

ONMOBILE GLOBAL LIMITED

Registered Office: #26 Bannerghatta Road, J.P. Nagar, 3rd Phase, Bangalore – 560 076

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PUBLIC ANNOUNCEMENT

FOR THE ATTENTION OF THE SHAREHOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY

This Public Announcement is issued in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended ("Regulations"). This announcement should also be treated as a corrigendum to the public notice issued by the Company in accordance with the Regulations on September 5, 2011, as set out at the end of section 4 of this announcement.

1 THE BUYBACK OFFER

- 1.1 OnMobile Global Limited ("Company") hereby announces the buy back of its fully paid-up equity shares of the face value Rs. 10/- each ("Shares") from the existing shareholders of the Company other than the promoters of the Company ("Buyback") via the open market through stock exchanges using the electronic trading facilities of the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges" in accordance with Section 77A, 77AA, 77B of the Companies Act, 1956 ("Act"), the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended ("Regulations"), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary, at a price not exceeding Rs. 85/- per Share ("Maximum Buyback Price") payable in cash, for an aggregate amount not exceeding Rs. 25,00,00,000/- (Rupees Twenty Five Crores) ("Maximum Buyback Size").
- 1.2 The Company, subject to the market price of the Shares being less than the Maximum Buyback Price, will purchase a minimum of 10,00,000 Shares ("Minimum Offer Shares") and a maximum of 40,00,000 Shares ("Maximum Offer Shares") in the Buyback. The actual number of Shares bought back would depend on the actual average price paid for the Shares bought back and the amount deployed in the proposed Buyback.
- 1.3 As per the Act, the funds deployed for the Buyback shall not exceed 10% of the paid-up equity capital and eligible free reserves of the Company. The Maximum Buyback Size represents approximately 3% of the aggregate of the Company's total paid-up equity share capital and eligible free reserves as on March 31, 2011. Further, under the Act, the number of Shares that can be bought back shall not exceed 25% of the paid-up equity share capital of the Company. The Maximum Offer Shares represent approximately 3.4% of the paid-up equity share capital of the Company as on date.
- 1.4 The Buyback is proposed to be implemented by the Company via the methodology of open market purchases through Stock Exchanges, in accordance with the Regulations. The Buyback will be implemented in the manner and following the procedure prescribed in the Act and the Regulations and as may be further determined by the Board of Directors of the Company ("Board") and on such terms and conditions, as may be permitted by law from time to time.
- 1.5 In accordance with the Regulations, the Promoters, directors of promoter companies and persons in control of the Company will not participate in the Buyback.
- 1.6 A copy of this Public Announcement is expected to be available on the Securities and Exchange Board of India ("SEBI") website www.sebi.gov.in during the period of the Buyback.

2 AUTHORITY FOR THE BUYBACK

Pursuant to Section 77A, 77AA and 77B and other applicable provisions of the Act, the Regulations and in terms of Article 66 of the Articles of Association of the Company, the Buyback from open market through Stock Exchanges has been duly authorised by:

- Resolutions passed by the Board on September 3, 2011, including constituting a committee of Board of Directors ("Buyback Committee") for this purpose.
- Resolutions passed by the Buyback Committee on September 3, 2011.

3 PROPOSED TIME TABLE

The proposed timetable for the Buyback is given below.

Activity	Date	Day
Board Meeting approving Buyback	September 3, 2011	Saturday
Date of Public Notice in compliance with regulation 5A of the Regulations	September 5, 2011	Monday
Date of commencement of the proposed Buyback	Not before September 22, 2011	Thursday
Acceptance of Shares	o Upon the relevant pay-out by the Stock Exchanges	
Verification/Acceptance of Shares accepted in the physical mode	o Within 15 days of the pay-out by the Stock Exchanges	
Extinguishing of Shares	o Within 15 days of acceptance as above. Provided that the Company shall ensure that all Shares bought back are extinguished within 7 days of the last date of completion of Buyback (as outlined below)	
Last Date for the Buyback	a) August 31, 2012 (i.e. 12 months from the date of the Board meeting approving the Buyback), or b) When the Company completes the Buyback to the extent of deploying the Maximum Buyback Amount or c) When the Company completes the Buyback to the extent of buying back shares equal to the Maximum Offer Shares or d) At such earlier date as may be determined by the Board or Buyback Committee thereof, after giving notice for such earlier closure, subject to the Company having bought back the Minimum Offer Shares Provided, however, that all payment obligations relating to the Buyback shall be completed before the last date for the Buyback	

4 CONTENTS OF THE PUBLIC NOTICE CONTAINING DISCLOSURES AS SPECIFIED IN SCHEDULE I OF THE BUYBACK REGULATIONS

Disclosures as required under regulation 5A read with Schedule I of the Regulations are set out herein below:

- 4.1 The Board of OnMobile Global Limited ("Company") have passed a resolution at its board meeting held on September 3, 2011 that the Company be authorized to buy back its fully paid-up equity shares of face value of Rs. 10/- each ("Shares"), from the existing shareholders other than the promoters of the Company ("Buyback") from the open market using the electronic trading facilities of the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges" in accordance with Section 77A, 77AA, 77B and other applicable provisions of the Companies Act, 1956 ("Act"), the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended ("Regulations"), the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary, at a price not exceeding Rs. 85/- per share ("Maximum Buyback Price") payable in cash, for an aggregate amount not exceeding Rs. 25 crore ("Maximum Buyback Size"). The Maximum Buyback Size represents approximately 3% of the eligible network of the Company.
- 4.2 The Company will purchase a maximum of 40,00,000 Shares in the Buyback ("Maximum Offer Shares") subject to the market price of the Shares being less than the Maximum Buyback Price. The actual number of Shares bought back would depend on the actual average price paid for the Shares bought back and the amount deployed in the proposed Buyback.
- 4.3 The Buyback is proposed to be implemented by the Company through the methodology of open market purchases through Stock Exchanges, in accordance with the Regulations. The Buyback will be implemented in the manner and following the procedure prescribed in the Act and the Regulations and as may be determined by the Board of Directors of the Company ("Board") and on such terms and conditions, as may be permitted by law from time to time.
- 4.4 There will be no negotiated deals (whether on or off Stock Exchanges), spot transactions or any other private arrangements during the implementation of the Buyback. Further, as required under the Act and Regulations, the Company shall not purchase Shares which are partly paid-up, Shares with call-in-arrears, locked-in Shares or non-transferable Shares in the Buy-back till they become fully paid-up, or till the pendency of the lock-in or till the Shares become transferable, as applicable.
- 4.5 The Buyback is being proposed in keeping with the Company's desire to enhance overall shareholder value. The Company has accumulated free reserves and as well as favourable liquidity reflected in the audited accounts for the year ended March 31, 2011. The funds to be deployed for the Buyback will be invested from the internal accruals, cash surpluses and/or other resources of the Company.
- 4.6 The Shares of the Company are proposed to be bought back at a price not exceeding Rs. 85/- per share which has been arrived at after considering various factors such as average price of shares on the Stock Exchange, network of the Company and possible impact of the Buyback on the earnings per share of the Company. The aggregate paid up share capital and free reserves as at 31 March, 2011 was Rs. 81,672 lacs.
- 4.7 Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 10% of the total paid up capital and free reserves of the Company. As per the Board's approval, the maximum amount proposed to be utilized for the Buyback, is Rs. 25 crore and therefore, within the limits of 10% of Company's total paid up capital and free reserves as per audited Balance Sheet as on March 31, 2011. Further, under the Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid up capital of the Company. As per the Board's approval, the maximum number of equity shares that can be bought back in the Buyback is 40,00,000 Shares.
- 4.8 As per regulation 15(b) of the Regulations, the Company shall not purchase Shares under the Buyback from the promoters or persons in control of the Company.
- 4.9 The Company shall transfer from its free reserves a sum equal to the nominal value of the Shares purchased through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet of the Company.
- 4.10 As per the provisions of the Act, the Company will not be allowed to issue fresh equity shares within a period of 6 months after the completion of the Buyback except by way of bonus shares or in the discharge of subsisting obligations such as conversion of warrants, stock option scheme, sweat equity or conversion of preference shares or debentures into equity shares.
- 4.11 The Company confirms that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
- 4.12 The debt equity ratio of the Company after the Buyback will be well within the limit of 2:1 as prescribed under the Act.
- 4.13 As per the provisions of the Act, the Shares to be bought back by the Company will compulsorily be cancelled and will not be held for re-issuance.
- 4.14 The aggregate shareholding of the promoters and directors of the promoter Companies and of persons who are in control of the Company as on date is 56,982,581 shares, comprising 48.32% of the paid-up equity share capital of the Company.
- 4.15 During the period of last six months preceding the date of the Board Meeting at which the Buyback was approved, the promoters of the Company had purchased and/or sold shares of the Company as detailed below:

Name of the Promoters	Details of Transactions	No. of Shares purchased/sold	Maximum Price (Rs.)	Minimum Price (Rs.)	Average Price (Rs.)	Date of Purchase/sale
Ramesh Janakiraman	Sale	25,000	113.00	112.00	112.34	May 6, 2011
Seetha J	Interse transfer (Off market)	32,500	0	0	0	May 23, 2011
Radha J	Interse transfer (Off market)	32,500	0	0	0	May 23, 2011
OnMobile Systems Inc	Sale	315,000	104.50	98.50	100.57	June 22, 2011
OnMobile Systems Inc	Sale	35,000	104.25	99.15	100.80	June 22, 2011
OnMobile Systems Inc	Sale	11,461	99.15	98.50	98.93	June 23, 2011

- 4.16 Other than above, none of the promoters and directors of the promoter companies and persons in control of the Company have purchased or sold any shares during a period of 6 months preceding the date of the Board Meeting at which the Buyback was approved.
- 4.17 The Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:
- (i) That immediately following the date of Board Meeting held on September 3, 2011, there will be no grounds on which the Company can be found unable to pay its debts.
- (ii) That as regards the Company's prospects for the year immediately following that date and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date.
- (iii) In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Act (including prospective and contingent liabilities).

- 4.18 A text of the Report dated September 3, 2011 received from Deloitte Haskins and Sells, the statutory auditors of the Company, addressed to the Board of Directors of the Company, is reproduced below:
- "In connection with the proposed buyback of Equity Shares approved by the Board of Directors of OnMobile Global Limited ("the Company") at its meeting held on September 3, 2011, in pursuance of the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, and based on the information and explanation given to us, we report that:

1. We have inquired into the state of affairs of the Company based on the audited accounts as at March 31, 2011 which were adopted by the shareholders in the Annual General Meeting held on August 4, 2011.
2. The capital payment of an amount not exceeding Rs. 250,00,000 (Rupees two hundred and fifty million only) towards the buyback of equity shares has been properly determined in accordance with Section 77A(2)(b)(A) of the Companies Act, 1956 which is within the permissible amount of 10% of the paid up equity capital and free reserves of the Company, as computed below:

	Rs. in Million	Rs. in Million
Paid up Equity Share Capital as at March 31, 2011 (58,954,543 equity shares of Rs. 10/- each, fully paid up)		589.55
Free reserves as at March 31, 2011		
Securities Premium account	4,224.52	
Profit and Loss account	3,353.22	7,577.74
Total of Paid up capital & Free reserves as at March 31, 2011		8,167.29
10% thereof being permissible limit for buyback of equity shares with approval of Board of Directors		816.73
Amount approved by the Board of Directors for buyback		250.00
Note: Subsequent to the Balance Sheet date, on May 5, 2011 the Company has issued one equity share of face value of Rs. 10/- each as bonus share for every one share held by the equity shareholders of the Company by capitalisation of the Securities Premium Account. However, there is no impact thereon in the maximum amount permitted for buyback.		

b. Maximum limit of buyback of Equity shares in a financial year

	No. of shares
Paid up capital as at March 31, 2011	58,954,543
Add: Equity shares issued during April 1, 2011 to June 30, 2011 including bonus shares	58,974,263
Total paid up capital as at June 30, 2011	117,928,806
25% thereof being maximum equity capital eligible for buyback	29,482,201
Maximum number of shares approved by the Board of Directors for buyback	4,000,000

3. The Board of Directors in their meeting held on September 3, 2011 have formed an opinion as specified in Clause (x) in Schedule 1 of Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 on reasonable grounds that the company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of Board Meeting i.e. September 3, 2011.

- 4.19 The Buyback is expected to be completed within the statutorily prescribed validity period of the resolution dated September 3, 2011 passed by the Board, which at present is 12 months from the date of passing of the said resolution or within such shorter period as may be determined by the Board.

- 4.20 The Board of Directors accepts responsibility for the information contained in this Public Notice.

Please note that in clause 4.14 and clause 4.18(1), there was an inadvertent typographical error in the public notice issued on September 5, 2011. The same has been corrected herein, and hence this announcement should also be viewed as a corrigendum to the public notice issued by the Company on September 5, 2011.

5 NECESSITY AND BASIS FOR BUYBACK

- 5.1 The Company has accumulated free reserves as well as favourable liquidity, which is reflected in its financial accounts.
- 5.2 The Buyback is expected to contribute to the overall enhancement of shareholder value and result in an increase in the return on equity of the Company.
- 5.3 The Buyback is not expected to impact growth opportunities for the Company.
- 5.4 The Buyback Price has been arrived at after considering various factors such as average price of shares on the Stock Exchange, network of the Company and possible impact of the Buyback on the earnings per share of the Company.
- 5.5 The maximum amount to be deployed in the Buyback is Rs. 25,00,00,000/- and the process and methodology for the Buyback has been set out in section 13 of this Public Announcement.

6 SOURCES OF FUNDS

- 6.1 The funds to be deployed for the Buyback will be invested from the internal accruals, cash surpluses and/or other resources of the Company.
- 6.2 The Company, subject to the market price of the Shares being less than the Maximum Buyback Price, will purchase a minimum of 10,00,000 Shares and a maximum of 40,00,000 Shares in the Buyback.
- 6.3 The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Thus, borrowed funds will not be used for the Buyback.
- 6.4 The cost of financing the Buyback would be notional loss in other income, if any.

7 BRIEF INFORMATION ABOUT THE COMPANY

- 7.1 The Company was originally incorporated on September 27, 2000 under the Companies Act, 1956. The registered office of the Company is located at No.26, Bannerghatta Road, J.P. Nagar, 3rd Phase, Bangalore - 560 076.
- 7.2 The Company is a pioneer in white-labelled, value added products and services (VAS) for mobile, landline and media service providers. The Company offers a one-stop solution for all needs through an array of products in M-commerce, entertainment, media portals & interactive television programming, mobile marketing, user-generated content & social networking, mobile utility, data & 3G, and information & network products. The Company's products span all mobile access channels such as Voice, SMS, WAP, USSD, Video, On-Device Portal & Web.
- 7.3 The Company is headquartered in Bangalore and has presence in 52 countries.
- 7.4 The Shares of the Company are listed on BSE and NSE.
- 7.5 On May 5, 2011 the Company issued one equity share of face value of Rs. 10/- each as a bonus shares for every one equity share held by the equity shareholders of the Company by capitalization of the securities premium account.

8 FINANCIAL INFORMATION

The brief audited financial information of the Company for the last three financial years and the unaudited financial results for the period ended June 30, 2011 is provided below.

Period Ending	June 30, 2011	March 31, 2011	March 31, 2010	March 31, 2009
Period	3 months	12 months	12 months	12 months
	Limited Review	Audited	Audited	Audited
Revenues	1,180.0	4,550.3	3,639.1	3,271.1
Other Income	41.4	467.7	180.4	236.1
Total Expenses excluding D&A, finance charges & tax	910.7	3,362.3	2,657.8	2,085.2
Depreciation and amortization	1,179.3	565.4	452.4	420.5
Finance charges	3.8	7.7	2.2	0.0
Profit before Tax	150.2	1,082.6	707.1	1,001.5
Profit after Tax	123.9	916.4	529.0	706.8
As on	June 30, 2011	March 31, 2011	March 31, 2010	March 31, 2009
Equity Share Capital	1,179.3	589.6	585.2	578.3
Reserves & Surplus	7,112.1	7,577.7	6,645.9	6,067.6
Networth	8,291.4	8,167.3	7,231.1	6,645.9
Stock options outstanding	0.4	0.4	0.4	0.3
Total Debt	530.6	315.4	84.7	42.7
Key Ratios	June 30, 2011	March 31, 2011	March 31, 2010	March 31, 2009
Earnings per Share (Rs.) (Basic) ¹	1.3 ¹	15.6	9.1	12.2
Earnings per Share (Rs.) (Diluted) ²	1.2 ²	15.2	8.9	11.8
Book value per Share (Rs.) ³	70.3	138.5	123.6	114.9
Debt-Equity Ratio (Debt/Networth) ⁴	0.06	0.04	0.01	0.01
Average Return on Networth (%)	NA	11.9%	7.6%	11.2%

¹ Not annualized

- Notes:
- Earnings per Share (Basic) = Profit After Tax / No. of Shares at the year end
 - Earnings per Share (Diluted) = Profit After Tax / (No. of Shares at the year end, assuming conversion of all the outstanding convertible instruments convertible into Shares)
 - Book value per Share = Net Worth / No. of Shares at the year end
 - Computed as PAT divided by the average of the opening and closing Networth for the year

9 LISTING DETAILS AND STOCK MARKET DATA

- 9.1 The Shares of the Company are listed on BSE and NSE.

- 9.2 The high and low market prices for the last three years (April to March periods) and the monthly high, low and average market prices for the six months preceding this Public Announcement and the corresponding volumes on BSE are as follows:

Twelve Month Period ended	High (Rs.)	Date of High and Number of Shares traded on that date	Low (Rs.)	Date of Low and Number of Shares traded on that date	Average Price (Rs.)	Total volume traded in period
March 31, 2009	744.70	16.04.2008 2,835,205	185.20	24.02.2009 312,494	583.77	27,170,525
March 31, 2010	682.00	24.07.2009 143,360	289.30	05.05.2009 69,687	454.63	29,382,314
March 31, 2011	432.75	07.04.2010 212,661	180.90	09.02.2011 84,253	295.37	25,727,721
One Month Period ended	High (Rs.)	Date of High and Number of Shares traded on that date	Low (Rs.)	Date of Low and Number of Shares traded on that date	Average Price (Rs.)	Total volume traded in period
March 2011	262.60	18.03.2011 2,353,368	199.95	03.03.2011 200,001	243.99	4,687,160
April 2011	309.35	05.04.2011 1,654,834	238.20	01.04.2011 31,073	282.97	4,922,595
May 2, 2011	282.60	02.05.2011 479,820	248.65	02.05.2011 479,820	258.22	479,820
May 3-31, 2011	140.00	03.05.2011 251,949	98.50	27.05.2011 115,660	113.73	2,168,585
June 2011	118.45	08.06.2011 202,056	96.75	23.06.2011 46,332	110.44	2,133,144
July 2011	113.80	06.07.2011 78,669	91.20	29.07.2011 36,535	101.64	1,486,548
August 2011	94.90	01.08.2011 27,910	54.10	19.08.2011 117,543	67.10	2,632,485
September 1-13, 2011	69.00	09.09.2011 534,163	59.40	13.09.2011 135,581	64.23	1,811,300

Note: On May 5, 2011 the Company issued one equity share of face value of Rs. 10/- each as bonus shares for every one share held by the equity shareholders of the Company

Source: www.bseindia.com

¹Weighted Average Market Price (Total Turnover/ Total Traded Quantity) for all trading days during the period

- 9.3 The high and low market prices for the last three years (April to March periods) and the monthly high, low and average market prices for the six months preceding this Public Announcement and the corresponding volumes on NSE are as follows:

Twelve Month Period ended	High (Rs.)	Date of High and Number of Shares traded on that date	Low (Rs.)	Date of Low and Number of Shares traded on that date	Average Price (Rs.)	Total volume traded in period
March 31, 2009	745.00	16.04.2008 2,421,240	190.00	06.11.2008 49,442	515.57	32,111,864
March 31, 2010	681.90	24.07.2009 298,564	290.00	05.05.2009 178,759	450.48	71,467,256
March 31, 2011	432.00	07.04.2010 667,036	180.55	09.02.2011 346,500	294.74	96,326,942
One Month Period ended	High (Rs.)	Date of High and Number of Shares traded on that date	Low (Rs.)	Date of Low and Number of Shares traded on that date	Average Price (Rs.)	Total volume traded in period
March 2011	262.80	18.03.2011 6,604,503	200.00	03.03.2011 666,798	242.00	15,346,412
April 2011	309.90	06.04.2011 1,690,506	238.55	01.04.2011 220,650	280.55	16,262,912
May 2, 2011	281.95	02.05.2011 2,054,624	248.55	02.05.2011 2,054,624	258.00	2,054,624
May 3-31, 2011	134.80	03.05.2011 826,743	98.60	27.05.2011 593,233	112.49	12,882,011
June 2011	118.30	08.06.2011 990,941	96.55	23.06.2011 283,114	109.89	11,862,941
July 2011	113.40	06.07.2011 567,204	91.30	29.07.2011 262,751	101.49	12,341,759
August 2011	94.05	01.08.2011 1,96,883	53.10	19.08.2011 1,096,844	66.88	16,962,508
September 1-13, 2011	69.00	09.09.2011 1,565,134	59.25	13.09.2011 583,597	63.84	7,697,350

Note: On May 5, 2011 the Company issued one equity share of face value of Rs. 10/- each as bonus shares for every one share held by the equity shareholders of the Company

Source: www.nseindia.com

¹Weighted Average Market Price (Total Turnover/ Total Traded Quantity) for all trading days during the period

- 9.4 Notice of the first Board Meeting convened to consider the proposal of the Buyback was given to the BSE and NSE on August 29, 2011. The closing price of the Company's equity share on August 29, 2011 on BSE was Rs. 57.70 and on NSE was Rs. 57.50. The Board, at its meeting held on September 3, 2011, approved the proposal for the Buyback at a price not exceeding Rs. 85/- per share. The high and low market prices on September 5, 2011 (being the first trading day after the Board Meeting), on BSE were Rs. 54.90 and Rs. 62.10 respectively and on NSE were Rs. 65.50 and Rs. 61.55 respectively. The high and low market prices on BSE on September 2, 2011 (being the day previous to the day on which the Board Meeting was held to approve the Buyback) were Rs. 64.45 and Rs. 62.10 respectively and on NSE were Rs. 64.45 and Rs. 62.10 respectively.

10 CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 10.1 The Share capital of the Company is as follows:

	As on March 31, 2011	As on Date	Post Buyback*
Authorised Share Capital	Rs. 75 crores comprising 7,45,00,000 Shares of Rs. 10 each and 500,000 Preference Shares of Rs. 10 each	Rs. 150 crores comprising 14,95,00,000 Shares of Rs. 10 each and 500,000 Preference Shares of Rs. 10 each	Rs.