	OnMobile Systems Inc., USA Riff Mobile Private Limited (Upto July 9, 2012) Mobile Traffik Private Limited (Upto July 9, 2012)

Notes forming part of the financial statements

II Transactions with Related Parties:

Sl No	Nature of transactions	Subsidiary Companies		Joint Venture		Associate Company		Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel/Directors or their relatives		In Rs. Million	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
1	Income from Telecom Value Added Services												
	OnMobile Singapore Pte. Ltd.	96.94	80.15	-	-	-	-	-	-	-	-	96.94	80.15
	OnMobile Global for Telecommunication Services	189.98	232.53	-	-	-	-	-	-	-	-	189.98	232.53
	OnMobile De Venezuela C A	41.63	8.51	-	-	-	-	-	-	-	-	41.63	8.51
	Voxmobili S.A.	55.06	48.25	-	-	-	-	-	-	-	-	55.06	48.25
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	135.54	211.39	-	-	-	-	-	-	-	-	135.54	211.39
	Servicios De Telefonía OnMobile SA DE CV	-	19.71	-	-	-	-	-	-	-	-	-	19.71
	OnMobile Global SA	33.25	6.27	-	-	-	-	-	-	-	-	33.25	6.27
	OnMobile Telecom Limited.	5.36	-	-	-	-	-	-	-	-	-	5.36	-
	OnMobile Costa Rica OBCR SA	2.46	1.43	-	-	-	-	-	-	-	-	2.46	1.43
	OnMobile Zambia Telecom Limited	25.87	-	-	-	-	-	-	-	-	-	25.87	-
	OnMobile Global Spain S A	44.47	-	-	-	-	-	-	-	-	-	44.47	-
	OnMobile Bangladesh Private Limited	4.05	-	-	-	-	-	-	-	-	-	4.05	-
	OnMobile Madagascar Telecom Limited	0.14	-	-	-	-	-	-	-	-	-	0.14	-
	Total	634.75	608.24	-	-	-	-	-	-	-	-	634.75	608.24
2	Business Development expenses												
	PT OnMobile Indonesia	29.61	50.79	-	-	-	-	-	-	-	-	29.61	50.79
	OnMobile USA LLC	82.02	263.50	-	-	-	-	-	-	-	-	82.02	263.50
	OnMobile Kenya Telecom Limited	-	23.84	-	-	-	-	-	-	-	-	-	23.84
	OnMobile Senegal SARL	-	10.25	-	-	-	-	-	-	-	-	-	10.25
	OnMobile Telecom Limited.	-	14.13	-	-	-	-	-	-	-	-	-	14.13
	OnMobile Mali SARL	-	4.96	-	-	-	-	-	-	-	-	-	4.96
	Servicios De Telefonía OnMobile SA DE CV	-	2.42	-	-	-	-	-	-	-	-	-	2.42
	OnMobile Ghana Telecom Limited	-	4.46	-	-	-	-	-	-	-	-	-	4.46
	OnMobile Madagascar Telecom Limited	-	5.38	-	-	-	-	-	-	-	-	-	5.38
	OnMobile Nigeria Telecom Limited	-	4.28	-	-	-	-	-	-	-	-	-	4.28
	OnMobile Zambia Telecom Limited	-	12.20	-	-	-	-	-	-	-	-	-	12.20
	OnMobile Telecom (SL) Limited	-	4.18	-	-	-	-	-	-	-	-	-	4.18
	OnMobile Tanzania Telecom Limited	-	2.03	-	-	-	-	-	-	-	-	-	2.03
	OnMobile Global Spain S A	-	1.38	-	-	-	-	-	-	-	-	-	1.38
	OnMobile Uruguay S.A	-	9.50	-	-	-	-	-	-	-	-	-	9.50
	OnMobile Uganda Telecom Limited	-	4.58	-	-	-	-	-	-	-	-	-	4.58
	OnMobile Global Solutions Canada Limited	-	-	-	-	-	-	-	-	-	-	-	-
	OnMobile Rwanda Telecom Limited	29.88	-	-	-	-	-	-	-	-	-	29.88	-
	Total	141.50	424.14	-	-	-	-	-	-	-	-	141.50	424.14

Notes forming part of the financial statements

SI No	Nature of transactions	Subsidiary Companies		Joint Venture		Associate Company		Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel/ Directors or their relatives		In Rs. Million			
		March		March		March		March		March		March			
		31, 2014	31, 2013	31, 2014	31, 2013	31, 2014	31, 2013	31, 2014	31, 2013	31, 2014	31, 2013	31, 2014	31, 2013		
3	Transfer of Corporate Costs	OnMobile Global SA	24.67	12.25	-	-	-	-	-	-	-	-	24.67	12.25	
		OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	73.72	78.86	-	-	-	-	-	-	-	-	73.72	78.86	
		OnMobile Global for Telecommunication Services	23.19	34.82	-	-	-	-	-	-	-	-	23.19	34.82	
		OnMobile Kenya Telecom Limited	1.18	2.95	-	-	-	-	-	-	-	-	1.18	2.95	
		OnMobile Madagascar Telecom Limited	0.15	1.02	-	-	-	-	-	-	-	-	0.15	1.02	
		OnMobile Telecom Limited.	1.59	1.63	-	-	-	-	-	-	-	-	1.59	1.63	
		Servicios De Telefonía OnMobile SA DE CV	16.82	33.29	-	-	-	-	-	-	-	-	16.82	33.29	
		OnMobile Singapore Pte. Ltd.	10.76	13.42	-	-	-	-	-	-	-	-	10.76	13.42	
		OnMobile Telecom (SL) Limited	1.33	0.04	-	-	-	-	-	-	-	-	1.33	0.04	
		OnMobile Ghana Telecom Limited	0.70	0.01	-	-	-	-	-	-	-	-	0.70	0.01	
		OnMobile Nigeria Telecom Limited	3.39	0.13	-	-	-	-	-	-	-	-	3.39	0.13	
		OnMobile Uganda Telecom Limited	3.21	6.76	-	-	-	-	-	-	-	-	3.21	6.76	
		OnMobile De Venezuela C A	11.65	4.60	-	-	-	-	-	-	-	-	11.65	4.60	
		OnMobile Zambia Telecom Limited	2.68	6.77	-	-	-	-	-	-	-	-	2.68	6.77	
		OnMobile Global Spain S.A	102.07	-	-	-	-	-	-	-	-	-	102.07	-	
OnMobile Uruguay S.A	1.61	-	-	-	-	-	-	-	-	-	1.61	-			
OnMobile Rwanda Telecom Limited	0.12	-	-	-	-	-	-	-	-	-	0.12	-			
OnMobile Bangladesh Private Limited	8.56	-	-	-	-	-	-	-	-	-	8.56	-			
Onmobile Telecom Burkina Faso, SARL	0.18	-	-	-	-	-	-	-	-	-	0.18	-			
OnMobile Costa Rica OBCR, SA	0.53	-	-	-	-	-	-	-	-	-	0.53	-			
	Total	288.11	196.55	-	-	-	-	-	-	-	-	288.11	196.55		
4	Transfer of Marketing rights	OnMobile Global SA	123.34	51.84	-	-	-	-	-	-	-	-	123.34	51.84	
		OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	63.33	45.24	-	-	-	-	-	-	-	-	63.33	45.24	
		Servicios De Telefonía OnMobile SA DE CV	77.26	140.40	-	-	-	-	-	-	-	-	77.26	140.40	
		OnMobile De Venezuela C A	60.92	19.50	-	-	-	-	-	-	-	-	60.92	19.50	
		OnMobile Uruguay S.A	6.99	-	-	-	-	-	-	-	-	-	6.99	-	
		OnMobile Global Spain S.A	70.15	-	-	-	-	-	-	-	-	-	70.15	-	
		Total	401.99	256.98	-	-	-	-	-	-	-	-	401.99	256.98	
		OnMobile USA LLC	59.38	50.73	-	-	-	-	-	-	-	-	59.38	50.73	
		Total	59.38	50.73	-	-	-	-	-	-	-	-	59.38	50.73	
		OnMobile Kenya Telecom Limited	19.00	19.85	-	-	-	-	-	-	-	-	19.00	19.85	
		Total	19.00	19.85	-	-	-	-	-	-	-	-	19.00	19.85	
		5	Transfer of Data centre costs absorbed												
		6	Transfer of cross charge absorbed												

Notes forming part of the financial statements

Sl No	Nature of transactions	Subsidiary Companies		Joint Venture		Associate Company		Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel/ Directors or their relatives				In Rs. Million	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	Total	
7	Content Cost														
	Riff Mobile Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Cost of hardware and software development charges														
	OnMobile S.A.	92.08	178.65	-	-	-	-	-	-	-	-	-	-	92.08	178.65
	Voxmobili S.A.	99.71	13.87	-	-	-	-	-	-	-	-	-	-	99.71	13.87
	Total	191.79	192.52	-	-	-	-	-	-	-	-	-	-	191.79	192.52
9	Remuneration (including other benefits)														
	Arvind Rao	-	-	-	-	-	-	-	-	5.53	-	-	-	-	5.53
	Chandramouli Janakiraman	-	-	-	-	-	-	-	-	7.83	7.45	-	-	7.83	7.45
	Total	-	-	-	-	-	-	-	-	7.83	12.98	-	-	7.83	12.98
10	Interest Income														
	OnMobile Singapore Pte. Ltd.	-	0.13	-	-	-	-	-	-	-	-	-	-	-	0.13
	PT OnMobile Indonesia	0.55	0.50	-	-	-	-	-	-	-	-	-	-	0.55	0.50
	OnMobile Rwanda Telecom Limited	0.02	-	-	-	-	-	-	-	-	-	-	-	0.02	-
	OnMobile Global Spain S.A	12.40	-	-	-	-	-	-	-	-	-	-	-	12.40	-
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	0.18	-	-	-	-	-	-	-	-	-	-	-	0.18	-
	OnMobile Uganda Telecom Limited	0.05	-	-	-	-	-	-	-	-	-	-	-	0.05	-
	OnMobile USA LLC	9.56	-	-	-	-	-	-	-	-	-	-	-	9.56	-
	OnMobile Portugal SGPS	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01	-
	OnMobile Global Czech Republic s.r.o.	0.05	-	-	-	-	-	-	-	-	-	-	-	0.05	-
	OnMobile Zambia Telecom Limited	0.11	-	-	-	-	-	-	-	-	-	-	-	0.11	-
	Total	22.93	0.63	-	-	-	-	-	-	-	-	-	-	22.93	0.63
	11	Purchase of Fixed Assets													
OnMobile Singapore Pte. Ltd.		10.74	1.38	-	-	-	-	-	-	-	-	-	-	10.74	1.38
Onmobile S.A.		-	1.31	-	-	-	-	-	-	-	-	-	-	-	1.31
	Total	10.74	2.69	-	-	-	-	-	-	-	-	-	-	10.74	2.69
12	Investments made during the year in														
	OnMobile Kenya Telecom Limited	-	41.50	-	-	-	-	-	-	-	-	-	-	-	41.50
	OnMobile Global Spain S.A	81.69	-	-	-	-	-	-	-	-	-	-	-	81.69	-
	OnMobile Global SA	-	0.21	-	-	-	-	-	-	-	-	-	-	-	0.21
	OnMobile Zambia Telecom Limited	-	8.24	-	-	-	-	-	-	-	-	-	-	-	8.24
	OnMobile Telecom Limited	-	0.81	-	-	-	-	-	-	-	-	-	-	-	0.81
	OnMobile Uganda Telecom Limited	-	13.51	-	-	-	-	-	-	-	-	-	-	-	13.51
	OnMobile Madagascar Telecom Limited	-	1.08	-	-	-	-	-	-	-	-	-	-	-	1.08
	OnMobile Global Italy S.R.L.	-	0.71	-	-	-	-	-	-	-	-	-	-	-	0.71

Notes forming part of the financial statements

SI No	Nature of transactions	Subsidiary Companies		Joint Venture		Associate Company		Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel/Directors or their relatives		Total	
		March 31, 2014		March 31, 2014		March 31, 2014		March 31, 2014		March 31, 2014		March 31, 2014	
		31, 2013	31, 2013	31, 2013	31, 2013	31, 2013	31, 2013	31, 2013	31, 2013	31, 2013	31, 2013	31, 2013	31, 2013
	Mobile Voice Konnect Private Limited	-	-	-	-	-	-	-	-	-	-	0.05	-
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	0.08	-	-	-	0.05	0.05	-	-	-	-	0.08	-
	OnMobile Portugal SGPS	0.79	-	-	-	-	-	-	-	-	-	0.79	-
	OnMobile Ghana Telecom Limited	2.94	-	-	-	-	-	-	-	-	-	2.94	-
	OnMobile Rwanda Telecom Limited	0.05	-	-	-	-	-	-	-	-	-	0.05	-
	OnMobile Global Czech Republic s.r.o.	0.65	-	-	-	-	-	-	-	-	-	0.65	-
	OnMobile Telecom (SL) Limited	1.01	-	-	-	-	-	-	-	-	-	1.01	-
	OnMobile Nigeria Telecom Limited	0.98	-	-	-	-	-	-	-	-	-	0.98	-
	OnMobile Tanzania Telecom Limited	0.73	-	-	-	-	-	-	-	-	-	0.73	-
	Onmobile Telecom Burkina Faso, SARL	0.13	-	-	-	-	-	-	-	-	-	0.13	-
	OnMobile Bangladesh Private Limited	2.81	-	-	-	-	-	-	-	-	-	2.81	-
	Total	91.86	66.06	-	-	0.05	0.05	-	-	-	-	91.91	66.11
13	Investments sold during the year												
	Phonetize Solutions Private Limited (liquidated)	0.10	-	-	-	-	-	-	-	-	-	0.10	-
	Kabuza Marketing Private Limited	-	-	-	-	-	-	-	-	-	-	-	1.76
	Total	0.10	-	-	-	-	-	-	-	-	-	0.10	1.76
14	Recovery of Expenses from												
	OnMobile Singapore Pte. Ltd.	19.73	9.39	-	-	-	-	-	-	-	-	19.73	9.39
	OnMobile Live Inc	8.55	-	-	-	-	-	-	-	-	-	8.55	-
	Voxmobili S.A.	-	22.55	-	-	-	-	-	-	-	-	-	22.55
	Total	28.28	31.94	-	-	-	-	-	-	-	-	28.28	31.94
15	Reimbursement of Expenses to												
	OnMobile S.A.	140.80	81.12	-	-	-	-	-	-	-	-	140.80	81.12
	OnMobile Live Inc	6.94	-	-	-	-	-	-	-	-	-	6.94	-
	Total	147.74	81.12	-	-	-	-	-	-	-	-	147.74	81.12

Notes forming part of the financial statements

Sl No	Nature of transactions	Subsidiary Companies		Joint Venture		Associate Company		Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel/ Directors or their relatives		Total	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
16	Transfer of Fixed Assets, AMC, Content Cost, Freight and Insurance												
	OnMobile Singapore Pte. Ltd.	12.56	37.33	-	-	-	-	-	-	-	-	12.56	37.33
	Serviços De Telefonia OnMobile Sa De Cv	0.98	11.81	-	-	-	-	-	-	-	-	0.98	11.81
	OnMobile Global for Telecommunication Services	0.71	1.93	-	-	-	-	-	-	-	-	0.71	1.93
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	-	0.73	-	-	-	-	-	-	-	-	-	0.73
	OnMobile Kenya Telecom Limited	-	0.90	-	-	-	-	-	-	-	-	-	0.90
	OnMobile Madagascar Telecom Limited	-	9.19	-	-	-	-	-	-	-	-	-	9.19
	OnMobile Telecom Limited	-	1.98	-	-	-	-	-	-	-	-	-	1.98
	OnMobile Costa Rica OBCR SA	-	3.14	-	-	-	-	-	-	-	-	-	3.14
	OnMobile Nigeria Telecom Limited	-	0.24	-	-	-	-	-	-	-	-	-	0.24
	OnMobile Telecom (SL) Limited	-	0.89	-	-	-	-	-	-	-	-	-	0.89
	OnMobile Zambia Telecom Limited	0.68	16.66	-	-	-	-	-	-	-	-	0.68	16.66
	OnMobile Rwanda Telecom Limited	3.82	5.27	-	-	-	-	-	-	-	-	3.82	5.27
	OnMobile Uganda Telecom Limited	0.18	8.38	-	-	-	-	-	-	-	-	0.18	8.38
	OnMobile Uruguay S.A	-	2.85	-	-	-	-	-	-	-	-	-	2.85
	OnMobile Ghana Telecom Limited	0.71	0.80	-	-	-	-	-	-	-	-	0.71	0.80
	OnMobile Bangladesh Private Limited	92.54	-	-	-	-	-	-	-	-	-	92.54	-
	OnMobile Spain SA	4.24	5.02	-	-	-	-	-	-	-	-	4.24	5.02
	Onmobile Telecom Burkina Faso, SARL	3.60	-	-	-	-	-	-	-	-	-	3.60	-
	OnMobile Global Czech Republic s.r.o.	0.40	-	-	-	-	-	-	-	-	-	0.40	-
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Sirketi	0.35	-	-	-	-	-	-	-	-	-	0.35	-
	OnMobile USA LLC.	1.92	17.89	-	-	-	-	-	-	-	-	1.92	17.89
	Total	122.69	125.01	-	-	-	-	-	-	-	-	122.69	125.01

Notes forming part of the financial statements

III Balances with Related Parties:

Sl No	Nature of transactions	In Rs. Million											
		Subsidiary Companies		Joint Venture		Associate Company		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel/Directors or their relatives		Total	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
17	Annual Maintenance Charge (Prepaid)												
	OnMobile S.A.	41.25	34.83	-	-	-	-	-	-	-	-	41.25	34.83
	Total	41.25	34.83	-	-	-	-	-	-	-	-	41.25	34.83
18	Trade Payables												
	OnMobile Singapore Pte. Ltd.	146.79	232.40	-	-	-	-	-	-	-	-	146.79	232.40
	PT OnMobile Indonesia	37.42	21.06	-	-	-	-	-	-	-	-	37.42	21.06
	OnMobile S.A.	222.80	219.85	-	-	-	-	-	-	-	-	222.80	219.85
	Voxmobili S.A.	7.44	-	-	-	-	-	-	-	-	-	7.44	-
	Servicios De Telefonía OnMobile Sa De Cv	121.86	114.59	-	-	-	-	-	-	-	-	121.86	114.59
	OnMobile USA LLC.	2.48	88.86	-	-	-	-	-	-	-	-	2.48	88.86
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	18.61	16.85	-	-	-	-	-	-	-	-	18.61	16.85
	OnMobile Global SA	4.39	3.97	-	-	-	-	-	-	-	-	4.39	3.97
	OnMobile Kenya Telecom Limited	50.23	10.18	-	-	-	-	-	-	-	-	50.23	10.18
	OnMobile Telecom Limited.	15.24	9.53	-	-	-	-	-	-	-	-	15.24	9.53
	OnMobile Senegal SARL	8.47	7.46	-	-	-	-	-	-	-	-	8.47	7.46
	OnMobile Costa Rica OBCR, SA	0.38	-	-	-	-	-	-	-	-	-	0.38	-
	OnMobile Ghana Telecom Limited	1.16	2.85	-	-	-	-	-	-	-	-	1.16	2.85
	OnMobile Madagascar Telecom Limited	8.45	4.33	-	-	-	-	-	-	-	-	8.45	4.33
	OnMobile Nigeria Telecom Limited	0.71	1.42	-	-	-	-	-	-	-	-	0.71	1.42
	OnMobile Rwanda Telecom Limited	3.99	4.30	-	-	-	-	-	-	-	-	3.99	4.30
	OnMobile Telecom (SL) Limited	5.71	2.96	-	-	-	-	-	-	-	-	5.71	2.96
	OnMobile Uganda Telecom Limited	7.79	-	-	-	-	-	-	-	-	-	7.79	-
	OnMobile Zambia Telecom Limited	21.04	9.46	-	-	-	-	-	-	-	-	21.04	9.46
	OnMobile Tanzania Telecom Limited	1.24	1.15	-	-	-	-	-	-	-	-	1.24	1.15
	OnMobile Uruguay S.A	12.06	10.91	-	-	-	-	-	-	-	-	12.06	10.91
	OnMobile Global Solutions Canada Limited	27.78	-	-	-	-	-	-	-	-	-	27.78	-
	Total	726.04	762.13	-	-	-	-	-	-	-	-	726.04	762.13
19	Amount Receivables under:												
a	Long term loans and advances												
	PT OnMobile Indonesia	9.01	8.16	-	-	-	-	-	-	-	-	9.01	8.16
	OnMobile Global Spain S.A	49.55	-	-	-	-	-	-	-	-	-	49.55	-
	OnMobile Rwanda Telecom Limited	2.70	-	-	-	-	-	-	-	-	-	2.70	-
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Sirketi	12.24	-	-	-	-	-	-	-	-	-	12.24	-
	OnMobile Global Czech Republic s.r.o.	6.01	-	-	-	-	-	-	-	-	-	6.01	-
	OnMobile Portugal SGPS	4.13	-	-	-	-	-	-	-	-	-	4.13	-

Notes forming part of the financial statements

Sl No	Nature of transactions	In Rs. Million											
		Subsidiary Companies		Joint Venture		Associate Company		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel/ Directors or their relatives		Total	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	OnMobile USA LLC.	355.45	-	-	-	-	-	-	-	-	-	355.45	-
	OnMobile Zambia Telecom Limited	4.81	-	-	-	-	-	-	-	-	-	4.81	-
b	Accrued interest												
	PT OnMobile Indonesia	2.95	2.27	-	-	-	-	-	-	-	-	2.95	2.27
	OnMobile Rwanda Telecom Limited	0.02	-	-	-	-	-	-	-	-	-	0.02	-
	OnMobile Global Spain S.A	12.17	-	-	-	-	-	-	-	-	-	12.17	-
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	0.17	-	-	-	-	-	-	-	-	-	0.17	-
	OnMobile Global Czech Republic s.r.o.	0.05	-	-	-	-	-	-	-	-	-	0.05	-
	OnMobile Portugal SGPS	0.01	-	-	-	-	-	-	-	-	-	0.01	-
	OnMobile USA LLC.	9.26	-	-	-	-	-	-	-	-	-	9.26	-
	OnMobile Zambia Telecom Limited	0.11	-	-	-	-	-	-	-	-	-	0.11	-
c	Short term loans and advances												
	Chandramouli Janakiraman	-	-	-	-	-	-	0.01	0.26	-	-	0.01	0.26
d	Trade Receivables												
	OnMobile Singapore Pte. Ltd.	88.96	-	-	-	-	-	-	-	-	-	88.96	-
	OnMobile Global for Telecommunication Services	30.00	15.89	-	-	-	-	-	-	-	-	30.00	15.89
	Servicios De Telefonía OnMobile Sa De Cv	6.01	-	-	-	-	-	-	-	-	-	6.01	-
	OnMobile De Venezuela C A	59.22	-	-	-	-	-	-	-	-	-	59.22	-
	OnMobile USA LLC.	47.10	-	-	-	-	-	-	-	-	-	47.10	-
	Voxmobili S.A.	5.12	-	-	-	-	-	-	-	-	-	5.12	-
	OnMobile Costa Rica OBCR SA	4.70	3.14	-	-	-	-	-	-	-	-	4.70	3.14
	OnMobile Ghana Telecom Limited	1.54	1.50	-	-	-	-	-	-	-	-	1.54	1.50
	OnMobile Madagascar Telecom Limited	9.58	9.19	-	-	-	-	-	-	-	-	9.58	9.19
	OnMobile Nigeria Telecom Limited	0.24	0.23	-	-	-	-	-	-	-	-	0.24	0.23
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	32.94	-	-	-	-	-	-	-	-	-	32.94	-
	OnMobile Global SA	48.07	-	-	-	-	-	-	-	-	-	48.07	-
	OnMobile Rwanda Telecom Limited	5.50	5.27	-	-	-	-	-	-	-	-	5.50	5.27
	OnMobile Kenya Telecom Limited	0.83	0.59	-	-	-	-	-	-	-	-	0.83	0.59
	OnMobile Uganda Telecom Limited	8.72	8.37	-	-	-	-	-	-	-	-	8.72	8.37
	OnMobile Zambia Telecom Limited	4.86	16.66	-	-	-	-	-	-	-	-	4.86	16.66
	OnMobile Telecom Limited.	2.43	2.34	-	-	-	-	-	-	-	-	2.43	2.34
	OnMobile Telecom (SL) Limited	0.93	0.90	-	-	-	-	-	-	-	-	0.93	0.90
	OnMobile Global Spain S.A	10.23	5.13	-	-	-	-	-	-	-	-	10.23	5.13
	OnMobile Uruguay S.A	(1.08)	2.89	-	-	-	-	-	-	-	-	(1.08)	2.89
	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi	0.29	-	-	-	-	-	-	-	-	-	0.29	-

Notes forming part of the financial statements

SI No	Nature of transactions	Subsidiary Companies		Joint Venture		Associate Company		Key Management Personnel		Enterprises owned or significantly influenced by key management personnel/Directors or their relatives		In Rs. Million	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
e	Other current assets	82.26	155.05	-	-	-	-	-	-	-	-	82.26	155.05
		4.90	4.97	-	-	-	-	-	-	-	-	4.90	4.97
	OnMobile Singapore Pte. Ltd.	18.33	32.92	-	-	-	-	-	-	-	-	18.33	32.92
	PT OnMobile Indonesia	0.04	0.03	-	-	-	-	-	-	-	-	0.04	0.03
	Voxmobili S.A.	171.44	191.98	-	-	-	-	-	-	-	-	171.44	191.98
	OnMobile Europe B.V.	75.88	44.43	-	-	-	-	-	-	-	-	75.88	44.43
	Servicios De Telefonía OnMobile Sa De Cv	39.07	30.90	-	-	-	-	-	-	-	-	39.07	30.90
	OnMobile USA LLC.	131.53	82.41	-	-	-	-	-	-	-	-	131.53	82.41
	OnMobile Brasil Sistemas de Valor Agregado Para Comunicacoes Moveis Ltda	101.19	55.74	-	-	-	-	-	-	-	-	101.19	55.74
	OnMobile Global SA	133.20	186.92	-	-	-	-	-	-	-	-	133.20	186.92
	OnMobile De Venezuela C A	61.42	6.32	-	-	-	-	-	-	-	-	61.42	6.32
	OnMobile Global for Telecommunication Services	8.84	0.58	-	-	-	-	-	-	-	-	8.84	0.58
	OnMobile Kenya Telecom Limited	1.39	0.35	-	-	-	-	-	-	-	-	1.39	0.35
	OnMobile Mail SARL	13.86	1.34	-	-	-	-	-	-	-	-	13.86	1.34
	OnMobile Senegal SARL	0.36	1.80	-	-	-	-	-	-	-	-	0.36	1.80
	OnMobile Telecom Limited.	5.99	1.73	-	-	-	-	-	-	-	-	5.99	1.73
	OnMobile Costa Rica OBCR SA	4.29	2.90	-	-	-	-	-	-	-	-	4.29	2.90
	OnMobile Ghana Telecom Limited	26.54	3.23	-	-	-	-	-	-	-	-	26.54	3.23
	OnMobile Madagascar Telecom Limited	9.02	2.97	-	-	-	-	-	-	-	-	9.02	2.97
	OnMobile Nigeria Telecom Limited	4.69	22.50	-	-	-	-	-	-	-	-	4.69	22.50
	OnMobile Rwanda Telecom Limited	29.92	10.73	-	-	-	-	-	-	-	-	29.92	10.73
	OnMobile Uganda Telecom Limited	4.51	1.80	-	-	-	-	-	-	-	-	4.51	1.80
	OnMobile Zambia Telecom Limited	513.93	-	-	-	-	-	-	-	-	-	513.93	-
	OnMobile Telecom (SL) Limited	8.71	1.13	-	-	-	-	-	-	-	-	8.71	1.13
	OnMobile Global Spain S.A	1.72	-	-	-	-	-	-	-	-	-	1.72	-
	OnMobile Uruguay S.A	11.40	-	-	-	-	-	-	-	-	-	11.40	-
	OnMobile Turkey Telekomunikasyon Sistemleri Limited Sirketi	1.58	-	-	-	-	-	-	-	-	-	1.58	-
	Onmobile Telecom Burkina Faso, SARL	137.73	-	-	-	-	-	-	-	-	-	137.73	-
	OnMobile Global Czech Republic s.r.o.	8.55	-	-	-	-	-	-	-	-	-	8.55	-
	OnMobile Bangladesh Private Limited	0.51	-	-	-	-	-	-	-	-	-	0.51	-
	OnMobile Live Inc	2,447.63	925.26	-	-	-	-	0.01	0.26	-	-	2,447.64	925.52
	OnMobile Tanzania Telecom Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Total	2,447.63	925.26	-	-	-	-	0.01	0.26	-	-	2,447.64	925.52

Notes:

Related party relationships are as identified by the Company on the basis of information available and relied by the auditors. No amount has been written off or written back during the year in respect of debts due from or to related party.

Notes forming part of the financial statements

33. Earnings per Share

The Earnings/ (Loss) per share, computed as per the requirements of Accounting Standard 20 – “Earnings per Share ” is as under:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit/ (Loss) after tax as per the Statement of Profit and Loss (In Rs. Million)	(372.99)	263.83
Weighted Average number of Shares	114,212,648	114,240,072
Weighted Average number of Shares for Basic EPS	114,212,648	114,240,072
Add: Effect of Stock Options outstanding	94,476	247,377
Weighted Average Number of equity shares for Diluted EPS	114,307,124	114,487,449
	Rs.	Rs.
Nominal value of equity shares	10.0	10.0
Earnings/ (Loss) Per Share		
Basic	(3.3)	2.3
Diluted	(3.3)	2.3

34. Accounting For Taxes On Income

- a. In accordance with the Accounting Standard 22 – “Accounting for Taxes on Income”, the Company has reversed the deferred tax liability to the extent of Rs.87.86 Million for the current year, which has been credited to the Statement of Profit and Loss. Details of Deferred Tax Asset and Liabilities are:

Particulars	Deferred Tax (Assets)/ Liabilities as on April 1, 2013 (In Rs. Million)	Current year (credit)/charge (In Rs. Million)	Deferred Tax (Assets)/ Liabilities as on March 31, 2014 (In Rs. Million)
Difference between book and tax depreciation	73.45	(71.81)	1.64
Others (Provision for gratuity, compensated absences, doubtful trade receivables etc.)	(49.71)	(16.05)	(65.76)
	23.74	(87.86)	(64.12)

- b. The Company has ‘international transactions with associated enterprises’ which are subject to Transfer Pricing regulations in India. These regulations, inter alia, require the maintenance of prescribed documents and information for the basis of establishing arm’s length price including furnishing a report from an Accountant within the due date of filing the return of income.

The Company has undertaken necessary steps to comply with the regulations. The Management is of the opinion that the international transactions are at arm’s length, and hence the aforesaid legislation will not have any material impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

35. The details of Provisions under Accounting Standard 29 - “Provisions, Contingent liabilities and Contingent assets” are as under:

(In Rs. Million)

Nature of Expense	Probable outflow estimated within	Provision outstanding as at April 1, 2013	Provision made during the year	Provision utilised/ adjusted during the year	Provision outstanding as at March 31, 2013
Other provisions- Credit Notes	Not later than 1 year	175.66	-	175.66	-
	1-3 years	92.67	-	92.67	-
		268.33	-	268.33	-
Previous year		292.94	127.53	152.14	268.33

Notes forming part of the financial statements

36 Foreign Currency Exposure

a Forward contracts entered into by the Company for hedging foreign currency exposure and outstanding as at balance sheet date:

Particulars	As at March 31, 2014 Nominal Value (In Rs. Million)	As at March 31, 2013 Nominal Value (In Rs. Million)	Currency	As at March 31, 2014 (Foreign Currency in Million)	As at March 31, 2013 (Foreign Currency in Million)
Foreign Currency Forward Contract -(BUY)	62.88	-	USD/INR	1.00	-

b Unhedged Foreign currency exposure is as follows:

Particulars	As at March 31, 2014 Amount (In Rs. Million)	As at March 31, 2013 Amount (In Rs. Million)	Nature of Currency	As at March 31, 2014 Amount (Foreign Currency in Million)	As at March 31, 2013 Amount (Foreign Currency in Million)
Due to:					
Non current liabilities					
Long term provisions	2.01	0.85	AED	0.12	0.06
	0.73	0.42	BDT	0.92	0.59
	0.10	0.04	CLP	0.95	0.38
	0.73	0.44	COP	24.00	14.76
	-	0.23	EGP	-	0.03
	3.81	1.22	EUR	0.05	0.02
	3.32	0.83	GBP	0.03	0.01
	0.02	0.01	LKR	0.04	0.03
	2.10	0.18	MYR	0.11	0.01
	2.23	-	NIO	0.93	-
	0.29	-	PAB	0.00	-
	2.49	0.06	PEN	0.11	0.00
	-	0.51	RON	-	0.03
	1.11	4.99	TZS	29.51	144.74
	-	0.60	USD	-	0.01
	0.06	(0.00)	XOF	0.50	-
	2.46	0.97	ZAR	0.44	0.17
	-	0.10	ZMK	-	9.08
Current Liabilities					
Short-term borrowings	107.76	307.48	USD	1.79	5.65
Trade payables	1.70	1.23	AED	0.10	0.08
	-	-	ARS	-	-
	7.26	6.76	AUD	0.13	0.12
	110.18	110.21	BDT	139.80	155.54
	27.78	-	CAD	0.51	-
	1.37	0.42	CLP	12.55	3.68
	3.65	3.81	COP	119.14	128.13
	0.40	-	CRC	3.49	-
	0.00	18.58	EGP	0.00	2.31
	121.65	104.22	EUR	1.47	1.50
	28.00	5.75	GBP	0.28	0.07

Notes forming part of the financial statements

Particulars	As at March 31, 2014 Amount (In Rs. Million)	As at March 31, 2013 Amount (In Rs. Million)	Nature of Currency	As at March 31, 2014 Amount (Foreign Currency in Million)	As at March 31, 2013 Amount (Foreign Currency in Million)
	-	0.01	GHS	-	0.00
	4.23	-	GTQ	0.53	-
	23.26	-	IDR	4,408.39	-
	36.36	68.83	KES	51.46	106.44
	0.28	0.27	LKR	0.61	0.62
	4.68	4.21	MGA	180.07	171.14
	15.23	0.06	MWK	102.84	0.42
	117.41	-	MXN	25.56	-
	39.93	1.70	MYR	2.18	0.10
	1.64	-	NGN	4.46	-
	-	-	PAB	-	-
	1.26	0.65	PEN	0.06	0.03
	0.66	2.85	RMB	0.07	0.33
	-	8.93	RON	-	0.56
	1.33	0.93	RWF	14.81	10.77
	94.21	-	SGD	1.98	-
	3.44	0.04	SLL	245.19	2.79
	11.85	18.88	TZS	315.52	546.97
	7.37	-	UGX	308.57	-
	63.74	133.09	USD	1.06	2.45
	25.98	11.37	XOF	205.41	106.76
	3.07	2.78	ZAR	0.54	0.47
	12.23	13.37	ZMK	1,051.05	1,270.74
	3.30	-	ZMW	0.34	-
Other current liabilities	0.33	0.46	AUD	0.01	0.01
	-	0.88	ARS	-	0.08
	29.61	30.44	BDT	37.58	42.96
	108.77	39.81	BRL	4.13	1.47
	7.45	7.34	CAD	0.14	0.14
	4.54	2.99	CLP	41.77	25.93
	23.48	5.90	COP	767.25	198.36
	343.80	385.18	EUR	4.16	5.54
	0.25	0.34	GBP	0.00	0.00
	-	-	IDR	-	-
	0.25	6.97	KES	0.36	10.78
	0.00	-	LKR	0.01	-
	0.01	0.46	MGA	0.50	18.64
	0.05	0.59	MWK	0.32	4.18
	-	2.20	MXN	-	0.50
	0.10	1.32	MYR	0.01	0.07
	6.91	0.29	NIO	2.88	0.12
	-	0.22	NGN	-	0.62

Notes forming part of the financial statements

Particulars	As at March 31, 2014 Amount (In Rs. Million)	As at March 31, 2013 Amount (In Rs. Million)	Nature of Currency	As at March 31, 2014 Amount (Foreign Currency in Million)	As at March 31, 2013 Amount (Foreign Currency in Million)
	1.16	0.26	PAB	0.02	0.00
	19.41	2.16	PEN	0.90	0.10
	0.10	0.84	RON	0.01	0.05
	-	0.00	RWF	-	0.00
	89.98	1.31	SGD	1.89	0.03
	-	0.09	SLL	-	7.21
	-	-	TZS	-	-
	1.38	13.96	UGX	57.70	658.56
	118.25	5.06	USD	1.97	0.09
	1.12	0.95	XOF	8.82	8.89
	1.08	2.62	ZAR	0.19	0.45
	0.25	11.69	ZMK	21.16	1,110.78
Short term provisions	6.62	2.86	TZS	176.18	82.88
Due from:					
Long term loans and advances	8.59	-	ARS	1.14	-
	4.70	4.49	AUD	0.08	0.08
	97.53	74.38	BDT	123.75	104.97
	42.13	39.49	BRL	1.60	1.46
	22.65	8.05	COP	740.17	270.79
	-	-	CLP	-	-
	0.40	-	CRC	3.49	-
	96.65	2.11	EUR	1.17	0.03
	0.20	-	GBP	0.00	-
	0.07	-	GHS	0.00	-
	0.17	3.78	KES	0.25	5.84
	0.10	-	MGA	3.86	-
	2.86	-	MWK	19.30	-
	21.82	13.65	MXN	4.75	3.10
	-	-	MYR	-	-
	0.32	-	NGN	0.87	-
	-	-	NIO	-	-
	-	-	PAB	-	-
	-	-	PEN	-	-
	0.35	0.20	RON	0.02	0.01
	0.00	-	RWF	0.01	-
	4.76	-	SGD	0.10	-
	-	-	SLL	-	-
	0.08	0.02	THB	0.04	0.01
	9.60	1.42	TZS	255.63	41.10
	1.42	-	UGX	59.51	-
	507.57	34.32	USD	8.45	0.63

Notes forming part of the financial statements

Particulars	As at March 31, 2014 Amount (In Rs. Million)	As at March 31, 2013 Amount (In Rs. Million)	Nature of Currency	As at March 31, 2014 Amount (Foreign Currency in Million)	As at March 31, 2013 Amount (Foreign Currency in Million)
	0.07	-	XOF	0.52	-
	-	-	ZAR	-	-
	1.38	-	ZMK	118.38	-
	0.22	-	ZMW	0.02	-
Trade receivables	0.62	0.33	AED	0.04	0.02
	48.07	-	ARS	6.39	-
	3.79	8.43	AUD	0.07	0.15
	32.51	40.63	BDT	41.26	57.35
	32.94	-	BRL	1.25	-
	2.56	6.90	CAD	0.05	0.13
	2.63	0.22	CLP	24.14	1.88
	31.71	0.00	COP	1,036.25	0.00
	2.25	-	CRC	19.62	-
	20.67	8.22	EGP	2.38	1.02
	16.14	165.23	EUR	0.20	2.38
	1.07	-	GHS	0.05	-
	2.10	0.41	GBP	0.02	0.01
	1.49	0.26	IDR	283.02	45.57
	17.32	-	MXN	3.77	-
	38.94	49.37	MYR	2.12	2.81
	-	-	PEN	-	-
	5.18	4.63	RON	0.28	0.29
	79.61	-	SGD	1.67	-
	-	-	THB	-	-
	33.13	23.98	TZS	882.33	694.76
	461.69	346.00	USD	7.68	6.36
	6.93	-	XOF	54.77	-
	10.50	8.24	ZAR	1.86	1.40
Short term loans and advances	1.83	0.20	AED	0.11	0.01
	131.52	-	ARS	17.47	-
	0.39	0.68	AUD	0.01	0.01
	149.70	10.69	BDT	189.96	15.09
	12.86	-	BRL	0.49	-
	2.25	1.89	CLP	20.70	16.41
	35.39	5.23	COP	1,156.65	175.80
	0.49	-	CRC	4.25	-
	62.05	-	EGP	7.16	-
	576.40	59.21	EUR	6.98	0.85
	23.24	14.43	GBP	0.23	0.18
	1.82	-	GHS	0.08	-
	22.22	-	GTQ	2.80	-

Notes forming part of the financial statements

Particulars	As at March 31, 2014 Amount (In Rs. Million)	As at March 31, 2013 Amount (In Rs. Million)	Nature of Currency	As at March 31, 2014 Amount (Foreign Currency in Million)	As at March 31, 2013 Amount (Foreign Currency in Million)
	4.63	-	IDR	877.81	-
	17.51	7.05	KES	24.78	10.90
	1.43	0.37	MGA	55.03	14.94
	8.55	3.23	MWK	57.74	22.77
	141.90	-	MXN	30.89	-
	14.74	0.42	MYR	0.80	0.02
	6.21	0.01	NGN	16.86	0.03
	7.75	-	NIO	3.23	-
	1.16	-	PAB	0.02	-
	35.48	14.72	PEN	1.64	0.69
	1.43	1.10	RMB	0.15	0.13
	0.00	0.21	RON	0.00	0.01
	1.07	-	RWF	11.92	-
	53.95	(0.00)	SGD	1.13	(0.00)
	1.98	0.04	SLL	141.37	3.44
	0.73	-	TRY	0.03	-
	0.55	4.23	TZS	14.64	122.70
	3.56	17.45	UGX	149.22	823.18
	340.12	88.82	USD	5.66	1.63
	0.97	2.46	ZAR	0.17	0.42
	0.45	20.90	ZMK	38.84	1,986.68
	22.10	-	ZMW	2.29	-
Other current assets	(0.00)	40.35	BDT	(0.00)	56.95
	1.17	0.66	CLP	10.74	5.75
	15.29	17.72	COP	499.70	595.88
	2.37	259.74	EUR	0.03	3.73
	-	2.09	GHS	-	0.07
	-	15.52	KES	-	24.00
	-	5.38	MGA	-	218.61
	-	2.02	MWK	-	14.25
	-	10.46	NGN	-	30.07
	2.99	10.91	PAB	0.05	0.20
	-	6.83	PEN	-	0.32
	0.45	0.82	RON	0.02	0.05
	-	0.94	RWF	-	10.83
	-	3.86	SLL	-	302.69
	7.58	39.66	TZS	201.86	1,149.18
	-	4.58	UGX	-	215.92
	64.07	179.14	USD	1.07	2.77
	23.20	16.61	XOF	183.40	155.98
	4.89	3.23	ZAR	0.87	0.55
	-	12.18	ZMK	-	1,158.19

Notes forming part of the financial statements

37. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Particulars	As at March 31, 2014 (In Rs Million)	As at March 31, 2013 (In Rs Million)
(i) The principal amount remaining unpaid to any supplier at the end of accounting year.	0.28	0.28
(ii) The interest due on above.	-	-
The total of (i) & (ii)	0.28	0.28
The amount of interest paid by the buyer in terms of section 16 of the Act.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amounts of interest accrued and remaining unpaid at the end of financial year	-	-

38. The Company prepares consolidated financial statements, hence as per Accounting Standard 17 on Segment Reporting, segment information has not been provided in the standalone financial statements.

39. **Value of imports calculated on CIF basis**

Particulars	For the year ended March 31, 2014 (In Rs. Million)	For the year ended March 31, 2013 (In Rs. Million)
Capital goods (including software downloads and Market development and deployment rights)	102.92	256.25

40. **Expenditure in Foreign Currency (on accrual basis)**

Particulars	For the year ended March 31, 2014 (In Rs. Million)	For the year ended March 31, 2013 (In Rs. Million)
Business Development Expenses	141.50	424.14
Travelling and conveyance	90.02	91.73
Content fees	84.40	167.11
Software development and other charges	260.35	201.28
Legal, professional & consultancy charges	100.89	46.80
Employee Benefits Expense	232.39	277.20
Others	54.45	182.30
Total	964.00	1,390.56

41. **Earnings in Foreign Currency**

Particulars	For the year ended March 31, 2014 (In Rs. Million)	For the year ended March 31, 2013 (In Rs. Million)
Telecom value added services and others	2,400.86	2,251.20

Notes forming part of the financial statements

42. As part of the Company's periodic review of its transfer pricing policy as also the substantial growth in its international operations, the Company has adopted a revised global transfer pricing policy with effect from April, 1 2012 and has cross charged expenses to its subsidiaries based on an allocation model. The same has been included as reimbursement of expenses under other operating revenue during the year. The cross charge of expenses are given below:

Particulars	For the year ended March 31, 2014 (In Rs. Million)	For the year ended March 31, 2013 (In Rs. Million)
Employee benefits expense (Net)	109.97	58.58
Other expenses	159.14	118.33
Depreciation and amortization expense	402.00	256.98
Total	671.11	433.89

43. The Company had made an application to the Central Government for compounding of one of the contracts for a party covered under Section 297 of the Companies Act, 1956, which expired during an earlier year. The total transaction for which compounding application had been filed amounted to Rs 3.01 Million. The approval from Central Government is awaited.
44. Subsequent to the Balance Sheet date, the Company has executed a binding Share Purchase Agreement (SPA) with Synchronoss Technologies Inc., a Company headquartered in New jersey and a leading player in synchronization technology products, for divestment of Voxmobili SA, a step-down subsidiary of the Company. The proposed deal will be subject to and contingent upon certain events, including applicable regulatory and shareholders' approvals. Upon the consummation of the deal, the Company will realise an amount of USD 26 Million, subject to escrows and other conditions customarily contracted as a part of such a deal.
45. During the year, the Company has recognised provision for diminution in value of Investment in its subsidiary OnMobile Europe B.V. which has underlying investment in OnMobile S.A., of Rs. 559.48 Million, which is included under exceptional items in the Statement of Profit and Loss.
46. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosures.

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF ONMOBILE GLOBAL LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **ONMOBILE GLOBAL LIMITED** (the "Company"), and its subsidiaries (the Company, and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets (net) of Rs.1,909.81 Million as at 31st March, 2014, total revenues of Rs.1,466.37 Million and net cash outflows amounting to Rs.207.35 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Balaji
(Partner)
(Membership No. 203685)

Bangalore, May 29, 2014

CONSOLIDATED BALANCE SHEET

		In Rs. Million	
	Notes	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	1,142.36	1,141.53
Reserves and surplus	3	6,527.15	7,948.67
		7,669.51	9,090.20
Non-Current Liabilities			
Long-term borrowings	4	443.02	2.60
Deferred tax liabilities (net)	35	7.39	32.26
Long-term provisions	5	87.54	147.40
		537.95	182.26
Current Liabilities			
Short-term borrowings	6	433.67	477.71
Trade payables	7	2,013.78	1,719.07
Other current liabilities	8	924.72	1,007.71
Short-term provisions	9	410.68	541.12
		3,782.85	3,745.61
TOTAL		11,990.31	13,018.07
ASSETS			
Non-Current Assets			
Fixed assets			
Tangible Assets	10	791.01	781.10
Intangible Assets	10	2,872.78	2,507.49
Capital work-in-progress		121.85	241.58
		3,785.64	3,530.17
Goodwill on Consolidation		1,366.61	2,046.26
Non-current investments	11	0.02	-
Deferred tax Assets (net)	35	121.03	31.26
Long-term loans and advances	12	1,461.72	1,071.69
Current Assets			
Current investments	13	406.42	337.30
Inventories	14	5.17	-
Trade receivables	15	2,030.15	1,786.87
Cash and cash equivalents	16	833.94	1,671.37
Short-term loans and advances	17	902.63	874.67
Other current assets	18	1,076.98	1,668.48
		5,255.29	6,338.69
TOTAL		11,990.31	13,018.07
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

1 to 41

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells

Chartered Accountants

Chandramouli J
Chief Executive Officer and Director

H. H. Haight IV
Director

V. Balaji
Partner

Praveen Kumar K J
Vice President- Finance

P V Varaprasad
Company Secretary

Place: Bangalore
Date: May 29, 2014

Place: Bangalore
Date: May 29, 2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

In Rs. Million except per share data			
	Notes	For the year ended March 31, 2014	For the year ended March 31, 2013
REVENUE FROM OPERATIONS			
Telecom Value Added Services		8,653.13	7,252.69
Other Income	19	154.28	220.42
Total Revenue (A)		8,807.41	7,473.11
EXPENSES			
Cost of Sales and Services	20	1,821.05	1,115.57
Employee benefits expense	21	3,516.62	2,890.52
Finance costs	22	36.97	27.00
Depreciation and amortisation expense	10	1,366.88	986.20
Other expenses	23	2,009.12	1,753.06
Total Expenses (B)		8,750.64	6,772.35
Profit / (Loss) before exceptional items and tax (C) = (A-B)		56.77	700.76
Exceptional items (D)	40	1,194.84	-
Profit / (Loss) before tax (E) = (C-D)		(1,138.07)	700.76
TAX EXPENSE / (BENEFIT)			
Current Tax expense		335.32	306.47
Minimum Alternate Tax (MAT) credit entitlement		(27.75)	-
Current Tax expense relating to prior years		8.31	0.02
Deferred tax		(134.43)	(77.50)
Net tax expense (F)		181.45	228.99
Profit for the year (G) = (E-F)		(1,319.52)	471.77
EARNINGS PER SHARE			
1. Basic (Face value of equity share of Rs 10/- each)	34	(11.6)	4.1
2. Diluted (Face value of equity share of Rs 10/- each)		(11.5)	4.1
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

1 to 41

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

V. Balaji
Partner

Chandramouli J
Chief Executive Officer and Director

H. H. Haight IV
Director

Praveen Kumar K J
Vice President- Finance

P V Varaprasad
Company Secretary

Place: Bangalore
Date: May 29, 2014

Place: Bangalore
Date: May 29, 2014

CONSOLIDATED CASH FLOW STATEMENT

	Rs. In Million	
	For the year ended March 31, 2014	For the year ended March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	(1,138.07)	700.76
Adjustments for :		
Depreciation and amortisation	1,366.88	986.20
Exceptional items	840.72	-
Unrealised Foreign Exchange Loss/(Gain)	28.53	98.98
Loss/(Gain) on Sale of Fixed Assets (Net)	0.31	(6.72)
Loss/(Gain) on Sale/Redemption of Investment (Net)	0.05	(47.32)
Bad Trade receivables	54.67	63.60
Provisions no longer required written back	-	(0.58)
Provision for Doubtful trade receivables (net)	27.38	38.53
Dividend Income	(21.94)	(31.64)
Finance Cost	36.97	27.00
Interest Income	(41.84)	(81.58)
	2,291.73	1,046.47
Operating profit before working capital changes	1,153.66	1,747.23
(Increase) / decrease in operating assets:		
Trade and other receivables	(392.13)	(134.56)
Short-term loans and advances and other current assets	912.92	(607.71)
Long-term loans and advances	(516.01)	44.05
Inventories	(5.17)	19.80
Increase / (decrease) in operating liabilities:		
Current liabilities and provisions	351.09	205.62
Non-current liabilities and provisions	(59.87)	4.03
	290.83	(468.77)
Cash generated from operations	1,444.49	1,278.46
Direct taxes paid (including refunds)	(583.71)	(761.97)
Net cash generated from operating activities	860.78	516.49
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital advances	(2,098.66)	(620.59)
Sale of fixed assets	90.05	50.77
Sale, Redemption / (Purchase) of Short term investments (net)	(69.14)	83.73
Sale, Redemption/ (Purchase) of Long term investments	-	54.95
(Increase)/decrease in earmarked bank balances	103.02	255.25
Dividend Income	43.46	10.12
Interest received	53.57	113.98
Net cash (used in) / generated from investing activities	(1,877.70)	(51.79)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of Share Capital	0.03	0.09
Buyback of Equity Share Capital	-	(43.38)
Repayment of Finance lease	(8.27)	(17.12)
Proceeds from/ (Repayment of) borrowings	438.49	(362.28)
Finance cost	(35.64)	(28.31)
Dividend Paid including tax	(200.47)	(132.42)
Net cash (used in) / generated from financing activities	194.14	(583.42)
Net increase/(decrease) in cash and cash equivalents	(822.78)	(118.72)
Cash and cash equivalents as at March 31, 2013 (Opening Balance)	1,549.40	1,636.73
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(88.63)	(31.65)
Cash and cash equivalents as at March 31, 2014 (Closing Balance)	815.25	1,549.66
	(822.78)	(118.72)
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 16)	833.94	1,671.37
Less: Bank balances not considered as Cash and cash equivalents as defined in AS-3	18.69	121.71
Cash and cash equivalents at the end of the year	815.25	1,549.66

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

V. Balaji
Partner

Place: Bangalore
Date: May 29, 2014

For and on behalf of the Board of Directors

Chandramouli J
Chief Executive Officer and Director

Praveen Kumar K J
Vice President- Finance

Place: Bangalore
Date: May 29, 2014

H. H. Haight IV
Director

P V Varaprasad
Company Secretary

Notes forming part of the consolidated financial statements

1 SIGNIFICANT ACCOUNTING POLICIES

a Basis of preparation of financial statements

The Consolidated Financial statements relate to OnMobile Global Limited ("the Company"), its subsidiaries, associate and joint venture. Together these constitutes a "Group". The consolidated financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act / 2013 Act, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

b Principle of consolidation

The financial statements of the Company and its subsidiaries after making adjustments for uniform accounting policies have

been combined on a line by line basis by adding together like items of assets, liabilities, income and expense. The intra-group balances and intra-group transactions are eliminated.

The excess of cost to the Company of its investments in the subsidiary over its share of the equity of the subsidiary, at the date on which the investments in the subsidiary company was made, is recognized as 'goodwill' being an asset in the consolidated financial statements. Goodwill arising on consolidation is not amortised but tested for impairment.

In case of associate where the Company directly or indirectly through subsidiaries holds more than 20% of equity investments in associate are accounted for using equity method in accordance with Accounting Standard (AS) 23 – "Accounting for Investments in Associates in Consolidated Financial Statements".

The Company's interest in Jointly Controlled Entities are proportionately consolidated on a line by line basis by adding together the book values of assets, liabilities, income and expenses, after eliminating the unrealised profits/losses on intra-group transactions.

The following entities are considered in the consolidated financial statements.

Sl. No.	Name of entity	Country of Incorporation	% of Ownership held as on March 31, 2014	% of Ownership held as on March 31, 2013
1	OnMobile Singapore Pte. Ltd.	Singapore	100.00	100.00
2	Phonetize Solutions Private Limited (Liquidated)	India	-	99.99
3	PT OnMobile Indonesia	Indonesia	100.00	100.00
4	Vox mobili S.A.	France	100.00	100.00
5	OnMobile S.A. (erstwhile Telisma S.A.)	France	100.00	100.00
6	OnMobile Europe B.V.	Netherlands	100.00	100.00
7	OnMobile USA LLC	United States of America	100.00	100.00
8	Servicios De Telefonía OnMobile Sa De Cv	Mexico	100.00	100.00
9	Onmobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda.	Brazil	100.00	100.00
10	OnMobile De Venezuela C.A.	Venezuela	100.00	100.00
11	OnMobile Global SA	Argentina	100.00	100.00
12	OnMobile Uruguay SA	Uruguay	100.00	100.00
13	OnMobile Senegal SARL	Senegal	100.00	100.00
14	OnMobile Global for Telecommunication Services	Egypt	100.00	100.00
15	OnMobile Mali SARL	Mali	100.00	100.00
16	OnMobile Bangladesh Private Limited	Bangladesh	100.00	100.00
17	OnMobile Servicios Corporativos De Telefonía S.A. DE C.V.	Mexico	100.00	100.00
18	OnMobile Kenya Telecom Limited	Kenya	100.00	100.00
19	OnMobile Costa Rica OBCR, S.A.	Costa Rica	100.00	100.00
20	OnMobile Telecom Limited.	Malawi	100.00	100.00
21	OnMobile Global Spain S.L.U	Spain	100.00	100.00
22	OnMobile Uganda Limited	Uganda	100.00	100.00

Notes forming part of the consolidated financial statements

Sl. No.	Name of entity	Country of Incorporation	% of Ownership held as on March 31, 2014	% of Ownership held as on March 31, 2013
23	OnMobile Zambia Telecom Limited	Zambia	100.00	100.00
24	OnMobile Madagascar Telecom Limited	Madagascar	100.00	100.00
25	OnMobile Rwanda Telecom Limited	Rwanda	100.00	100.00
26	OnMobile Nigeria Telecom Limited	Nigeria	100.00	100.00
27	OnMobile Tanzania Telecom Limited	Tanzania	100.00	100.00
28	OnMobile Ghana Telecom Limited	Ghana	100.00	100.00
29	OnMobile Telecom (SL) Limited	Siera Leone	100.00	100.00
30	OnMobile Global Solutions Canada Limited	Canada	100.00	100.00
31	OnMobile Global Italy SRL	Italy	100.00	100.00
32	Mobile Voice Konnect Private Limited - Associate.	India	50.00	50.00
33	Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi (w. e. f. April 15, 2013)	Turkey	100.00	
34	OnMobile Portugal SGPS (w. e. f. April 15, 2013)	Portugal	100.00	-
35	Onmobile Telecom Burkina Faso, SARL (w. e. f. May 15, 2013)	Burkina Faso	100.00	
36	OnMobile Global South Africa (PTY) LTD (w. e. f. January 09, 2014)	South Africa	100.00	-
37	OnMobile Global Czech Republic s.r.o. (w. e. f. , September 17, 2013)	Czech Republic	100.00	
38	OnMobile Live Inc (w. e. f. , July 19, 2013)	United States of America	100.00	-
39	Fonestarz Media Group Limited. (w. e. f. , July 19, 2013)	United States of America	100.00	-
40	2dayUK Limited. (w. e. f. , July 19, 2013)	United States of America	100.00	-
41	Fonestarz Media (licensing) Limited (w. e. f. , July 19, 2013)	United States of America	100.00	-
42	Daius Limited. (w. e. f. , July 19, 2013)	United States of America	100.00	-
43	Fonestarz Limited. (w. e. f. , July 19, 2013)	United States of America	100.00	-
44	Fonestarz Media (Australia) PTY Limited. (w. e. f. , July 19, 2013)	United States of America	100.00	-
45	Fonestarz Media Limited (w. e. f. , July 19, 2013)	United States of America	100.00	-
46	OnMobile Global Limited Columbia S.A.S (w. e. f. , November 28, 2013)	Columbia	100.00	-

The consolidation for the year includes figures of Onmobile Turkey Telekomunikasyon Sistemleri Limited Şirketi, OnMobile Portugal SGPS., Onmobile Telecom Burkina Faso, SARL, OnMobile Global South Africa (PTY) LTD, OnMobile Global Czech Republic s.r.o., OnMobile Live Inc, Fonestarz Media Group Limited., 2dayUK Limited., Fonestarz Media (licensing) Limited, Daius Limited., Fonestarz Limited., Fonestarz Media (Australia) PTY Limited, Fonestarz Media Limited and OnMobile Global Limited Columbia S.A.S. formed/acquired during the year.

In respect of entities in Sl. No. 4 & 5, the Company's cost of investment is in excess of its share of equity on the date of investment and the difference has been recognised as Goodwill and is tested for impairment on annual basis.

c Use of Estimates

The preparation of the financial statements in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of

Notes forming part of the consolidated financial statements

the financial statements and the reported amounts of revenue and expenses during the reported period. Examples of such estimates includes provision for doubtful trade receivables, future obligations under employee benefit plans, income taxes and the useful lives of fixed assets. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reliably estimated. When no reliable estimate can be made, a disclosure is made as contingent liability. Actual results could differ from those estimates.

d Inventories

Inventories comprising of components are valued at the lower of Cost and estimated realisable value.

e Cash flow Statement

Cash Flow Statement has been prepared in accordance with the Indirect method prescribed in Accounting Standard 3-“ Cash flow statements “. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

f Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

g Depreciation

Depreciation/Amortisation on assets is provided using the straight-line method based on useful/commercial lives of these assets as estimated by the Management, other than for Market development and deployment rights which is amortised over its useful/ commercial life in time proportion of its economic benefits that are expected to accrue to the Group. The amortisation method is reviewed at each year end for any significant change in the expected pattern of the economic benefits. The useful/commercial lives for the Group Companies are as follows:

Category of Asset	No. of years
Leasehold Improvements	Primary lease period 3 years- 5 years
Building	61 years
Office equipments	3 to 10 years
Computers & Electronic equipments	3 to 5 years
Finance Lease Assets	Primary lease period 3 years- 5 years
Furniture & Fixtures	3 to 10 years
Motor Car	3 to 5 years
Software	1 to 3 years
Intellectual Property Rights	3 years
Market development and deployment rights	Over the term of the agreement

Individual assets costing less than Rs.5,000/- are depreciated in full in the year of purchase. The depreciation rates adopted are the same as or higher than the rates specified in Schedule XIV of the Companies Act, 1956.

h Revenue Recognition

Revenue from Telecom Value Added Services, net of credit notes, is recognized on provision of services in terms of revenue sharing arrangements with the telecom operators.

Revenue from sale of user licences for software applications is recognized when the applications are functionally installed at the customer's location as per the terms of the contracts.

Revenue from Other Services including maintenance services is recognized proportionately over the period during which the services are rendered as per the terms of contract.

Revenue from sale of goods is recognised on dispatch and transfer of underlying risks and rewards.

Dividend on current investment is recognized on an accrual basis. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and the then carrying value of the investment.

Rental Income is recognised on an accrual basis.

Interest Income is recognised on an accrual basis.

i Fixed assets

Fixed assets are stated at cost of acquisition including taxes, duties, freight and other incidental expenses relating to acquisition and installation. Capital work in progress is stated at cost and includes the cost of fixed assets that are not ready for their intended use at the Balance Sheet date.

j Foreign currency transactions

Transactions in foreign currencies are translated at the exchange rate prevailing on the date of the transaction. Monetary assets and Monetary liabilities denominated in foreign currencies are translated at the exchange rate prevalent at the date of the Balance sheet. Exchange differences arising on foreign currency translations are recognized as income or expense in the year in which they arise except in the case of non-integral operations where these translations are included in 'Foreign Currency Translation Reserve' shown under Reserves and Surplus.

On consolidation, in case of integral operations assets and liabilities (other than non-monetary items) are translated at the exchange rate prevailing on the balance sheet date. Non-monetary items are carried at historical cost. In case of non-integral operations assets and liabilities (both monetary and non-monetary items) are translated at the exchange rate prevailing on the Balance Sheet date. Revenue and expenses are translated at yearly average exchange rates prevailing during the year in case the holding subsidiary relationship was in existence on the first day of the fiscal year. In case of

Notes forming part of the consolidated financial statements

subsidiaries formed or acquired during the year, the average exchange rate prevailing during the period since the holding subsidiary relationship came into existence is taken. Exchange differences arising out of these transactions are included under Exchange Loss/ Gain and charged to the Statement of Profit and Loss in case of “Integral operations”. However in case of non-integral operations, these exchange differences are included in ‘Foreign Currency Translation Reserve’ and shown under Reserves and Surplus.

Premium or discount on forward exchange contract is amortised over the life of such contract and is recognised as income or expense. Any profit or loss arising on cancellation, renewal or restatement of forward contract is recognised in the Statement of Profit and Loss.

k Investments

Current investments are carried individually at lower of cost and fair value.

Long-term investments are stated at cost. Provision is made for any diminution in value of long-term investment which is other than temporary in nature. Cost of investments include acquisition charges such as brokerage, fees and duties.

l Employee Benefits

a) Short-term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related employee service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits (such as medical care) for current employees are estimated and measured on an undiscounted basis.

b) Defined Contribution Plan

The Company's contributions to Provident Fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

c) Defined Benefit Plan

Liabilities for gratuity funded in terms of a scheme administered by the fund manager, are determined by Actuarial Valuation made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried in the Balance Sheet.

Liability for other long term benefit (unfunded) are determined by Actuarial Valuation based on Projected unit credit method at the end of each financial year.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated

future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

d) Long term liability for Compensated absences is provided based on actuarial valuation of the accumulated leave credit outstanding to the employees as on the Balance Sheet date.

m Employee Stock Option Plan

The Company has formulated 14 Employee Stock Option Plans (“ESOP”) - OnMobile Employees Stock Option Plan – I 2003, OnMobile Employees Stock Option Plan – II 2003, OnMobile Employees Stock Option Plan – III 2006, OnMobile Employees Stock Option Plan – I 2007, OnMobile Employees Stock Option Plan – II 2007, OnMobile Employees Stock Option Plan – I 2008, OnMobile Employees Stock Option Plan – II 2008, OnMobile Employees Stock Option Plan – III 2008, OnMobile Employees Stock Option Plan – IV 2008, OnMobile Employees Stock Option Plan – I 2010, OnMobile Employees Stock Option Plan – II 2010, OnMobile Employees Stock Option Plan 2011, OnMobile Employees Stock Option Plan - I 2012 and OnMobile Employees Stock Option Plan - I 2013

The Company has obtained legal opinion that the guidance note on Accounting for Employees Share based payments are not applicable to OnMobile Employee Stock Option Plan – I 2003 and II 2003. Options granted in terms of OnMobile Employee Stock Option Plan – III 2006, OnMobile Employees Stock Option Plan – I 2007, OnMobile Employees Stock Option Plan – II 2007, OnMobile Employees Stock Option Plan – I 2008, OnMobile Employees Stock Option Plan – II 2008, OnMobile Employees Stock Option Plan – III 2008 OnMobile Employees Stock Option Plan – IV 2008, OnMobile Employees Stock Option Plan – I 2010, OnMobile Employees Stock Option Plan – II 2010, OnMobile Employees Stock Option Plan 2011, OnMobile Employees Stock Option Plan - I 2012 and OnMobile Employees Stock Option Plan - I 2013 to which the said guidance note is applicable, are accounted under intrinsic value method and accordingly, the difference between the fair value of the underlying shares and the exercise price, if any, is expensed to Statement of Profit and Loss over the period of vesting.

n Borrowing Costs

Borrowing costs incurred for the acquisition of qualifying assets are recognised as part of cost of such assets when it is possible that they will result in future economic benefits to the company while other borrowing costs are expensed.

o Segment reporting

The Group identifies primary segments based on the dominant source and nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial

Notes forming part of the consolidated financial statements

information is available and for which operating profit/loss amounts are evaluated regularly by executive Management in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

p Leases

Assets taken on lease where the Group acquires substantially the entire risks and rewards incidental to ownership are classified as finance leases. The amount recorded is the lower of the present value of minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease. The rental obligations, net of interest charges, are reflected as secured loan. Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases and lease rentals/income is recognised in Statement of Profit & Loss on an accrual basis.

q Earnings per Share

In determining the Earnings per share, the Group considers the net profit after tax. The number of shares used in computing Basic Earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing Diluted Earnings per share comprises the weighted average number of equity shares considered for deriving Basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year unless issued at a later date.

r Income Tax

Income tax expense includes Indian and International income taxes. Income tax comprises of the current tax and previous year tax provision and net change in deferred tax asset or liability in the year.

Provision for current tax is made taking into account the admissible deductions/allowances and is subject to revision based on the taxable income for the fiscal year ending 31 March each year.

Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax in the future years. Accordingly, MAT is recognised as an asset in the balance sheet where it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Provision for taxation includes tax liabilities in India on the Company's global income and any tax liabilities arising

overseas on income sourced from those countries as reduced by exempted income.

Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences between carrying values of the assets and liabilities and their respective tax bases and are measured using enacted or substantively enacted tax rates applicable on the Balance Sheet date. Deferred Tax assets are recognized subject to Management's judgement that realization is reasonably/virtually certain.

Research tax rebate:-

In accordance with French fiscal rules, the subsidiaries Vox mobili S.A. and OnMobile S.A., are entitled to special tax rebate/refund calculated based on the social costs of the Research and Development staff. Such tax rebate is recognized as other income on accrual basis.

s Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

t Provisions and Contingencies

Provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Contingent liabilities are disclosed in the notes to the consolidated financial statement.

u Operating Cycle

Based on the nature of services / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Notes forming part of the consolidated financial statements

		(In Rs. Million)	
		As at March 31, 2014	As at March 31, 2013
2. SHARE CAPITAL			
Authorised			
149,500,000 Equity Shares of Rs.10 each with voting rights (as at March 31, 2012 - 149,500,000 Equity Shares of Rs.10 each)		1,495.00	1,495.00
500,000 Preference Shares of Rs.10 each (as at March 31, 2012 - 500,000 Preference Shares of Rs.10 each)		5.00	5.00
		1,500.00	1,500.00
Issued, Subscribed and Fully Paid up			
114,235,502 Equity Shares of Rs.10 each fully paid up with voting rights (as at March 31, 2013 - 114,152,822 Equity Shares of Rs.10 each)		1,142.36	1,141.53
		1,142.36	1,141.53

Notes:

A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2014		As at March 31, 2013	
	Number of Shares	Amount (Rs. Millions)	Number of Shares	Amount (Rs. Millions)
Equity Shares with voting rights				
Opening balance	114,152,822	1,141.53	115,003,310	1,150.03
Add: Exercise of Employee Stock Option Plan	82,680	0.83	213,512	2.14
Less: Buy back	-	-	1,064,000	10.64
Closing balance	114,235,502	1,142.36	114,152,822	1,141.53

B) Details of share holders holding more than 5% of the shares of the Company

	Number of Shares	%	Number of Shares	%
Equity Shares with voting rights				
a) OnMobile Systems Inc	39,023,703	34.16	39,023,703	34.19

C) Aggregate Number of shares allotted as fully paid up pursuant to contracts without payment being received in cash, bonus shares and buyback of shares for the period of five years immediately preceeding the Balance Sheet date:

- During the year ended March 31, 2010, 75,862 Equity Shares have been issued to the promoters and employees of Telisma, S.A. France as a part of Purchase consideration for its acquisition.
- During the year ended March 31, 2012, the company made a bonus issue of 58,954,543 shares in the ratio of 1 : 1 to the shareholders by capitalisation of Securities Premium account.
- During the year ended March 31, 2012 after obtaining approval of the shareholders and completion of the formalities prescribed for buy-back of equity shares u/s. 77A of the Companies Act, 1956, the Company bought back 2,936,000 Equity Shares of Rs.10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for Rs. 29.36 Million being the nominal value of equity shares bought back in terms of Sec.77AA of the Companies Act, 1956.

During the year ended March 31, 2013, the Company completed the above referred buy-back of equity shares and bought back 1,064,000 Equity Shares of Rs.10 each by utilising the Securities Premium Account. Capital Redemption Reserve has been created out of Security Premium Account for Rs. 10.64 Million being the nominal value of equity shares bought back in terms of Sec.77AA of the Companies Act, 1956.

- Total number of Options outstanding under various employee stock option plans, that are convertible into equity shares, as on March 31, 2014 are 3,851,149 (at March 31, 2013: 4,455,470) (Refer Note 32)

E) Rights and restrictions attached to equity shares:

The Company has only one class of equity shares with voting rights (one vote per share). The dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company the equity shareholders are entitled to receive only the residual assets of the Company. The distribution of dividend is in proportion to the number of equity shares held by the shareholders.

Notes forming part of the consolidated financial statements

(In Rs. Million)

	As at March 31, 2014		As at March 31, 2013	
3. RESERVES AND SURPLUS				
Capital Redemption Reserve				
Opening Balance	40.00		29.36	
Add: Transfer from Securities Premium Account	-		10.64	
Closing Balance		40.00		40.00
Securities Premium Account				
Opening Balance	3,394.22		3,439.65	
Less: Utilised during the year for:				
Transfer to Capital Redemption Reserve	-		10.64	
Shares buy back	-		32.74	
Discount on exercise of eligible stock options	0.79		2.05	
Closing Balance		3,393.43		3,394.22
Stock Options Outstanding		0.44		0.44
General Reserve				
Opening balance	13.20		-	
Transfer from Surplus in Statement of Profit and Loss	-	13.20	13.20	13.20
Foreign Currency Translation Reserve				
Opening Balance	45.27		38.53	
Add : Effect of foreign exchange rate variations during the year	99.40		6.74	
Closing Balance		144.67		45.27
Surplus in Statement of Profit and Loss				
Opening Balance	4,455.54		4,196.06	
Add : Profit / (Loss) for the year	(1,319.52)		471.77	
Add/ (Less): Reversal of Proposed dividend for earlier year (including tax)	(0.14)		1.24	
Less: Appropriations				
Transfer to General Reserve	-		13.20	
Proposed equity dividend (amount per share Rs. 1.50 (as at March 31, 2013: Rs. 1.50)	171.35		171.23	
Tax on proposed equity dividend	29.12		29.10	
Closing Balance		2,935.41		4,455.54
		6,527.15		7,948.67

(In Rs. Million)

	As at March 31, 2014		As at March 31, 2013	
4. LONG- TERM BORROWINGS				
Term loan from bank#		443.02		-
Long Term Maturities of Finance Lease Obligations *		-		2.60
(Refer Note 30)				
		443.02		2.60

* Secured by underlying assets acquired under finance lease.

* Repayable within 24 months, implicit interest rate is in the range of 9% to 13.50%

Line of Credit secured by OnMobile Global Limited's Standby letter of Credit.

(In Rs. Million)

	As at March 31, 2014		As at March 31, 2013	
5. LONG- TERM PROVISIONS				
Provision for employee benefits:				
Provision for Compensated Absences		35.78		29.05
Provision for Post employment benefits		51.76		25.68
Provision - Others				
Credit Notes (Refer Note 36)		-		92.67
		87.54		147.40

Notes forming part of the consolidated financial statements

(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013
6. SHORT- TERM BORROWINGS			
Loans (Secured)			
From Banks		433.67	477.71
		433.67	477.71

Notes:

- Buyers' Credit Rs.107.76 Million (at March 31, 2013: Rs 307.48 Million) repayable within six to twelve months. Secured by first paripassu charge on movable fixed assets. Second paripassu charge on current assets.
- Pre-shipment credit in foreign currency Rs 60.10 Million (at March 31,2013: Nil) repayable in six months. Secured by first paripassu charge on present and future stocks and book debts.
- Line of Credit Rs. 265.81 Million (at March 31, 2013: Rs. 170.23 Million) repayable 'within twelve months. Secured by OnMobile Global Limited's Standby letter of credit.

(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013
7. TRADE PAYABLES			
Trade Payables		2,013.78	1,719.07
		2,013.78	1,719.07

(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013
8. OTHER CURRENT LIABILITIES			
Deferred Payment Liability (Refer Note 27)		33.47	389.03
Current Maturities of Finance Lease obligations (Refer Note 30)		6.23	10.56
Interest Accrued but not due on Borrowings		2.98	1.65
Income received in advance/ Unearned revenue		232.77	64.49
Advance from Customers		7.96	13.37
Share application Money (Refer Note 24)		0.24	0.24
Other Payables			
Statutory remittances		568.99	400.43
Payables on purchases of Fixed Assets		69.53	127.94
Others		2.55	-
		924.72	1,007.71

(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013
9. SHORT- TERM PROVISIONS			
Provision for employee benefits:			
Provision for Compensated Absences		86.48	76.59
Provision for Gratuity (Refer Note 29)		3.71	1.75
Provision for post employment benefits		10.41	9.58
Provision for tax (Net of advances of Rs. 11.16 Million; (at March 31, 2013: Rs. 59.55 Million))		88.53	44.50
Provision - Others			
Credit Notes (Refer Note 36)		0.74	201.40
Proposed equity dividend		171.35	171.23
Provision for tax on proposed equity dividend		29.12	29.10
Others (Refer Note 36)		20.34	6.97
		410.68	541.12

98

(In Rs. Million)

* represents translation difference of fixed assets for non integral foreign operations.
Note: Figures in brackets relate to the previous year.

Notes forming part of the consolidated financial statements

		(In Rs. Million)	
		As at March 31, 2014	As at March 31, 2013
11. NON-CURRENT INVESTMENTS			
Investments (At Cost)			
Trade Investments (Unquoted)			
In Equity shares of other entities			
Turaco Mobile Private Limited		0.02	-
1,600 (at March 31, 2013: Nil) equity shares of Rs 10 each fully paid			
		0.02	-

Aggregate amount of unquoted investment Rs.0.02 Million (at March 31, 2013 Rs. Nil)

		(In Rs. Million)	
		As at March 31, 2014	As at March 31, 2013
12. LONG - TERM LOANS AND ADVANCES			
(Unsecured, Considered good)			
Capital Advances		56.00	55.94
Security Deposits		72.17	57.10
Prepaid Expenses		20.17	
Advances to Employees		3.54	8.20
Advance Taxation (net of provisions of Rs 82.50 Million (at March 31 2013 Rs 1,302.95 Million)		1,181.82	850.18
MAT Credit Entitlement		127.32	99.57
Fringe Benefit Tax (net of provisions)		0.70	0.70
		1,461.72	1,071.69

		(In Rs. Million)	
		As at March 31, 2014	As at March 31, 2013
13. CURRENT INVESTMENTS			
Current portion of Long-term investments in:			
Mutual Funds in Fixed Maturity Plans (Quoted)		-	200.00
Other current investments			
Mutual Funds and other short-term investments		406.42	137.30
		406.42	337.30

Aggregate amount of quoted investments Rs Nil (at March 31, 2013: Rs.200 Million);

The market value of quoted investments Rs Nil (at March 31, 2013: Rs 201 Million)

		(In Rs. Million)	
		As at March 31, 2014	As at March 31, 2013
14. INVENTORIES			
Components		5.17	-
		5.17	-

		(In Rs. Million)	
		As at March 31, 2014	As at March 31, 2013
15. TRADE RECEIVABLES			
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good		145.45	318.55
Unsecured, considered doubtful		153.22	105.93
		298.67	424.48
Less: Provision for doubtful Trade receivables*		153.22	105.93
Other Trade Receivables			
Unsecured, considered good		1,884.70	1,468.32
Unsecured, considered doubtful		-	14.58
		1,884.70	1,482.90
Less: Provision for doubtful Trade receivables*		-	14.58
		2,030.15	1,786.87

* Includes foreign exchange fluctuations

Notes forming part of the consolidated financial statements

	(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013	
16. CASH AND CASH EQUIVALENTS				
Cash on hand		0.13		0.26
Balances with bank :				
- In Current Accounts (Note 1 below)		697.41		806.39
- In Deposit Accounts		117.71		743.01
- Earmarked Balances				
- Share application money received for allotment of securities and due for refund		0.24		0.24
- Margin money on Bank Guarantees		18.45		121.47
		833.94		1,671.37

Notes:

- Balances with Banks include Rs Nil (as at March 31, 2013- Rs 263.80 Million) which have restriction on repatriation.
- The balances that meet the definition of Cash and Cash equivalents as per AS-3 Cash Flow Statement is Rs.804.41 Million (at March 31, 2013: Rs.1,549.66 Million)

	(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013	
17. SHORT-TERM LOANS AND ADVANCES				
(Unsecured, Considered good)				
Security Deposits		22.90		94.01
Prepaid Expenses		100.67		78.13
Balances with Statutory authorities (Refer Note 1)		668.11		568.39
Advances to Employees		36.31		38.24
Advances to Vendors		74.64		95.90
		902.63		874.67

Notes:

- Balances with statutory authorities include Rs.82.41 Million (at March 31, 2013: Rs.146.28 Million) paid to VAT Authorities under direction of the Honorable High Court of Karnataka.

	(In Rs. Million)			
	As at March 31, 2014		As at March 31, 2013	
18. OTHER CURRENT ASSETS				
Unbilled Revenue		1,075.13		1,572.98
Accrued Interest on deposits		1.85		13.58
Accrued dividend		-		21.52
Others				
- Receivable on sale of Fixed Assets (including CWIP)		-		60.40
		1,076.98		1,668.48

	(In Rs. Million)			
	For the year ended March 31, 2014		For the year ended March 31, 2013	
19. OTHER INCOME				
Interest				
- From Banks on deposits		41.84		81.58
Dividend income from current investments		21.94		31.64
Profit on sale of Long term investments (net)		-		47.32
Other Non- Operating Income				
- Provisions no longer required written back		-		0.58
- Profit on Sale of Fixed Assets (Net)		-		6.72
- Rental Income from Operating leases		-		-
- Miscellaneous Income		90.50		52.58
		154.28		220.42

Notes forming part of the consolidated financial statements

	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
20. COST OF SALES AND SERVICES		
Content fee	1,298.64	698.74
Cost of software development and other charges	522.41	416.83
	1,821.05	1,115.57

	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
21. EMPLOYEE BENEFITS EXPENSES		
Salaries and wages	2,791.66	2,395.61
Contractors Expenses	101.38	97.05
Contribution to provident fund and other funds	458.11	308.28
Staff welfare expenses	165.47	89.58
	3,516.62	2,890.52

	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
22. FINANCE COSTS		
Interest on Finance lease	3.55	3.18
Interest on Short term Borrowings	30.82	17.70
Other borrowing costs	2.60	6.12
	36.97	27.00

	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
23. OTHER EXPENSES		
Power and Fuel	31.63	28.58
Rent	213.71	202.21
Insurance	13.63	10.29
Repairs and Maintenance		
- Machinery	29.47	1.89
- Others	30.57	39.59
Office maintenance	78.50	65.92
Rates and taxes	246.82	271.70
Printing and stationery	7.71	4.48
Postage, courier and octroi	10.85	8.03
Communication charges	131.74	137.52
Training and Recruitment expenses	67.04	57.07
Travelling and conveyance	400.05	350.24
Legal, professional & consultancy charges	475.27	234.22
Commission to non whole time directors	2.70	3.40
Remuneration to auditors (Refer Note 28)	35.51	25.70
Marketing expenses	78.45	64.33
Bad Trade Receivables	54.67	63.60
Provision for Doubtful Trade Receivables	27.38	38.53
Brokerage and Commission	7.29	6.17
Bank charges	12.99	9.81
Loss on Sale of Assets	0.31	-
Net loss on foreign currency transactions and translations	29.97	116.80
Miscellaneous expenses	22.86	12.98
	2,009.12	1,753.06

Notes forming part of the consolidated financial statements

24. Share application money represents unencashed refund instruments issued to the investors. This does not include any amount, due and outstanding, to be credited to the Investor Education and Protection Fund as per the provisions of the Companies Act, 1956.

25. Contingent liabilities and Commitments

- a The Company has been named as one of the 3 defendants in a civil dispute for injunction pending adjudication. However in the opinion of the management no liability would arise in this regard.
 - b Disputed Value Added Tax Rs. Nil (Previous year: Rs 59.08 Million), Disputed Service tax Rs. 17.55 Million (Previous year: Rs. 14.18 Million) and disputed Income Tax Rs.67.82 Million (Previous year: Rs.111.74 Million)
 - c Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is Rs. 63.54 Million (Previous year: Rs. 128.77 Million).
26. The Company had made an application to the Central Government for compounding of one of the contracts for a party covered under Section 297 of the Companies Act, 1956, which expired during the earlier year. The total transaction for which compounding application had been filed amounted to Rs. 3.01 Million. The approval from Central Government is awaited.
27. Deferred Payment liability includes Rs. 33.47 Million (BRL 1.27 Million) (previous year: Rs. 34.35 Million (BRL 1.27 Million)) payable to a customer in Brazil towards deploying value added services on an exclusive basis in the region and Rs. Nil (Euro Nil) (Previous year: Rs. 354.68 Million (Euro 5.1 Million)) Payable to a customer in Europe towards deploying value added services on an exclusive basis.

28. Auditors Remuneration

a) Remuneration to the auditors of the Company:

Particulars	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
For Audit	2.85	2.85
For Taxation matters	2.44	2.34
For other attest services	4.76	5.93
Reimbursement of expenses	0.35	0.29
Total	10.40	11.41

The Company avails input credit for service tax and hence no service tax expense was accrued during the year.

b) Remuneration to the auditors of the Subsidiaries:

Particulars	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
For Audit	20.75	13.59
For other attest services	4.36	0.70
Reimbursement of expenses	-	-
Total	25.11	14.29

29. Employee Benefits:

I Defined Contribution Plans

During the year the Company has recognized the following amount in the Statement of Profit and Loss:

Particulars*	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Employer's Contribution to Provident Fund	58.98	64.31
Contribution for Foreign Branches	9.97	8.55
Employee State Insurance Contribution	0.16	0.07

* Included in Note 21.

Notes forming part of the consolidated financial statements

II Defined Benefit Plans

Gratuity

In accordance with Accounting Standard 15 (Revised 2005) - "Employee Benefits", actuarial valuation as on March 31, 2014 was done in respect of the aforesaid defined benefit plan of Gratuity based on the following assumptions:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Discount Rate	8.85% p.a	8.25% p.a
Expected Rate of Return on Plan Assets	8% p.a	8% p.a
Salary Escalation Rate	12% p.a. for first 6 years and 7.0% p.a thereafter	10% p.a. for first 6 years and 7.0% p.a thereafter

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

Change in Present Value of Obligation:

(In Rs. Million)

Particulars	As at March 31, 2014	As at March 31, 2013
Present Value of Obligation (Opening)	58.99	52.47
Current Service Cost	21.85	10.64
Interest on Defined Benefit Obligation	4.88	3.94
Benefits Paid	(7.61)	(9.32)
Net Actuarial Losses / (Gains) Recognized in Year	(0.16)	1.26
Past Service Cost	-	-
Losses / (Gains) on "Curtailements and Settlements"	-	-
Closing Present Value of Obligations	77.95	58.99

Change in the Fair Value of Assets:

(In Rs. Million)

Particulars	As at March 31, 2014	As at March 31, 2013
Opening Fair Value of Plan Assets	57.24	44.87
Expected Return on Plan Assets	5.04	3.91
Actuarial Gains / (Losses)	0.46	0.67
Assets Distributed on Settlements	-	-
Contributions by Employer (net of risk premium etc)	19.11	17.11
Assets Acquired due to Acquisition	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(7.61)	(9.32)
Closing Fair Value of Plan Assets	74.24	57.24

Details of investment composition of Plan Assets has not been provided by the Fund managers and hence not disclosed.

Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Plan Assets:

(In Rs. Million)

Particulars	As at March 31, 2014	As at March 31, 2013
Closing Present Value of Funded Obligations	77.95	58.99
Closing Fair Value of Plan Assets	74.24	57.24
Unfunded Net Asset / (Liability) recognised in Balance Sheet	(3.71)	(1.75)

Notes forming part of the consolidated financial statements

Experience Adjustments:

Particulars	(In Rs. Million)				
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Defined Benefit Obligations	77.95	58.99	52.47	47.58	30.02
Plan Assets	74.24	57.24	44.87	31.94	26.21
Surplus/ (Deficit)	(3.71)	(1.75)	(7.60)	(15.64)	(3.81)
Experience adjustments on Plan Liabilities	(0.16)	1.26	(1.74)	(0.24)	(0.72)
Experience adjustments on Plan Assets	0.46	0.67	0.66	0.60	0.79

Amount recognized in the Balance Sheet:

Particulars	(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013
Closing Present value of obligations	77.95	58.99
Closing Fair Value of Plan Assets	(74.24)	(57.24)
Liability Recognised in the Balance Sheet	3.71	1.75

Estimate of amount of contribution in the immediately next year Rs 3.71 Million.

Expenses recognized in the Statement of Profit and Loss:

Particulars	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Current Service Cost	21.85	10.64
Past Service Cost	-	-
Interest Cost	4.88	3.94
Expected Return on Plan Assets	(5.04)	(3.91)
Actuarial Losses / (Gain)	(0.62)	0.59
Total Expense recognized in the Statement of Profit and Loss	21.07	11.26

III Other long term benefits

Cost of compensated absences expensed in the Statement of Profit and Loss:

Particulars	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Compensated absences	13.59	11.41

IV Contribution for Post Employee Benefits for subsidiaries

Contribution for Post Employee benefits for PT OnMobile Indonesia has been provided based on Actuarial valuation for its qualifying employees. The actuarial valuation was done based on the following assumptions:

Experience Adjustments:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Discount Rate	8.5% p.a.	6.5% p.a.
Expected Rate of Return on Plan Assets	-	-
Salary Escalation Rate	5% p.a.	5% p.a.

Expenses recognized in the Statement of Profit and Loss:

Particulars	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Current Service Cost	0.08	0.37
Interest Cost	0.05	0.07
Underprovision in prior year	-	-
Actuarial (Losses) / Gain	-	-
Foreign Exchange Difference	-	-
Total Expenses recognized in the Statement of Profit and Loss	0.13	0.44

Amount recognized in the Balance Sheet:

Particulars	(In Rs. Million)	
	As at March 31, 2014	As at March 31, 2013
Present value of obligations	0.17	0.85
Unrecognised actuarial loss	1.18	0.48
Liability Recognised in the Balance Sheet	1.35	1.33

V Other long term benefits for subsidiaries (Holiday Pay)

Amount expensed in the Statement of Profit and Loss:

Particulars	(In Rs. Million)	
	For the year ended March 31, 2014	For the year ended March 31, 2013
Amount expensed in the Statement of Profit and Loss	16.47	14.66

Notes forming part of the consolidated financial statements

30. Finance Lease:

The lease transactions of the Company represent lease of electronic equipments on a non-cancellable basis.

The minimum lease payments and their present value as at March 31, 2014 under the various agreements are given below:

(In Rs. Million)

Particulars	Present value of Minimum Lease Payments		Future Interest		Minimum Lease Payments	
	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2014	For the year ended March 31, 2013	For the year ended March 31, 2014	For the year ended March 31, 2013
Amount repayable not later than 1 year	6.23	10.56	1.25	2.80	7.48	13.36
Amount repayable later than 1 year and not later than 5 years	-	2.60	-	1.16	-	3.76
Total	6.23	13.16	1.25	3.96	7.48	17.12

31. Operating lease:

The Company is obligated under non-cancellable operating lease for office space and vehicles provided to employees.

Total rental expense and future lease payments under non-cancellable operating lease for office space and vehicles are as follows:

(In Rs. Million)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Total rental expense charged to Statement of Profit and Loss	213.71	202.21
Future lease payments under non-cancellable leases:		
Not later than 1 year	62.42	65.93
Later than 1 year and not later than 5 years	22.63	81.98

32. Employee Stock Option Plans (ESOP)

Details of ESOP introduced to which the guidance note as issued by Institute of Chartered Accountants of India(ICAI) is not applicable:

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan – I 2003	31-Oct-03	Extra Ordinary General Meeting held on March 5, 2001, November 29, 2003 and December 30, 2003	1,026,000	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first vesting.
OnMobile Employees Stock Option Plan – II 2003	4-Dec-03		114,000	

Numbers of options granted, exercised and forfeited during the year under the above plans are given below:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Options granted outstanding at the beginning of the year	226,888	396,954
Exercised during the year	82,654	213,512
Time Extended during the year	-	94,536
Forfeited/Lapsed during the year	85,851	51,090
Options granted outstanding at the end of the year	58,383	226,888
Grants outstanding which are vested as at Balance Sheet date including increase due to issuance of bonus shares	58,383	226,888

Notes forming part of the consolidated financial statements

Details of ESOP introduced to which the guidance note as issued by Institute of Chartered Accountants of India(ICAI) is applicable:

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan – III 2006	24-Jul-06	24-Jul-06	61,567	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan – I 2007	12-Jul-07	17-Aug-07	975,000	25% of the Options granted would vest at the end of twelve (12) months from the date of the grant and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan-II 2007	12-Jul-07	17-Aug-07	74,360	65%, 30%, 3% and 2% of the options granted would vest at the end of one year, two years, three years and four years from the grant date, respectively.
OnMobile Employees Stock Option Plan – I 2008	18-Mar-08	18-Apr-08	26,000	100% of the Options would vest over a period of four years.
OnMobile Employees Stock Option Plan II 2008	31-Oct-08	1-Aug-08	100,000	100% of the options granted would vest at the end of two years.
OnMobile Employees Stock Option Plan III 2008	31-Oct-08	1-Aug-08	748,240	For 297,170 Options 50% of the options granted would vest at the end of one year and 25% of the options would vest on a monthly basis at the end of each of second and third years from the grant date respectively and for the balance 451,070 Options granted under the Plan the vesting would be 25% of the Options would vest at the end of one year and the rest of the options shall vest at the rate of 1/36th of the options shall vest every month for the next three years.
OnMobile Employees Stock Option Plan III 2008	29-Apr-09	1-Aug-08	113,150	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	31-Jul-09	1-Aug-08	26,680	25% of such Options granted would vest at the end of twelve (12) months from the date the Optionee becomes an employee of the Company and the remaining 75% would vest at a rate of 1/36th per month for the next thirty six (36) months from the first Vesting.
OnMobile Employees Stock Option Plan III 2008	26-Oct-09	1-Aug-08	75,000	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan III 2008	28-Jan-10	1-Aug-08	68,500	25% of such Options granted would vest at the end of each year over a period of four years.
OnMobile Employees Stock Option Plan IV 2008	26-Sep-08	31-Oct-08	173,953	100% of such Options granted would vest at the end of one year.
OnMobile Employees Stock Option Plan I 2010	30-Apr-10	24-Jul-10	325,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan II 2010	30-Apr-10	24-Jul-10	875,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option

Notes forming part of the consolidated financial statements

Plan	Board approval date	Share holder's approval date	Total options appropriated before bonus	Terms of Vesting
OnMobile Employees Stock Option Plan 2011	30-Apr-11	4-Aug-11	1,150,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2012	7-May-12	29-Aug-12	3,000,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option
OnMobile Employees Stock Option Plan 1, 2013	15-May-13	30-Jul-13	1,500,000	Vesting period shall be for a minimum of one (1) year and a maximum of four (4) years from the date of the Grant of stock option

Numbers of options granted, exercised and forfeited during the year under the above plans are given below:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Options granted outstanding at the beginning of the year	4,228,582	5,449,591
Granted during the year	630,000	697,500
Exercised during the year	26	-
Time Extended during the year	-	219,824
Forfeited during the year	1,065,790	2,138,333
Options granted outstanding at the end of the year	3,792,766	4,228,582
Weighted average remaining contractual life (years) at the year end	3.3	3.4
Weighted average exercise price per option (after adjusting for Bonus issue)	Rs. 36	Rs. 61
Range of exercise price (after adjusting for bonus issue)	Rs 22.28 to Rs 40.05	Rs 37.03 to Rs 79.23

The guidance note issued by the Institute of Chartered Accountants of India requires the disclosure of pro forma net results and EPS both basic & diluted, had the Company adopted the fair value method. Had the Company accounted the option under fair value method, amortising the stock compensation expense thereon over the vesting period, the reported profit/(Loss) for the year ended March 31, 2014 would have been lower by Rs.48.88 Million (Previous year Rs.24.61 Million) and Basic and diluted EPS would have been revised to Rs.(11.98)/- (Previous year Rs 3.9/-) and Rs.(11.97)/- (Previous year- Rs 3.9/-) respectively as compared to Rs.(11.55)/- (Previous year Rs 4.1/-) and Rs.(11.54)/-(Previous year Rs 4.1/-) without such impact. Basic and Diluted Earnings /(Loss) Per Share (EPS) have been restated for all the corresponding period to give effect of the said issue of Bonus shares, in accordance with Accounting Standard (AS) 20 "Earnings Per Share" notified under Section 211(3C) of the Companies Act, 1956.

The fair value of stock based award to employees is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected weighted average term of the options to be 4.3 years (Previous year 4.4 years), a "3%" (Previous year 2%) expected dividend yield on the underlying equity shares, weighted average volatility in the share price of 52.27% (Previous year 55.74%) and a risk free rate of 8.85% p.a. (Previous year 8.25% p.a.). The Company's calculations are based on a single option valuation approach, and forfeitures are recognized as they occur. The expected volatility is based on historical volatility of the share price after eliminating the abnormal price fluctuations.

As per the provisions of SEBI (ESOS) Guidelines, 1999, the Shareholders, vide their resolution dated April 18, 2013 through postal ballot process, approved the re-pricing of options granted but not exercised. Consequently the Board of Directors vide their circular resolution dated April 19, 2013 re-priced the unexercised options at Rs. 36.43 each.

Incremental fair value granted as a result of re-pricing of Employee Stock options

Plan	Incremental fair value range per option (In Rs.)
OnMobile Employees Stock Option Plan – III 2006	5.28
OnMobile Employees Stock Option Plan – I 2007	5.28
OnMobile Employees Stock Option Plan II 2008	5.28
OnMobile Employees Stock Option Plan III 2008	0.15 to 7.19
OnMobile Employees Stock Option Plan IV 2008	5.28
OnMobile Employees Stock Option Plan I 2010	5.28
OnMobile Employees Stock Option Plan II 2010	5.28

Notes forming part of the consolidated financial statements

The incremental fair value of stock based award consequent to re-pricing of exercise price of stock options to employees is calculated through the use of option pricing models as on the date of re-pricing, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected weighted average term of the options to be 4.35 years, a “3%” expected dividend yield on the underlying equity shares, weighted average volatility in the share price of 53.1% and a risk free rate of 8.85% p.a. The Company’s calculations are based on a single option valuation approach, and forfeitures are recognized as they occur. The expected volatility is based on historical volatility of the share price during the year after eliminating the abnormal price fluctuations.

33. The Company is engaged in providing value added services in telecom business globally and is considered to constitute a single segment in the context of primary segment reporting as prescribed by Accounting Standard 17 - “Segment Reporting”.

The secondary segment is identified to geographical locations. Details of secondary segment by geographical locations are given below:

(In Rs. Million)		
Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
I Revenue (by location of customer)		
India	2,313.04	2,842.60
Latin America	2,054.10	1,650.97
Europe	2,013.06	1,423.87
Africa	959.34	843.59
America	850.58	-
Rest of the World	463.01	491.66
Total	8,653.13	7,252.69
II Total carrying amount of Segment Assets, by geographical location	As at March 31, 2014	As at March 31, 2013
India	3,006.75	4,114.19
Latin America	980.39	900.83
Europe	2,059.43	1,601.99
Africa	393.86	843.52
America	1,097.38	120.42
Rest of the World	412.79	365.35
Total	7,950.60	7,946.30
III Cost incurred for purchase of tangible & intangible assets, by geographical location of assets *	For the year ended March 31, 2014	For the year ended March 31, 2013
India	212.08	209.80
Latin America	42.80	83.40
Europe	580.69	434.18
Africa	25.20	66.70
America	1,224.35	40.84
Rest of the World	118.63	125.27
Total	2,203.75	960.19

* excluding capital advances

34. Earnings per Share

The Earnings per share, computed as per the requirements of Accounting Standard 20 – “Earnings per Share ” is as under:

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit/(Loss) after tax as per the Statement of Profit and Loss (In Rs. Million)	(1,319.51)	471.77
Weighted Average number of Shares	114,212,648	114,240,072
Weighted Average number of Shares for Basic EPS	114,212,648	114,240,072
Add: Effect of Stock Options outstanding	94,476	247,377
Weighted Average Number of equity shares for Diluted EPS	114,307,124	114,487,449
	Rs.	Rs.
Nominal value of equity shares	10.0	10.0
Earnings/(Loss) Per Share		
Basic	(11.6)	4.1
Diluted	(11.5)	4.1

Notes forming part of the consolidated financial statements

35. Accounting For Taxes On Income

- a In accordance with the Accounting Standard 22 – “Accounting for Taxes on Income”, the Company has reversed the deferred tax to the extent of Rs.134.43 Million for the current year, which has been credited to the Statement of Profit and Loss. Details of Deferred Tax Asset and Liabilities are:

(In Rs. Million)				
Particulars	Deferred Tax (Assets)/ Liabilities as on April 1, 2013	Current year (credit)/charge	Adjustment for foreign currency translation	Deferred Tax (Assets)/ Liabilities as on March 31, 2014
Difference between book and tax depreciation	74.31	(75.28)	0.97	0.00
Others (Provision for gratuity, compensated absences, doubtful trade receivables, etc.)	(42.05)	49.71	(0.27)	7.39
	32.26	(25.57)	0.70	7.39

(In Rs. Million)				
Particulars	Deferred Tax (Assets)/ Liabilities as on April 1, 2013	Current year (credit)/charge	Adjustment for foreign currency translation	Deferred Tax (Assets)/ Liabilities as on March 31, 2014
Difference between book and tax depreciation	-	(3.20)	0.04	(3.16)
Others (Provision for gratuity, compensated absences etc.)	(31.26)	(105.66)	19.05	(117.87)
	(31.26)	(108.86)	19.09	(121.03)

36. The details of Provisions under Accounting Standard 29 - “Provisions, Contingent liabilities and Contingent assets” are as under:

(In Rs. Million)					
Nature of Expense	Probable outflow estimated within	Provision outstanding as at April 1, 2013	Provision made during the year	Provision utilized/adjusted during the year	Provision outstanding as at March 31, 2014
Other provisions - credit note and others	Not later than 1 year	208.37	43.36	230.65	21.08
	1-3 years	92.67	-	92.67	-
		301.04	43.36	323.32	21.08
Previous year		343.44	178.72	221.12	301.04

37. Transactions with related parties

I List of Related parties and relationship:

Sl. No.	Relationship	Related parties
	Related parties with whom the Company had transactions	
(i)	Key Management Personnel	Arvind Rao (Upto July 9, 2012)
		Chandramouli Janakiraman
		H. H. Haight IV
(ii)	Enterprises owned or significantly influenced by key management personnel/Directors or their relatives	OnMobile Systems Inc., USA
		Mobile Traffik Pvt. Ltd (Upto July 9, 2012)
		Riff Mobile Private Limited (Upto July 9, 2012)

Notes forming part of the consolidated financial statements

II Transactions with Related Parties:

(In Rs. Million)							
SI No	Nature of transactions	Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel/ Directors or their relatives		Total	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
1	Remuneration (including other benefits)						
	Arvind Rao		5.53	-	-	-	5.53
	Chandramouli Janakiraman	7.83	7.45	-	-	7.83	7.45
	H. H. Haight IV	18.37	3.47	-	-	18.37	3.47
	Total	26.20	16.45	-	-	26.20	16.45

III Balances with Related Parties:

(In Rs. Million)							
SI No	Nature of transactions	Key Management Personnel		Enterprises owned or significantly influenced by key management personnel / Directors or their relatives		Total	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
1	Amount Receivables under: Short term loans and advances						
	Chandramouli Janakiraman	0.01	0.26			0.01	0.26
	Total	0.01	0.26	-	-	0.01	0.26

Notes:

- 1 Related party relationships are as identified by the Company on the basis of information available and relied upon by the auditors.
- 2 No amount has been written off during the year in respect of debts due from related party.

38. Foreign Currency Exposure

- a Forward contracts entered into by the Company for hedging foreign currency exposure and outstandings as at Balance Sheet date:

Particulars	As at March 31, 2014 Nominal value (In Rs. Million)	As at March 31, 2013 Nominal value (In Rs. Million)	Currency	As at March 31, 2014 (Foreign Currency in Million)	As at March 31, 2013 (Foreign Currency in Million)
Foreign Currency Forward Contract -(SELL)#	-	115.19	BRL/USD	-	4.25
Foreign Currency Forward Contract -(BUY)	62.88	-	USD/INR	1.00	-

The contract has been entered to SELL BRL and BUY USD, the equivalent USD amount for the contract is USD Nil (P.Y. USD 2 Million)

Notes forming part of the consolidated financial statements

b Unhedged Foreign currency exposure is as follows:

Particulars	As at March 31, 2014 (In Rs. Million)	As at March 31, 2013 (In Rs. Million)	Nature of Currency	As at March 31, 2014 (Foreign Currency in Million)	As at March 31, 2013 (Foreign Currency in Million)
Due to:					
Non current liabilities					
Long-term provisions	2.00833	0.84872	AED	0.12246	0.05723
	0.72720	0.42045	BDT	0.92273	0.59336
	0.10374	0.04433	CLP	0.95348	0.38414
	0.73440	0.43901	COP	24.00015	14.76172
	-	0.22703	EGP	-	0.02827
	3.81170	1.21509	EUR	0.04616	0.01747
	3.31564	0.83194	GBP	0.03321	0.01011
	0.01729	0.01357	LKR	0.03748	0.03156
	2.10312	0.18051	MYR	0.11474	0.01026
	2.48850	0.05896	PEN	0.11481	0.00275
	-	0.50918	RON	-	0.03214
	1.10803	4.99486	TZS	29.50819	144.73662
	-	0.60019	USD	-	0.01104
	2.46064	0.97128	ZAR	0.43560	0.16527
	-	0.09556	ZMK	-	9.08327
	2.22926	-	NIO	0.92995	-
	0.28606	-	PAB	0.00466	-
	0.06373	-	XOF	0.50383	-
Current Liabilities					
Short-term borrowings	107.75768	307.47642	USD	1.79298	5.65325
Trade payables	1.69593	1.23305	AED	0.10341	0.08315
	7.25745	6.75799	AUD	0.13041	0.11867
	110.17833	110.21212	BDT	139.80248	155.53503
	1.36504	0.42449	CLP	12.54631	3.67838
	3.64558	3.81051	COP	119.13660	128.12751
	-	18.58176	EGP	-	2.31338
	-	104.22024	EUR	-	1.49863
	28.00111	5.74739	GBP	0.28043	0.06982
	1.07198	0.00506	GHS	0.04696	0.00018
	1.08082	68.83271	KES	1.52982	106.43684
	0.28181	0.26503	LKR	0.61091	0.61649
	-	4.21006	MGA	-	171.14079
	2.85870	0.05958	MWK	19.30248	0.41959
	39.94160	1.69971	MYR	2.17915	0.09665
	1.25854	0.64962	PEN	0.05806	0.03026
	0.65543	2.85197	RMB	0.06703	0.32853
	-	8.92811	RON	-	0.56354
	-	0.93396	RWF	-	10.76613
	-	0.03561	SLL	-	2.79300
	10.00659	18.87607	TZS	266.48698	546.97406
	90.83985	133.09452	USD	1.51148	2.44707
	9.45049	11.37010	XOF	74.70739	106.76148
	3.06814	2.78310	ZAR	0.54314	0.47357

Notes forming part of the consolidated financial statements

Particulars	As at March 31, 2014 (In Rs. Million)	As at March 31, 2013 (In Rs. Million)	Nature of Currency	As at March 31, 2014 (Foreign Currency in Million)	As at March 31, 2013 (Foreign Currency in Million)
	0.00014	13.36820	ZMK	0.01160	1,270.74120
	0.00294	-	NGN	0.00800	-
	88.88659	-	SGD	1.86684	-
Other current liabilities	0.32822	0.46017	AUD	0.00590	0.00808
	-	0.87806	ARS	-	0.08249
	29.61324	30.44485	BDT	37.57548	42.96478
	108.77407	39.81416	BRL	4.12750	1.47187
	7.44855	7.33873	CAD	0.13703	0.13703
	4.54496	2.99212	CLP	41.77353	25.92825
	23.47771	5.89934	COP	767.24541	198.36385
	343.80254	385.17833	EUR	4.16344	5.53864
	0.24751	0.33725	GBP	0.00248	0.00410
	0.25242	6.96885	KES	0.35728	10.77602
	0.01300	0.45866	MGA	0.50011	18.64463
	0.04771	0.59324	MWK	0.32215	4.17778
	-	2.19991	MXN	-	0.49922
	0.10094	1.31734	MYR	0.00551	0.07490
	6.91187	0.28571	NIO	2.88331	0.12492
	-	0.21686	NGN	-	0.62333
	1.16371	0.25884	PAB	0.01897	0.00466
	19.40602	2.16154	PEN	0.89529	0.10070
	0.10172	0.84386	RON	0.00548	0.05326
	-	0.00003	RWF	-	0.00039
	89.98207	1.31020	SGD	1.88985	0.02990
	-	0.09197	SLL	-	7.21319
	1.37799	13.96155	UGX	57.70459	658.56374
	134.98384	5.05588	USD	2.24599	0.09296
	1.11582	0.94692	XOF	8.82071	8.89129
	1.08016	2.61705	ZAR	0.19122	0.44532
	0.24634	11.68545	ZMK	21.16298	1,110.78442
	0.00410	-	LKR	0.00889	-
Short-term provisions	6.61554	2.86021	TZS	176.17939	82.88058
Due from:					
Long term loans and advances	4.70131	4.49400	AUD	0.08448	0.07892
	97.52576	74.38160	BDT	123.74795	104.96980
	42.12886	39.49435	BRL	1.59861	1.46004
	22.64916	8.05320	COP	740.16859	270.78694
	24.55983	2.11060	EUR	0.29742	0.03035
	0.17335	3.77549	KES	0.24537	5.83809
	21.82230	13.64601	MXN	4.75121	3.09665
	0.34811	0.20339	RON	0.01876	0.01284
	4.76105	-	SGD	0.09999	-
	0.07989	0.01867	THB	0.04311	0.01004
	9.59908	1.41846	TZS	255.63467	41.10287
	122.50322	34.31689	USD	2.03833	0.63095
	8.58784	-	ARS	1.14070	-
	0.39903	-	CRC	3.48501	-

Notes forming part of the consolidated financial statements

Particulars	As at March 31, 2014 (In Rs. Million)	As at March 31, 2013 (In Rs. Million)	Nature of Currency	As at March 31, 2014 (Foreign Currency in Million)	As at March 31, 2013 (Foreign Currency in Million)
	0.20230	-	GBP	0.00203	-
	0.07170	-	GHS	0.00314	-
	0.10028	-	MGA	3.85830	-
	2.85870	-	MWK	19.30248	-
	0.32040	-	NGN	0.87042	-
	0.00101	-	RWF	0.01116	-
	1.42114	-	UGX	59.51190	-
	0.06584	-	XOF	0.52051	-
	1.37793	-	ZMK	118.37892	-
	0.21733	-	ZMW	0.02248	-
Trade receivables	0.61942	0.33005	AED	0.03777	0.02226
	3.79488	8.42635	AUD	0.06819	0.14797
	32.51493	40.63491	BDT	41.25736	57.34535
	3.78589	6.89774	CAD	0.06965	0.12879
	2.62671	0.21732	CLP	24.14260	1.88320
	31.70938	-	COP	1,036.25411	-
	-	8.22211	EGP	-	1.02363
	117.95756	165.22700	EUR	1.42846	2.37587
	-	0.41160	GBP	-	0.00500
	16.15099	0.25583	IDR	3,061.21868	45.57015
	-	49.36772	MYR	-	2.80707
	5.18086	4.62600	RON	0.27922	0.29199
	0.01163	-	SGD	0.00024	-
	33.13135	23.97611	TZS	882.32629	694.75824
	450.76417	346.00104	USD	7.50026	6.36156
	10.50255	8.24420	ZAR	1.85922	1.40284
	1.07198	-	GHS	0.04696	-
	0.59879	-	UGX	25.07500	-
	6.92891	-	XOF	54.77398	-
Short term loans and advances	1.83499	0.19538	AED	0.11189	0.01317
	0.38815	0.68302	AUD	0.00697	0.01199
	12.01089	10.69070	BDT	15.24031	15.08707
	3.34232	1.89408	CLP	30.71983	16.41320
	16.14420	5.22832	COP	527.58813	175.80079
	5.93402	59.21168	EUR	0.07186	0.85143
	22.41462	14.42858	GBP	0.22448	0.17527
	-	7.04721	KES	-	10.89718
	-	0.36742	MGA	-	14.93597
	-	3.23401	MWK	-	22.77470
	-	0.42313	MYR	-	0.02406
	-	0.00875	NGN	-	0.02515
	35.47883	14.72044	PEN	1.63681	0.68578
	1.42505	1.09873	RMB	0.14573	0.12657
	0.00344	0.20903	RON	0.00019	0.01319
	-	0.04388	SLL	-	3.44159
	0.03697	4.23438	TZS	0.98456	122.70021
	-	17.45133	UGX	-	823.17587

Notes forming part of the consolidated financial statements

Particulars	As at March 31, 2014 (In Rs. Million)	As at March 31, 2013 (In Rs. Million)	Nature of Currency	As at March 31, 2014 (Foreign Currency in Million)	As at March 31, 2013 (Foreign Currency in Million)
	19.58112	88.82169	USD	0.32581	1.63307
	0.96811	2.46040	ZAR	0.17138	0.41866
	-	20.89991	ZMK	-	1,986.68300
	7.74567	-	NIO	3.23113	-
	1.16371	-	PAB	0.01897	-
	1.57666	-	XOF	12.46368	-
Other current assets	-	40.35465	BDT	-	56.94983
	1.16801	0.66329	CLP	10.73537	5.74776
	15.29079	17.72149	COP	499.69913	595.88054
	2.36639	259.74046	EUR	0.02866	3.73492
	-	2.09016	GHS	-	0.07382
	-	15.52042	KES	-	23.99942
	-	5.37781	MGA	-	218.61014
	-	2.02394	MWK	-	14.25312
	-	10.46263	NGN	-	30.07366
	2.98540	10.91165	PAB	0.04868	0.19662
	-	6.83284	PEN	-	0.31832
	0.45004	0.82109	RON	0.02425	0.05183
	-	0.93953	RWF	-	10.83031
	-	3.85929	SLL	-	302.68929
	7.57973	39.65804	TZS	201.85688	1,149.17519
	-	4.57760	UGX	-	215.92435
	73.17989	179.14246	USD	1.21764	2.77221
	23.19993	16.61204	XOF	183.39866	155.98163
	4.89468	3.23082	ZAR	0.86648	0.54976
	-	12.18413	ZMK	-	1,158.18705

39. Research tax rebate accrued as other income for Vox mobili S.A. and OnMobile S.A., during the year amounted to Rs. 54.89 Million (Previous year: Rs. 27.50 Million) and total tax receivable outstanding at March 31, 2014 amounted to Rs. 167.07 Million (Previous year: Rs. 100.38 Million).

40. a On 24th March, the Venezuelan Government introduced a new currency exchange process (SICAD II) which has resulted in a devaluation of their local currency against US Dollars at 49.81 Bolivars per USD as of 31st March 2014 as against the official exchange rate of 6.3 Bolivars per USD. Accordingly, the Company has used SICAD II exchange rate to remeasure the Venezuela operations and its net monetary assets, and charged off the impact amounted to Rs. 161.09 Million in the consolidated results.

b During the year, the Company has recognised provision for diminution in value of Investment in its subsidiary OnMobile Europe B.V. which has underlying investment in OnMobile S.A., which has resulted in a non-cash write down of goodwill arising on consolidation of OnMobile SA amounting to Rs. 679.62 Million.

c On May 3, 2014, the Company has executed a binding Share Purchase Agreement (SPA) with Synchronoss Technologies Inc., a Company headquartered in New Jersey and a leading player in synchronization technology products, for divestment of Voxmobili SA. The proposed deal will be subject to and contingent upon certain events, including applicable regulatory and shareholders' approvals. Upon the consummation of the deal, the Company is expected to realise an amount of USD 26 Million, subject to escrows and other conditions customarily contracted as a part of such a deal. Pursuant to the terms of the said agreement, the Company has recorded the settlement claim in the consolidated results amounting to Rs. 354.13 Million.

41. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current years' classification / disclosure.

STATEMENT REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

[illegible]

For and on behalf of the Board of Directors

Chandramouli J

Chief Executive Officer and Director

H. H. Haight IV

Director

Praveen Kumar K J

Vice President- Finance

P V Varaprasad

Company Secretary

Place: Bangalore

Date: May 29, 2014

CIRCULAR NO. 2/2011 DATED FEBRUARY 8, 2011

Note:

$$\text{Total Liabilities} = \text{Current Liabilities} + \text{Non Current Liabilities}$$

Exchange rate considered as on March 31, 2014

Investment excludes investment in subsidiaries. Above Finance is measured as monthly Consumer

Above Financials are prepared as per the Generally accepted accounting practices (GAAP) of the respective countries.

Notice

Notice is hereby given that the Fourteenth Annual General Meeting (AGM) of the Members of OnMobile Global Limited will be held on Wednesday, September 10, 2014 at 10.00 A.M at Hotel Royal Orchid, adjoining KGA Golf course, HAL Airport Road, Bangalore-560 008, Karnataka to transact the following business:

ORDINARY BUSINESS

Item No. 1 - Adoption of financial statements

To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2014, the Statement of Profit and Loss for the financial year ended as on that date and the Reports of the Directors and Auditors thereon.

Item No. 2 – Declaration of dividend

To declare a dividend of Rs 1.50/- per equity share for the financial year ended March 31, 2014.

Item No. 3 – Appointment of Director

To appoint a Director in place of H H Haight who retires by rotation and, being eligible offers himself for re-appointment.

Item No. 4 – Appointment of Auditors

To appoint auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the fourth consecutive AGM and to fix their remuneration, and to pass the following resolution thereof:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s. Deloitte Haskins & Sells, Chartered Accountants (Registration No. 008072S), be and are hereby re-appointed as the auditors of the Company, to hold office from the conclusion of this AGM until the conclusion of the fourth consecutive AGM (subject to ratification of the appointment by the members at every AGM held after this AGM) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors.”

SPECIAL BUSINESS

Item No. 5 - Appointment of Harit Nagpal, as an Independent Director.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Harit Nagpal (DIN 00481307), a Director of the Company, who retires by rotation at the AGM and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act 2013 proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office up to the date of AGM to be held during the calendar year 2017, not liable to retire by rotation.”

Item No. 6 - Appointment of Naresh Malhotra, as an Independent Director.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Naresh Malhotra (DIN 00200322), a Director of the Company, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office up to the date of AGM to be held during the calendar year 2017, not liable to retire by rotation.”

Item No. 7 - Appointment of Rajiv Khaitan, as an Independent Director.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Rajiv Khaitan (DIN 00071487), a Director of the Company, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office up to the date of AGM to be held during the calendar year 2017, not liable to retire by rotation.”

Item No. 8 - Appointment of Barry B White, as an Independent Director.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Barry B White (DIN 06711339) who was appointed as an Additional Director by the Board of Directors effective October 29, 2013 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this AGM and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office up to the date of AGM to be held during the calendar year 2017, not liable to retire by rotation.”

Item No. 9 - Appointment of Francois Charles Sirois, as a Director.

To consider and, if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to Section 149, and other applicable provisions of the Companies Act, 2013 and the Companies

(Appointment and Qualification of Directors) Rules, 2014, Francois Charles Sirois (DIN 06890830) who was appointed as an Additional Director by the Board of Directors effective June 26, 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this AGM and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Item No. 10 - Appointment of Nancy Cruickshank, as an Independent Director.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Nancy Cruickshank (DIN 06928547) who was appointed as an Additional Director by the Board of Directors effective July 31, 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this AGM and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office up to the date of AGM to be held during the calendar year 2017, not liable to retire by rotation.”

Item No. 11 - Appointment of Bruno Ducharme, as an Independent Director.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Bruno Ducharme (DIN 06933390) who was appointed as an Additional Director by the Board of Directors effective July 31, 2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this AGM and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office up to the date of AGM to be held during the calendar year 2017, not liable to retire by rotation.”

Item No. 12 - Appointment of Rajiv Pancholy, as a Director.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT, pursuant to provisions of Section 149 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Rajiv Pancholy (DIN 01585050) who was appointed as an Additional Director by the Board of Directors effective June 26,

2014 pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this AGM and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby appointed as a director of the Company not liable to retire by rotation”

Item No. 13 - Appointment of Rajiv Pancholy, as Managing Director

To consider and, if thought fit, to pass with or without modifications, the following resolution as a special resolution:

“RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, subject to the approval of the Central Government, if necessary, approval of the Company be and is hereby accorded to the appointment of Rajiv Pancholy as Managing Director of the Company designated as ‘Managing Director and CEO’, for a period of 5 (Five) years with effect from June 26, 2014, on the remuneration and other terms and conditions as set out in the Statement pursuant to Section 102(1) of the Companies Act, 2013 attached to this Notice.

RESOLVED FURTHER THAT subject to the approval of the Central Government notwithstanding anything herein above stated where in any financial year closing on or after March 31, 2015, during the tenure of Rajiv Pancholy as Managing director of the Company, the Company incurs loss or its profits are inadequate, the Company shall pay to Rajiv Pancholy the said remuneration by way of salary, bonus and other allowances as a minimum remuneration irrespective of whether the same exceeds or not the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration for a period not exceeding 3 years from the date of appointment.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration of Rajiv Pancholy subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013.”

Item No. 14 - Payment of revised remuneration to Chandramouli Janakiraman.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V of Companies Act, 2013 [corresponding to Sections 198, 309, 310, 311, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modifications or re-enactment(s) thereof, for the time being in force], and subject to the approval of the Central Government, if necessary, the approval of the shareholders be and is hereby accorded for payment of the revised remuneration as set out in the Statement pursuant to Section 102(1) of Companies Act attached to this notice to Chandramouli Janakiraman the then Managing Director of the Company for the period from August 1, 2013 to June 2, 2014.

RESOLVED FURTHER THAT notwithstanding anything herein above stated, the Company shall pay to Chandramouli Janakiraman, the above remuneration by way of salary, bonus /variable pay and other allowances as minimum remuneration pursuant to Para 2 of Section II of Part II of Schedule XIII to the Companies Act, 1956 and/or Schedule V to the Companies Act, 2013.”

Item No. 15 - Payment of remuneration to non- executive directors of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT in supersession of all the earlier resolutions of the shareholders and pursuant to Section 197 read with Section 198 and other applicable provisions of the Companies Act, 2013 (corresponding to Section 309 of the Companies Act, 1956) and the Rules made there under, and in terms of Clause 49 of the Listing Agreement with Stock Exchanges, the non-executive directors of the Company (i.e directors other than managing and whole-time directors) be paid remuneration, in addition to the sitting fees to be paid for attending the meetings of the Board or Committees thereof, not exceeding in aggregate one percent of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 (corresponding to Section 349 of the Companies Act, 1956) for each financial year including the financial year 2013 and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time.”

Item No. 16 - Appointment of Branch auditors.

To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of section 143(8) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the Board be and is hereby authorized to appoint from time to time Branch Auditors of any Branch office of the Company, whether existing or which may be opened/acquired hereafter outside India, in consultation with the Company’s Auditors, any person(s) qualified to act as Branch Auditor within the meaning of section 143(8) of the Act and to fix their remuneration.”

By Order of the Board of Directors
For OnMobile Global Limited

Sd/-
P V Varaprasad
Company Secretary

Date: July 31, 2014
Place: Bangalore

Regd. Office:
OnMobile Global Limited,
E City, Tower-1, No 94/1C and 94/2,
Veerasandra, Attibele Hobli,
Anekal Taluk, Electronic city Phase-1,
Bangalore- 560 100

NOTES:

1. Statement pursuant to Section 102 (1) of the Companies Act, 2013 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing the proxy, duly completed must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
4. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, August 30, 2014 to Wednesday, September 10, 2014 (both days inclusive) for the purpose of payment of dividend and the 14th AGM of the Company.
8. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM will be paid within 30 days from the date of declaration to those members whose names appear on the Register of Members as on August 29, 2014.
9. Members whose shareholding is in the electronic mode are requested to inform change of address and updates of savings bank account details to their respective depository participants.
10. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, 17-24 Vithal Rao Nagar, Madhapur, Hyderabad 500 081, India.
11. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary, at the Company’s registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), be transferred to the Investor Education and Protection Fund.
12. OnMobile is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, has by its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively; permitted companies to send official documents to their shareholders electronically as part of its green initiative in corporate governance.

13. Recognizing the spirit of the circular issued by the MCA, we are sending documents like Notice convening the general meeting, Financial Statements, Directors' Report, Auditors' Report, etc, to the email address provided by you with your depositories.
14. We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred email account.
15. The Notice of the 14th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
16. Members may also note that the Notice of the 14th AGM and the Annual Report 2014 will be available on the Company's website, www.onmobile.com. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at : investors@onmobile.com
17. Additional information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment at the AGM is furnished in the Annexure and forms part of the Notice.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
19. Voting through electronic means - Pursuant to Clause 35B of the Listing Agreement, the Company is pleased to provide a facility to the members to exercise their right to vote at the 14th AGM by electronic means and all the business shall be transacted through e-voting services provided by Karvy Computershare Private Limited. Instructions for e-voting sent separately along with this notice.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No 5.

Harit Nagpal is an Independent Director of the Company appointed pursuant to Clause 49 of Listing Agreement with Stock Exchanges. He joined the Board of Directors of the Company on December 7, 2011. Harit Nagpal retires by rotation at the ensuing AGM under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149, 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013, Harit Nagpal being eligible, is proposed to be appointed as an Independent Director.

The resolution seeks the approval of the shareholders for appointment of Harit Nagpal as an Independent Director of the Company for a term up to the date of AGM to be held during the calendar year 2017 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. He is not liable to retire by rotation.

The Company has received notice in writing pursuant to Section 160 of the Companies Act, 2013, from a member along with a deposit of requisite amount proposing the candidature of Harit Nagpal for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Harit Nagpal (i) consent in writing to act as director in form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification Of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification Of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, confirming his eligibility for such appointment, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Harit Nagpal fulfils the conditions specified in the Companies Act, 2013, and Rules made thereunder for his appointment as an Independent Director of the Company and he is independent of the Management. A copy of the draft letter for appointment of Harit Nagpal as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto the date of the AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is in the interest of the Company to continue to avail the services of Harit Nagpal as an Independent Director

No director, key managerial personnel or their relatives, except Harit Nagpal to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 5 for the approval of the shareholders.

Item No 6.

Naresh Malhotra is an Independent Director of the Company, appointed pursuant to Clause 49 of Listing Agreement with Stock Exchanges. He joined the Board of Directors of the Company on July 24, 2006.

In terms of Section 149, 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013, Naresh Malhotra being eligible, is proposed to be appointed as an Independent Director.

The resolution seeks the approval of the shareholders for appointment of Naresh Malhotra as an Independent Director of the Company up to the date of AGM to be held during the calendar year 2017 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. He is not liable to retire by rotation.

The Company has received notice in writing pursuant to Section 160 of the Companies Act, 2013, from a member along with a deposit of requisite amount proposing the candidature of Naresh Malhotra for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Naresh Malhotra (i) consent in writing to act as director in form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification Of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification Of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, confirming his eligibility for such appointment, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Naresh Malhotra fulfils the conditions specified in the Companies Act, 2013, and Rules made there under for his appointment as an Independent Director of the Company and he is independent of the Management. A copy of the draft letter for appointment of Naresh Malhotra as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto the date of the AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is in the interest of the Company to continue to avail the services of Naresh Malhotra as an Independent Director.

No director, key managerial personnel or their relatives, except Naresh Malhotra to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 6 for the approval of the shareholders.

Item No 7

Rajiv Khaitan is an Independent Director of the Company, appointed pursuant to Clause 49 of Listing Agreement with Stock Exchanges. He joined the Board of Directors of the Company on May 7, 2012.

In terms of Section 149, 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013, Rajiv Khaitan being eligible, is proposed to be appointed as an Independent Director.

The resolution seeks the approval of the shareholders for appointment of Rajiv Khaitan as an Independent Director of the Company for a term up to the date of AGM to be held during the calendar year 2017 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. He is not liable to retire by rotation.

The Company has received notice in writing pursuant to Section 160 of the Companies Act, 2013, from a member along with a deposit of requisite amount proposing the candidature of Rajiv Khaitan for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Rajiv Khaitan (i) consent in writing to act as director in form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification Of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification Of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, confirming his eligibility for such appointment, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Rajiv Khaitan fulfils the conditions specified in the Companies Act, 2013, and Rules made there under for his appointment as an Independent Director of the Company and he is independent of the Management. A copy of the draft letter for appointment of Rajiv Khaitan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto the date of the AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is in the interest of the Company to continue to avail the services of Rajiv Khaitan as an Independent Director.

No director, key managerial personnel or their relatives, except Rajiv Khaitan to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 7 for the approval of the shareholders.

Item No. 8

Barry B White was appointed as an Additional Director of the Company by the Board of Directors effective October 29, 2013 pursuant to Section 161 of the Companies Act, 2013, read with Article 102 of the Articles of Association of the Company.

The resolution seeks the approval of the shareholders for appointment of Barry B White as an Independent Director of the Company for a term up to the date of AGM to be held during the calendar year 2017 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. He is not liable to retire by rotation.

In terms of the provisions of Section 161 of the Act, Barry B White will hold office up to the date of the ensuing AGM. The Company has received a notice in writing from a member along with a deposit of requisite amount under Section 160 of the Act proposing the candidature of Barry B White for the office of a Director.

The Company has received from Barry B White (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and confirming his eligibility for such appointment and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Barry B White, fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Barry B White is independent of the management. A copy of the draft letter for appointment of Barry B White as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto the date of the AGM.

No director, key managerial personnel or their relatives, except Barry B White to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 8 for the approval of the shareholders.

Item No. 9

Francois Charles Sirois was appointed as an Additional Director of the Company by the Board of Directors effective June 26, 2014 pursuant to Section 161 of the Companies Act, 2013, read with Article 102 of the Articles of Association of the Company.

In terms of the provisions of Section 161 of the Act, Francois Charles Sirois will hold office up to the date of the ensuing AGM. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Francois Charles Sirois for the office of Director.

The Company has received from Francois Charles Sirois (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Francois Charles Sirois, fulfils the conditions for his appointment as a Non-Executive Director as specified in the Act and the Listing Agreement. A copy of the draft letter for appointment of Francois Charles Sirois as a Non-Executive Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto the date of the AGM.

No director, key managerial personnel or their relatives, except Francois Charles Sirois to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 9 for the approval of the shareholders.

Item No. 10

Nancy Cruickshank was appointed as an Additional Director of the Company by the Board of Directors effective July 31, 2014 pursuant to Section 161 of the Companies Act, 2013, read with Article 102 of the Articles of Association of the Company.

The resolution seeks the approval of the shareholders for appointment of Nancy Cruickshank as an Independent Director

of the Company for a term up to the date of AGM to be held during the calendar year 2017 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. She is not liable to retire by rotation.

In terms of the provisions of Section 161 of the Act, Nancy Cruickshank will hold office up to the date of the ensuing AGM. The Company has received a notice in writing from a member along with a deposit of requisite amount under Section 160 of the Act proposing the candidature of Nancy Cruickshank for the office of Director.

The Company has received from Nancy Cruickshank (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and confirming her eligibility for such appointment and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Nancy Cruickshank, fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. Nancy Cruickshank is independent of the management. A copy of the draft letter for appointment of Nancy Cruickshank as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto the date of the AGM.

No director, key managerial personnel or their relatives, except Nancy Cruickshank to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 10 for the approval of the shareholders.

Item No. 11

Bruno Ducharme was appointed as an Additional Director of the Company by the Board of Directors effective July 31, 2014 pursuant to Section 161 of the Companies Act, 2013, read with Article 102 of the Articles of Association of the Company.

The resolution seeks the approval of the shareholders for appointment of Bruno Ducharme as an Independent Director of the Company for a term up to the date of AGM to be held during the calendar year 2017 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made there under. He is not liable to retire by rotation.

In terms of the provisions of Section 161 of the Act, Bruno Ducharme will hold office up to the date of the ensuing AGM. The Company has received a notice in writing from a member along with a deposit of requisite amount under Section 160 of the Act proposing the candidature of Bruno Ducharme for the office of a Director of the Company.

The Company has received from Bruno Ducharme (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,

(ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and confirming his eligibility for such appointment and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Bruno Ducharme, fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Bruno Ducharme is independent of the management. A copy of the draft letter for appointment of Bruno Ducharme as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day upto the date of the AGM.

No director, key managerial personnel or their relatives, except Bruno Ducharme to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 11 for the approval of the shareholders.

Item No. 12 & 13

The Board of Directors of the Company at their meeting held on June 26, 2014 appointed Rajiv Pancholy, as an Additional Director of the Company, pursuant to Section 161 of the Companies Act, 2013, read with Article 102 of the Articles of Association of the Company. In terms of the provisions of Section 161 of the Act, Rajiv Pancholy will hold office as director up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Rajiv Pancholy for the office of Director of the Company.

The Board at its meeting held on June 26, 2014, consequent to resignation of Chandramouli the then Managing Director of the Company, has also, subject to the approval of shareholders in general meeting, appointed Rajiv Pancholy as the Managing Director of the Company designated as 'Managing Director and CEO' for a period of 5 (five) years with effect from June 26, 2014, on the remuneration and other terms and conditions of appointment as recommended by the Nomination and Compensation Committee of the Board.

STATEMENT OF INFORMATION AS PER SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013:

Sl. No.	General Information		
1.	Nature of industry	Telecom value added services	
		OnMobile is a global leader in the delivery of high quality Value Added Services, which are used by many of the best known mobile operators to provide information, entertainment, and personalization services to their customers.	
2.	Date or expected date of commencement of commercial production	Year 2000 (Date of Incorporation : September 27, 2000)	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable	
4.	Financial performance based on given indicators	Financial Year 2013-14 (Rs. In Millions)	Financial Year 2012-13 (Rs. In Millions)
	Paid up Capital	1,142.36	1,141.53
	Reserves and Surplus	6,647.39	7,221.78
	Turnover	4,062.32	4,664.28
	Profit/(Loss) before Tax	(303.58)	351.43
	Profit/(Loss) after Tax	(372.99)	263.83
5.	Export performance and net foreign exchange earned	Financial Year 2013-14 Rs. 2400.86 Millions; and Financial Year 2012-13 Rs. 2251.20 Millions.	
6.	Foreign investments or collaborations, if any.	(No. of shares)	
		Particulars	F.Y 2013-14
		Individuals	40,106
		Companies	3,90,23,703
		Foreign Institutional Investors (FIIs)	59,52,424
		NRIs/PIO	12,89,577
			F.Y 2012-13
			69,542
			3,90,23,703
			61,22,465
			15,06,243

	Information about the appointee	
1.	Background details	<p>Rajiv Pancholy holds a Masters degree in Electrical Engineering and Physics from McGill University, Montréal, Canada, and the Indian Institute of Technology, New Delhi, respectively.</p> <p>He is a veteran in the telecommunications industry possessing over three decades of experience in a variety of roles. He has a track record of successfully transforming organisations, conceptualizing innovative products, international business development, and regulatory policy formulation.</p> <p>Prior to his appointment at OnMobile, he co-founded a radio broadcasting company known as TTP Media where he served as President for the past several years. Prior to TTP Media, Rajiv was the Chairman and CEO of TenXc Wireless Inc. Before joining TenXc, Rajiv was the President and CEO of Mitec Telecom Inc., a publicly listed manufacturer of wireless network products. Rajiv was also the President and Chief Operating Officer of Canada's fourth largest national wireless operator, Microcell Connexions Inc. During his tenure at Microcell, he revitalized the business to new levels of customer and business performance and presided over Microcell becoming the first Canadian carrier to nationally launch commercial high speed wireless data services. He was engaged as an Advisor to the Telecom Policy Review Panel launched by the Government of Canada to make recommendations on Canadian Telecom Policy. Rajiv also serves as an advisor to many venture funds in North America and is on the Board of Directors of various technology companies.</p>
2.	Past remuneration	Total cash remuneration (fixed + variable) for the past ten years has ranged from Rs. 22,500,000/- per annum to Rs. 31,500,000/- per annum.
3.	Recognition or awards	<ul style="list-style-type: none"> • Member of the Advisory Committee for Technology Investments at La Caisse de Dépôt, Montréal, Canada. • Founding President of the Ottawa-Montréal chapter of The Indus Entrepreneurs (TIE). • Advisor to the FondsFTQ (Investment Fund), Montréal, Canada. • Member of the External Advisory Board, Faculty of Engineering and Computer Science, Concordia University, Montréal. • Frequent speaker at various seminars on international business, organized by the Telfer School of Management, University of Ottawa. • Committee Member, Kabir Centre for Performing Arts, Montréal, Canada. • Award of Excellence for leadership: Bell Northern Research. • Best paper award: the International Symposium on Subscriber Loops and Systems, Tokyo, 1986.
4.	Job profile and his suitability	<p>Job Profile: Implementing organisational transformation, conceptualizing innovative products, developing marketing strategies, and international business development.</p> <p>Rajiv's suitability: With over 30 years of experience in the telecom and media segments, Rajiv has the leadership skills and domain knowledge to lead OnMobile into the next phase of its growth. His multi-lingual abilities and multi-cultural personality is eminently suited to an organization like OnMobile whose operations span multiple continents and cultures.</p>

5.	Remuneration proposed	Fixed Compensation (FC)	Rs. 15,000,000/- per annum.
		Variable Pay (VP)	at the rate of 40% of FC. (The VP at 100% pay-out will be Rs 6,000,000/- per annum. The VP pay-out will be based on Company performance parameters.)
		Employee Stock Options	On successful confirmation of service, will be eligible to receive 80,000 OnMobile Employee Stock Options (ESOPs).
		Proposed LTIP	Will also be entitled to a Long Term Incentive Plan (LTIP) on achievement of AOP for 3 consecutive financial years. This is payable at the rate of 20% of the Fixed Compensation mentioned above on a rolling financial year basis after the end of 3rd year.
		Other Benefits	In addition to the above mentioned compensation details, eligible for a comprehensive package of benefits. The eligibility of these benefits is governed by specific rules, as laid down by the Company from time to time. a) Medical Insurance: Insurance coverage for employee & dependents (max. of 6 including Self, Spouse, Children and dependent parents if residing in India) under the Mediclaim Insurance of Rs 3,00,000/- b) Accident Insurance: Accident insurance coverage for all employees under the Group Insurance scheme of Rs.10,00,000/- c) Life Insurance: Eligibility based on Job Band. d) Gratuity: Eligible as per Payment of Gratuity Act, on successful completion of 5 years of continuous service in OnMobile. e) Principal Relocation Benefits: Tickets to Bangalore for self, spouse, and children.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Comparative remuneration benchmarks were sought from well-known executive search firm’s namely: Korn Ferry, Alexander Hughes, Hedrick & Struggles, DHR Intl. The indicative salary range for this role is Rs. 15 Million to 45 Million which includes annual cash and bonus.	
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Rajiv Pancholy has no pecuniary relationship either direct or indirect with the company and he is not related to any director of the company.	
Other Information			
1.	Reasons of loss or inadequate profits	The reason for loss during the year is provision made for diminution in value of investment in its subsidiary OnMobile Europe BV, which has underlying investment of Rs.559.48 Million in OnMobile S.A, France (erstwhile Telisma S. A).	
2.	Steps taken or proposed to be taken for improvement	1. Rationalisation of manpower and operating expenses. 2. Low margins/ loss making geographies and product verticals identified and put in place a strategy for turning around these into profitable verticals.	

3.	Expected increase in productivity and profits in measurable terms.	Financials on Standalone basis for three years:		
		(in Rs. Million)		
		Financial Year	2013-14	2014-15
			(Actuals)	(Projected)
		Turnover	4,839	4,900
		PBT	(304)	(78)
		PAT	(373)	(148)
				220
				150

Rajiv Pancholy being an Overseas Citizen of India (OCI) is not a resident of India at the time of appointment. His appointment is subject to approval of the Central Government pursuant Schedule V of Companies Act, 2013.

The Company has received from Rajiv Pancholy (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and he is eligible for such appointment.

Copy of the draft letter of appointment of Rajiv Pancholy as Managing Director of the Company setting out the terms and conditions of appointment is available for inspection by members at the Registered Office of the Company.

The resolution seeks the approval of the shareholders for appointment of Rajiv Pancholy as Managing Director of the Company for a period of 5 years from June 26, 2014 to June 25, 2019 and proposed remuneration for a period of 3 years in terms of Proviso to Section II of Part II of Schedule V of the Companies Act, 2013.

No director, key managerial personnel or their relatives, except Rajiv Pancholy to whom the resolutions relates, is interested or concerned in the resolution.

The Board recommends the ordinary resolution set forth in Item No. 12 and special resolution set forth in Item No. 13 for the approval of the shareholders.

Item No. 14

Chandramouli Janakiraman was appointed as the managing director of the Company with effect from July 9, 2012. His remuneration was initially fixed by the Board at the time of appointment and was subsequently approved by the shareholders in the Annual General Meeting held on August 29, 2012. At the annual review, on the recommendation of the Compensation Committee, the Board of Directors in their meeting held on July 31, 2013, subject to approval of the shareholders in ensuing general meeting, had approved the payment of revised remuneration of Rs 1.50 crore (i.e. fixed pay of Rs 1.00 crore and variable pay of Rs. 0.50 crore) per annum [against Rs 0.53 crore (i. e. to fixed pay of Rs 0.35 crore and variable pay of Rs. 0.18 crore) being paid earlier] w.e.f. August 1, 2013.

Chandramouli Janakiraman has resigned as Managing director and CEO w.e.f. June 2, 2014.

The resolution seeks the approval of the shareholders pursuant to Section 197 and other applicable provisions read with Schedule V of the Companies Act, 2013 (corresponding to Sections 309, 198, 310, 311 and other applicable provisions read with Schedule XIII of Companies Act, 1956) for payment of revised remuneration as stated above.

No director/Key managerial personnel of the Company or their relatives are interested or concerned in resolution

The Board recommends the resolution as set forth in Item no.14 for the approval of the shareholders.

STATEMENT OF INFORMATION AS PER SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013:

- General Information and other information in respect of the Company are the same as furnished under item 12 & 13 above.
- Since the resolution relates to the revised remuneration paid to Chandramouli, the ex-managing director who has since resigned, the other particulars may not considered to be relevant / material.

Sl. No.	General Information	
1.	Nature of industry	Same as Statement set out for Item No. 12 & 13.
2.	Date or expected date of commencement of commercial production	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	
4.	Financial performance based on given indicators	
5.	Export performance and net foreign exchange earned	
6.	Foreign investments or collaborations, if any.	

	Information about the appointee	
1.	Background details	Chandramouli Janakiraman graduated with a Bachelor of Technology degree from the National Institute of Technology, Allahabad. He has over 20 years of experience in the software industry. He has previously served as Associate Vice President and Head of the Internet Products Group in Infosys Technologies Limited. In 2000, he left Infosys and co-founded OnMobile Systems Inc. He was appointed as a director by the shareholders at the AGM held on May 12, 2003. The Board of Directors at their meeting held on July 9, 2012 approved his appointment as Managing Director and the shareholders approved the same in the Annual General Meeting held on August 29, 2012.
2.	Past remuneration	Fixed Salary per annum: Rs.3,500,000; Variable pay/ Bonus: Up to a maximum of 50% of the fixed salary, payable quarterly or at other intervals, as may be decided by the Board; and A commission on the net profits as approved by the Board of Directors for each financial year, subject to the total remuneration including Salary, Perquisites, Bonus and Commission be within the overall limit of 5% of the net profits of the Company.
3.	Recognition or awards	-
4.	Job profile and his suitability	Job Profile: Defining and Implementing organisational transformation, conceptualizing innovative product and market strategies, stabilizing the organization. Chandramouli's suitability: With over 25 years of proven track record in the IT, Internet and Telecom space and with proven leadership in the VAS industry and with in-depth knowledge and relationships within and outside OnMobile, Chandramouli was definitely a suitable person to lead OnMobile.
5.	Remuneration proposed	Fixed Salary per annum: Rs.10,000,000. Variable pay/ Bonus: Up to a maximum of 50% of the fixed salary (i.e Rs.5,000,000), payable quarterly or at other intervals, as may be decided by the Board.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The indicative salary range for this role is Rs. 15 Million to 45 Million which includes annual cash and bonus.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Chandramouli Janakiraman has no pecuniary relationship either directly or indirectly with the Company except holding 46,27,866 (4.05%) shares of the Company being a co-founder, and he is not related to any director of the company.
	Other Information	
1.	Reasons of loss or inadequate profits	Same as Statement set out for Item No. 12 & 13.
2.	Steps taken or proposed to be taken for improvement	
3.	Expected increase in productivity and profits in measurable terms.	

Item No. 15

The Shareholders in the AGM held on August 1, 2008 had authorized the payment of remuneration of a sum not exceeding 1% of the net profit of the Company in aggregate for each year to directors other than managing and whole time directors under the provisions of Section 309 of Companies Act 1956 for a period of 5 years. Section 197 of the Companies Act, 2013 provides for payment of remuneration upto 1% of the net profit of the Company to non executive directors and in terms of sub-section 4 of Section 197 of the Act the remuneration payable to the directors shall be determined by a resolution passed by the Company in general meeting.

Further Clause 49 of the Listing Agreement as amended by SEBI vide its Circular dated CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 (coming into effect from October 01, 2014) also requires approval of the shareholders for payment of remuneration to non-executive directors.

Accordingly the resolution seeks approval of the shareholders pursuant to Section 197 of the Companies Act, 2013 and also in terms of Clause 49 of the Listing Agreement with the Stock Exchanges.

The directors especially the Independent Directors have been assigned new role, responsibility and duties. The New Act envisages that even non executive director to devote more attention and time for the effective and good governance of the Company of which he

is a director. Corresponding to their increased responsibilities the Act also envisages that they should be compensated adequately for their services.

Keeping in view the above, the Board recommends the resolution set forth in Item No. 15 for the approval of the shareholders.

All non-executive directors of the Company, as the resolution relates to payment of remuneration to them, may be concerned or interested in the resolution. None of the other directors/key managerial personnel or their relatives are concerned or interested in the resolution.

Item No. 16

The Company has branches outside India and may also open/acquire new branches outside India in future. It may be necessary to appoint branch auditors for carrying out the audit of the accounts of such branches to meet the compliance of laws applicable in those countries. The Members are requested to authorize the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Auditors and fix their remuneration.

None of the directors or key managerial personnel or their relatives is concerned or interested in the Resolution

The Board recommends the resolution set forth in Item No.16 for the approval of the shareholders.

ANNEXURE

Additional information on regarding Directors seeking Appointment/Re-appointment at the Annual General Meeting pursuant to Clause 49 of the Listing Agreement.

Particulars	H H Haight IV	Harit Nagpal	Naresh Malhotra	Rajiv Khaitan	Barry B White	Francois Charles Simois	Nancy Cruickshank	Bruno Ducharme	Rajiv Pancholy
Date of Birth	27-09-1933	02-11-1961	05-06-1947	13-04-1960	13-02-1943	05-05-1975	24-12-1970	27-04-1958	20-07-1956
Date of Appointment	24-07-2006	07-12-2011	24-07-2006	07-05-2012	29-10-2013	26-06-2014	31-07-2014	31-07-2014	26-06-2014
Qualifications	Bachelor of Science degree from the University of California, Berkeley and a Master of Business Administration degree from Harvard Business School.	Graduated in Chemical Engineering and MBA from FMS at Delhi	Bachelor of Commerce degree from St. Xavier's College, Calcutta University, and a Chartered Accountant	Bachelor of Commerce degree and an LLB from the Calcutta University	Graduate of Harvard College, magna cum laude, and Harvard Law School, magna cum laude	Bachelor of Business Administration, options in finance and marketing, HEC Montreal	Graduated from Leeds University with History Honours degree	Graduate of McGill University (Bachelor of Civil Law) and the Wharton School of the University of Pennsylvania (MA/MBA) where he was a fellow of the Lauder Institute	M.Eng. in Electrical Engineering, McGill University, Montreal and M.S. In Applied Physics, Indian Institute of Technology, New Delhi
Expertise in specific functional areas	Wide experience in leadership and growth of various enterprise companies	Wide experience about 3 decades in various leadership positions in renowned corporates.	Wide experience over 40 years in renowned corporates in India and overseas.	Wide experience in general legal practice with focus on business laws	Worked as US Ambassador to the Kingdom of Norway from 2009-2013. Earlier he was partner for more than 35 years in a major law firm in Boston, USA.	Wide experience in Media (multi-platform music services and digital content production, distribution and promotion), Internet, Software, Venture Capital & Private Equity industries.	Serial entrepreneur, currently the founder and CEO of WyShowcase Ltd, a new kind of online and direct beauty retailer that champions female entrepreneurialism.	Extensive experience in international telecom markets, co-founder of Telesystem International Wireless (TIW).	Wide experience in various facets of the telecommunications industry, had a proven track of successfully implementing organisational transformation, conceptualizing innovative product and marketing strategies, international business development and planning and policy development.
Directorships held in other companies (including foreign companies) as on date	1. Argo Global Capital LLC 2. Agro Global Capital Inc. 3. BPHC 4. ArgnorWirels Venture AB 5. Nostix 6. uReach 7. Vox Mobili 8. OnMobile SA 9. OnMobile USA LLC 10. Argo Holdings N.V. 11. Argnor Holdings Limited 12. Argo GP Inc. 13. OnMobile Live Inc. 14. OnMobile Global Spain, S.L. 15. P.A.V Media	1. Tata Sky Limited 2. Savita Oil Technologies Limited 3. Vox Mobili 4. OnMobile SA 5. OnMobile Global for Telecommunication Services	1. AB Holding Private Limited 2. Balan Natural Food Private Limited 3. N.M. Properties and Consultancy Private Limited 4. Tarang Software Technologies Private Limited 5. Deriv IT Solutions Private Limited 6. Deriv IT Solutions PTE Limited 7. Blue Star Infotech Limited 8. Modern Family Doctor Private Limited 9. B Natural Beverages & Snacks Private Limited 10. OnMobile USA LLC 11. OnMobile Bangladesh Private Limited 12. Royal Orchid Associated Hotels Private Limited 13. Orb Energy Pte Limited, Singapore 14. Resourceful Consulting Pte Ltd, Singapore	1. HimatsingkaSeide Limited 2. Khaitan Consultants Limited 3. EFD Induction Private Limited 4. ABC Consolidated Private Limited	1. Global LNG Holding Ltd. 2. Massachusetts Association for Mental Health 3. EPP Holding Company, LLC. 4. uReach	1. OnMobile Systems Inc. 2. Telesystem Ltd. 3. Singray Digital Group Inc. 4. Zone3 Inc. 5. Telesystem Media, Inc 6. iPerceptions	1. TeletyGroup PLC (London FTSE 250) 2. WyShowcase Ltd [London]	1. Orange Communications SA 2. UAB Bitelietuva 3. LLC T2 RTK Holding 4. Melital Capital plc Inc.) 5. Hyperoptic Ltd 6. Cirrus Inns Holdings Limited 7. Bluestreak Technology (Canada) Inc.	1. TenXc Wireless India Pvt Ltd 2. TTP Media (7954689 Canada Inc.) 3. Gen24 Capital (6556027 Canada Inc.)
Memberships/Chairmanships of committees of other companies (includes only Audit Committee and Shareholders/Investors Grievance Committee)	-	Audit Committee 1. Savita Oil Technologies Limited	Audit Committee 1. Blue Star Infotech Limited*	Audit Committee 1. HimatsingkaSeide Limited Share Transfer and Investor Grievance Committee 1. HimatsingkaSeide Limited*	-	-	Audit Committee 1. TeletyGroup PLC	-	-
Number of shares held in the Company	-	-	-	-	-	-	-	-	-

*Chairman of the Committee.

[illegible]



PROXY FORM

Fourteenth Annual General Meeting – September 10, 2014

DP ID :

Signature :

Resolution number	Description	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Adoption of financial statements		
2.	Declaration of dividend		
3.	Appointment of Director (H H Haight)		
4.	Appointment of Auditors (M/s. Deloitte Haskins & Sells)		
5.	Appointment of Harit Nagpal, as an Independent Director		
6.	Appointment of Naresh Malhotra, as an Independent Director		
7.	Appointment of Rajiv Khaitan, as an Independent Director		
8.	Appointment of Barry B White, as an Independent Director		
9.	Appointment of Francois Charles Sirois, as a Director		
10.	Appointment of Nancy Cruickshank, as an Independent Director		
11.	Appointment of Bruno Ducharme, as an Independent Director		
12.	Appointment of Rajiv Pancholy, as a Director		
13.	Appointment of Rajiv Pancholy, as Managing Director		
14.	Payment of revised remuneration to Chandramouli Janakiraman		
15.	Payment of remuneration to non- executive directors of the Company		
16.	Appointment of Branch auditors		

Affix
Revenue
Stamp

OnMobile Global Limited

Attendance Slip

Signature of the member/proxy

Disclaimer,

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.





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