

Telecom

Onmobile Global Ltd

Gaining international traction...

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Onmobile Global Ltd (OMGL) is India's leading Mobile Value Added Services (MVAS) company with revenue topping ₹ 5 billion. It offers vast range of applications/products like consumer VAS portal, In-call solutions, data products, video products, speech products, m-commerce & m-marketing and media solutions. It has long standing commercial association with leading telcos across geographies.

Investment Rationale:

Large market potential and huge demand for VAS (Value Added Services):

Currently, telcos are facing twin issue of declining revenue on account of fading MoU and ARPU, alongside dwindling subscriber base on weeding out of non-serious users. In this background, expected rationalization in the 3G tariffs would spur VAS growth. Rising promotions by telcos and higher penetration of smartphones and tablets will help VAS providers to generate revenues through multiple user platforms. Strong market focused R&D would enable OMGL tap the evolving opportunity.

Traction in overseas operations in recent times:

Investment in international assets, which were in investment mode till last year, has started yielding fruits and the revenues are expected to show a strong growth for FY11-13. Few major deals signed by OMGL in last couple of years (Telefonica- Latin America and Wind-Spain) are expect to start accreting revenues completely from Q3FY11 and will achieve breakeven.

We expect the margin to stabilize from FY13e. Consequently, the return ratios (RoE / RoCE) are expected to improve from 10% / 13% (FY11) to 13% / 19% (FY13) respectively.

Increasing global footprints:

OMGL has managed to make its presence felt over the last couple of years by cracking big deals with leading telecom players, media houses and data providers around the globe. Sizable deals from two North American telcos and tie-up with Chinese hand-set players are cases in point.

NTP, 2011 big boon for VAS industry

New Telecom Policy, 2011 (draft) is aiming at convergence of technologies with a vision of making India global hub for VAS, would go a long way in propagating growth. Growing m-banking, m-advertising, m-education, m-health and e-governance initiatives measures by Governments would result in up-liftment of the sector not seen hitherto.

Valuations:

We estimate 5% de-growth in FY12E PAT on higher depreciation and tax expenses, but OMGL would have FCF positive ahead. OMGL is currently trading at 8.4x/5.2x its FY12E/ FY13E earnings of ₹ 7.01 / ₹ 11.39. Considering its trailing two years' average P/E of 8, we set a price objective of ₹ 79 at which the share would trade at 7X FY13E earnings. For potential 34% upside from CMP ₹ 59, we recommend "Buy" on the stock.

Initiating Coverage

Rating	BUY
Target Price	₹ 79
CMP	₹ 59
Upside	34%
Sensex	16917

Key Data

Bloomberg Code	ONMB IN
Reuters Code	ONBO.BO
NSE Code	ONMOBILE
Current Share o/s (mn)	117.9
Diluted Share o/s (mn)	117.9
Mkt Cap (₹bn/\$mn)	7/141.2
52 WK H/L (₹)	192/53.1
Daily Vol. (3M NSE Avg)	737214
Face Value (₹)	10
Beta	1.38
1 USD/₹	49.59

Shareholding Pattern (%)

Promoters	48.1
FII	21.2
Others	30.8

Price Performance (%)

	1M	6M	1yr
ONMOBILE	-5.3	-39.5	-66.5
NIFTY	-0.9	-8.5	-14.9

Source: Bloomberg; *As on 20th Oct, 2011

Key Financials: Consolidated

Year	Revenue (mn)	YoY	EBITDA (mn)	EBITDA Margin	PAT (mn)	PAT Margin	EPS	P/E	Mcap/S	ROE	ROCE
2009	4063.6	55%	1281.3	32%	851.97	21%	7.23	8.17	0.8	12%	18%
2010	4544.0	12%	831.2	18%	423.5	9%	3.59	16.43	0.8	6%	9%
2011	5372.0	18%	1205.7	22%	866.6	16%	7.35	8.03	1.3	10%	13%
2012 E	6394.7	19%	1534.7	24%	826.3	13%	7.01	8.42	1.1	9%	15%
2013 E	7877.4	23%	2166.3	27%	1343.2	17%	11.39	5.18	0.9	13%	19%

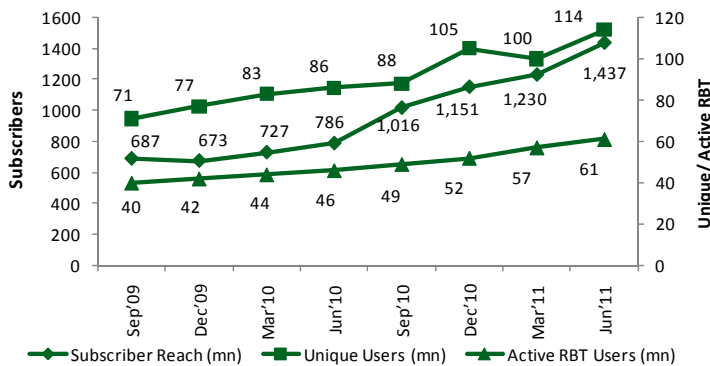
Source: Company Networth Research

Company Profile

Founded in 2000, OMGL is one of the leading Value added service player/provider across globe. Its products portfolio comprises of number of services like Ring Back Tones, Mobile Social Networking, Video 3G, Cloud Services, Network Address Book, Phone Backup, Voice Portal, Sports, Music, User Generated Content, Churn Management and Business intelligence etc.

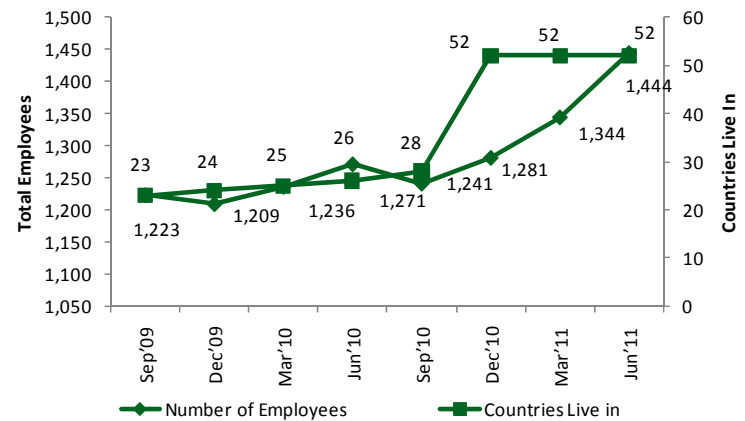
Based out of Bangalore, OMGL has presence in 52 countries with about 1450 employees. OMGL caters to telecom players, enterprise customers and Media houses and its user base comprising more than a billion subscribers spread across the globe. Its FY11 revenue comprises of 96% VAS segment and 4% other services.

Exhibit 1: KPI's- Subscribers reach, Unique and Active RBT Users



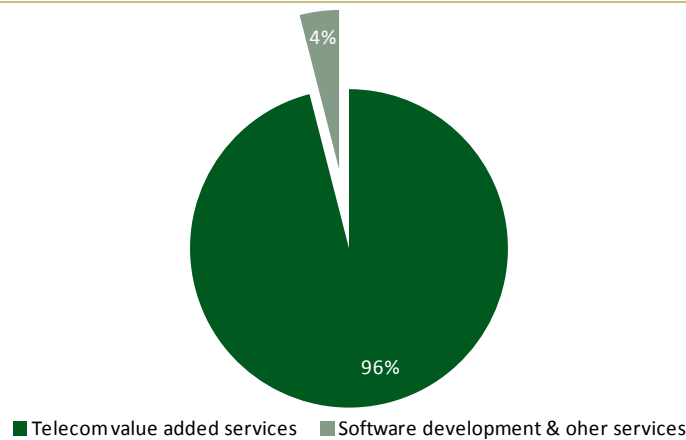
Source: Company, Network Research

Exhibit 2: KPI's- OMGL employee strength and global presence



Source: Company, Network Research,

Exhibit 3: Revenue breakup for FY11



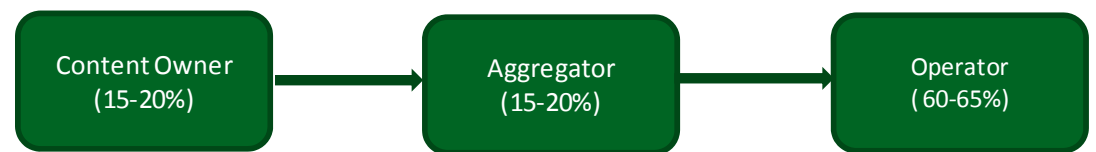
Source: Company Network Research

Domestic revenue contribution was significantly higher at 73% in FY11 while the rest 27% is accruing from international destinations.

Business Model

The present revenue sharing model (as shown in Exhibit 4) between Operators, Content Aggregator and Content provider shows that long standing relationship with the telcos remains the key entry barrier for VAS players on the background of low revenue sharing regimen. Further, players like OMGL with high scale of operation with vast repertoire are gaining market-share along with sustaining profitability. We believe that increasing demand for VAS and improving internet/3G penetration will help change revenue sharing model by favoring content providers & aggregators in coming days.

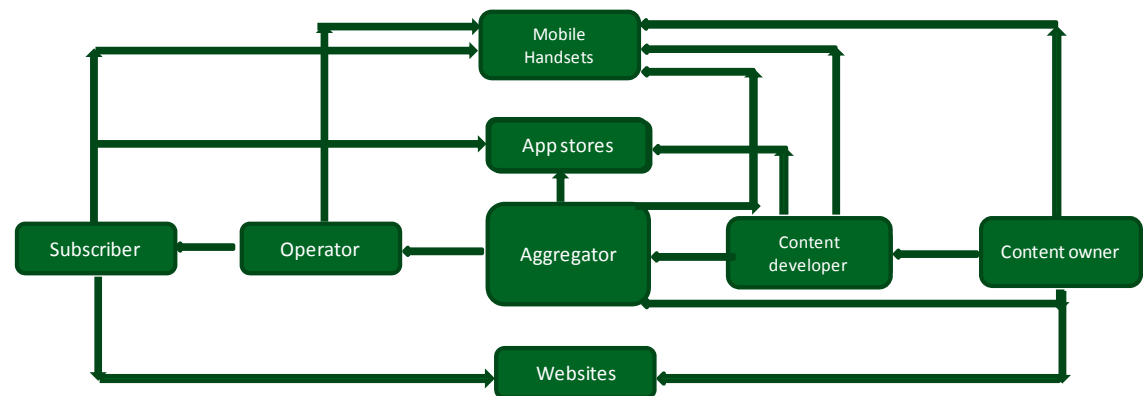
Exhibit 4: Revenue sharing Model



Source: Company Networth Research

VAS eco-system is evolving as subscribers are able to pick desirable VAS from lot of participants of the value chain (as shown in Exhibit 5). We expect that such eco system will be a positive move for improving the usage among the subscribers and increase demand for new and innovative VAS benefiting players like OMGL to enjoy strong growth in the future.

Exhibit 5: VAS value chain system



Source: Company Networth Research.

Growth Strategy

As telecom is being evolving as an enabler in so many facets, opportunities are abound across geographies. To harness such opportunities, OMGL has expanded its operation globally by setting up offices in the respective countries to penetrate into the local markets. Following is the list of various subsidiaries operating globally.

Subsidiaries

S.No.	Name of the Subsidiary	Company Country
1	OnMobile Singapore Pte. Ltd	Singapore
2	OnMobile Australia Pty Ltd	Australia
3	PT. OnMobile Indonesia	Indonesia
4	Vox mobili S A	France
5	Vox mobili Inc	USA
6	Phonetize Solutions Private Limited	India
7	OnMobile Europe B V	Netherlands
8	Telisma S A	France
9	OnMobile USA LLC	USA
10	Servicios De Telefonía OnMobile SA De C V	Mexico
11	OnMobile Global S A	Argentina
12	OnMobile De Venezuela C A	Venezuela
13	OnMobile Brasil Sistemas De Valor Agregado Para Comunicacoes Moveis Ltda	Brasil
14	OnMobile Global for Telecommunications Services	Egypt
15	OnMobile Uruguay S A	Uruguay
16	OnMobile Senegal SARL	Senegal
17	OnMobile Mali SARL	Mali

Industry Scenario:

Global telecom industry is undergoing tough phase and is striving hard for sustainable growth. Due to decreasing voice revenues, high competition and falling tariffs, telcos are facing challenges to improve their Average Margin per User (AMPU) and Average Revenue per User (ARPU). Increasingly telcos are eyeing on VAS, especially non-SMS and data based services which is expected to augment revenue with improving 3G and 4G usage going forward.

Industry experts are betting on VAS to be a game changer for telecom industry and in coming years is going to contribute a big chunk in overall telecom revenues due to expanding addressable market. Apart from telcos many Media & Entertainment companies are also aggressively attracting new customers using VAS based services because industry experts are expecting that applications like m-internet, m-commerce, m-advertisement and m-TV will be next fastest growing segment in mobile VAS space in coming future. The growing popularity in the youth for smart phones/tablets is a testimonial to this fact. This would not only improve revenue accretion for telecom industry globally but also benefit entertainment and media sectors providing data for varied innovative applications.

Segments like m-banking, m-booking, m-retail, m-advertising are also gaining traction due to progressive VAS usage. Globally VAS contribution is increasing in overall revenues and in India it is at 15% of overall revenues which is expected to perk up in coming years.

Hence, we believe that growing aspirations of consumers for VAS in telecom industry would ramp up demands for VAS. VAS, we believe would lead to convergence of technologies where all the stakeholders namely, telecom players, entertainment/media/data players and mostly for subscribers will stand to benefit immensely.

Business Outlook:

VAS is playing game changing role in telecom industry in terms of expanding revenue streams by providing innovative applications to fulfill increasing customer expectations.

OMGL set to benefit from evolving VAS space

OMGL's business has an extensive portfolio of VAS to cater to different requirements of telecom players. Also its international revenues are increasing continuously and further expected to move in very fast manner.

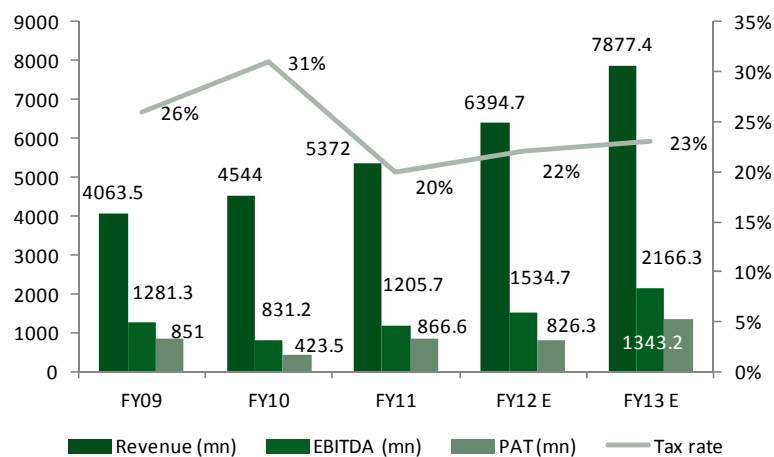
The company is working proficiently to identify the needs of telecom subscribers in various regions and continents and hence working efficiently to bring innovative applications suitable for subscribers as per the demands in all forms (music, gaming, software etc).

Even though the industry is fragmented, OMGL over the years has been able to develop strong and long term relationship with telcos by closing deals successfully in almost all continents. With deployment of big projects (Telefonica in Latin America and Vodafone in different continents) it has proved its mettle and we expect that all its investment in previous years will start yielding fruits from this year. Hence, we believe OMGL is on a firm footing and poised to grow.

Financial Outlook

We expect OMGL's revenue to grow by 19% and 23% for FY12E and FY13E respectively benefiting from new deals and contribution from investments in Latin American countries. Similarly, the EBITDA & PAT will improve significantly from FY12E to FY13E. Also, we estimate depreciation and amortization cost to be higher by ~₹200 million and tax rate will rise to 22-23% for FY12E & 13E vs 20% in FY11 (as guided by the Company). Thus, our estimate points to 5% de-growth in FY12E PAT, but OMGL would have FCF positive ahead.

Exhibit 6: Outlook for different financial parameters



Source: Company Network Research

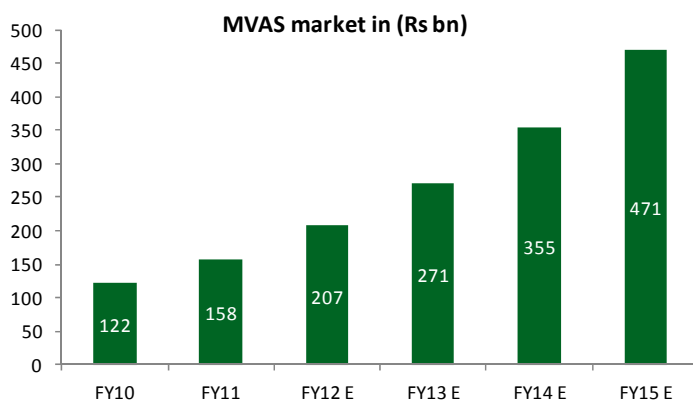
Investment Summary:

Huge market potential & demand for VAS:

Declining margin scenario has prompted telecom industry to focus on VAS/ non-voice services. These services are also gaining momentum worldwide with changing consumer tastes which is increasing usage of internet, digital technologies, smart phones and tablet phones/tablet PCs. The increasing global demand for VAS will lead to sustainable revenue growth in years ahead. It is anticipated that global VAS industry will grow to ₹ 15,300 billion by 2014 contributed mostly by emerging nations from Africa, Latin America, Middle East & South Asia. Hence these regions are said to be the opportunity markets for VAS players apart from developed one.

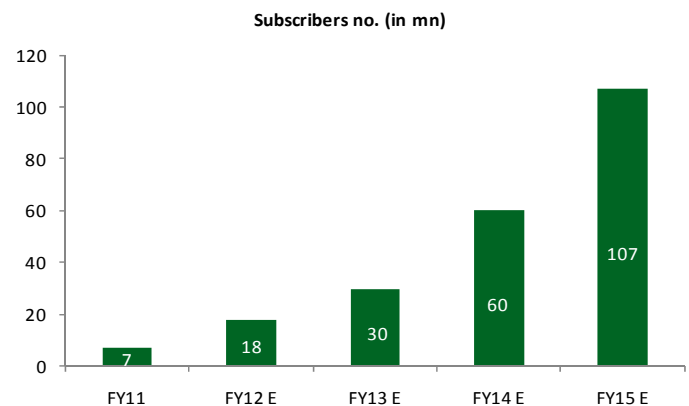
As per industry sources, Indian VAS industry is estimated to reach to ₹ 355 billion by 2014E which appears a large addressable market for VAS players (as shown in Exhibit 7).

Exhibit 7: Expected VAS growth in domestic market



Source: Company, Networth Research, Deloitte-Assocham

Exhibit 8: Expected domestic 3G subscribers growth



Source: Company, Networth Research,

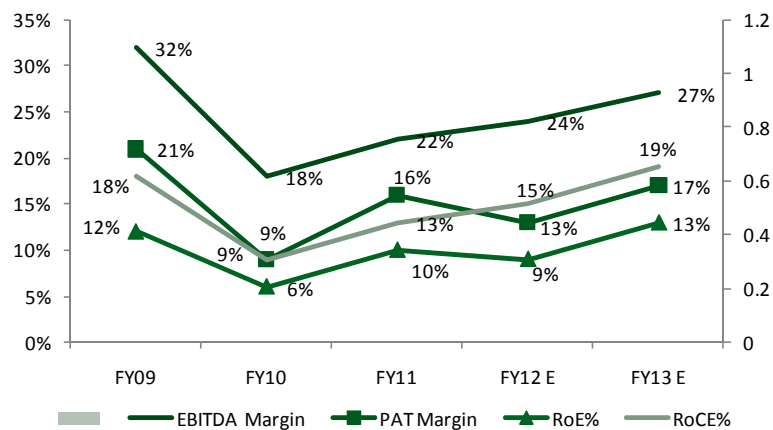
Key sector drivers:

- ✎ Shift of subscribers from 2G to 3G and rise in data traffic will drive growth in India and other emerging markets.
- ✎ The rising 3G and 4G market worldwide will help to build incremental volumes in the VAS industry.
On Indian context it has been observed that with recent launch of 3G services, subscribers are demanding relevant, personalized, content-rich and context-aware value added services. We expect these services to raise manifold in future with increasing 3G subscriber penetration (shown in Exhibit 8, expected domestic 3G subscribers growth).
- ✎ Increasing smart phone and tablets penetration (globally their shipments are expected to reach ~892 million and 326 million respectively by 2015) and
- ✎ Boom in mobile & online gaming (expected to touch ~₹ 143 million by 2014).

Improving Financials:

OMGL has had an uneven margin picture in previous years on higher investment, change in contractual arrangement and stiff competition. However, we expect that many factors like decrease in content cost and revenue accretion from international projects from FY12E will improve OMGL's revenue stream. EBITDA growth was improved from 18% in FY10 to 22% in FY11 is estimated to expand to 23-27% (FY12-13). The margins at the net income level to follow similar pattern (from ~13% in FY10 to 17% in FY12-13E). Consequently, the RoE & RoCE will be positively impacted by 300 & 600bps to 13% and 19% respectively.

Exhibit 9: Improving financials:



Source : Company Network Research

Major deals to boost international revenue:

Deal with Vodafone: OMGL has tied up with Vodafone Global to provide various VAS services in Africa, Asia and East European region. Similarly, it started operations in emerging markets like South Africa, Romania and Egypt. The Company is now optimistic on its Egypt operations of achieving targeted growth after complete stabilization of political turmoil observed during early Q4FY11. With successful deployment of services in these countries OMGL is now trying to seek Vodafone deal for other emerging markets.

Deal with Telefonica: As a part of its Latin America Telefonica project, presently OMGL is catering subscribers in seven Latin American countries (with coverage of 85% of total subscriber base of Latin America) and till now, it has gained ~ 4.6 million active user base with 1.5% penetration (Q1FY12). OMGL expects to complete its deployment in all 13 countries by end of Q2FY12 and expects to earn revenue of ~USD 10-12 million by end of FY12 from this project alone.

Further, we anticipate that with additional rise in revenue from these deals and other projects under way, OMGL is set to have higher contribution from international sources in overall revenues (~36% - FY12E & ~ 41% -FY13E). The rich experience gained through large global deals will lay a strong foundation for the Company to enter into much bigger deals with other telcos in future.

Key growth strategy ahead:

OMGL is now focusing to gain more traction from international telcos which provide higher revenue potential (global ARPU's are 2-3x higher than domestic market). The numbers of subscribers have grown substantially under OMGL's umbrella with a lot of global product offerings by the Company in the recent past.

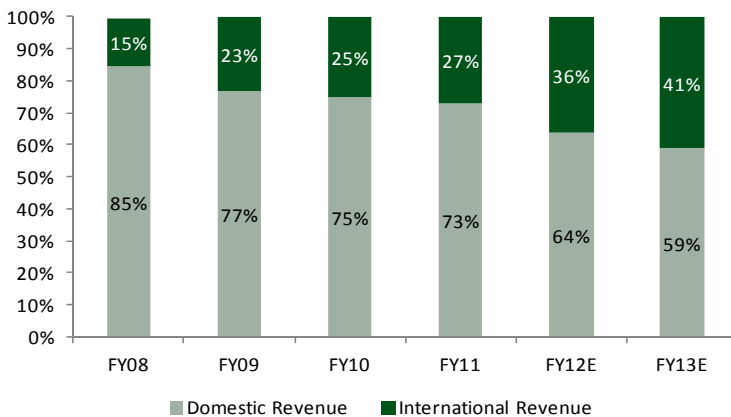
In last few years OMGL has followed a dual strategy of expanding by entering into deals/ JV's with many big telcos and growing inorganically by doing acquisitions in international market to have better access and to earn more revenues.

Strong growth momentum:

- ✘ OMGL recently entered into deals with two large telecom player in North America to provide new suite of connected applications and mobile social networking products which are different from its legacy products.
- ✘ Telefonica Spain project to gain momentum in European market, further it is trying to get bigger opportunities from other European nations by providing vast product range to users.
- ✘ OMGL also received offer from Bharti Airtel Africa to provide music VAS in some African countries and now it is aiming to convert this into a Pan Africa deal in future.
- ✘ Company's Italian operation (Wind) will start contributing to revenues from December 2011.
- ✘ Also, with increasing 3G/4G technologies experience among users in many countries we expect its Dilithium business will also help to expand mobile video applications in different int'l market and will help to improve its revenues from present 2-3%.
- ✘ In last quarter it tied up with Chinese handset, chipset & platform vendors to provide various applications (like, Onmobile Dilithium Video Calling software stack) in Chinese mobile devices

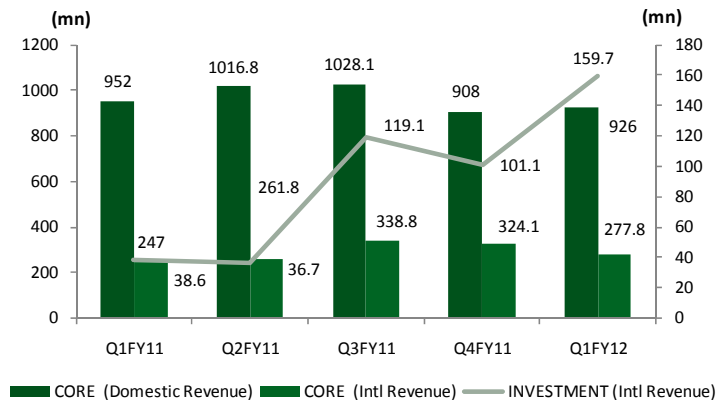
Considering the much awaited opportunities in VAS segment we expect that its core segment will keep improving on the domestic as well as on the international front and its investments made abroad have started generating revenues from the last few quarters (as shown in Exhibit 10 & 11). Thus, the share of revenues on the international front will increase from 27% in FY11 to 41% in FY13 while domestic revenue share is likely to benefit from the 3G buzz.

Exhibit 10: International Revenue vs Domestic Revenue scenario



Source: Company, Networth Research

Exhibit 11: Traction from investments



Source: Company, Networth Research

Growing global clientele

OMGL caters to 1437 million subscribers and 114 million exclusive users across 52 countries through leading telecom operators in US, Middle East, Europe, Africa and Asia Pacific region. Its clientele includes many blue chip companies from telecoms, media houses and data providers viz. AT&T, Telefonica, Verizon, Vodafone, Wind, China Mobile, Bharti Airtel, Reliance, Idea, SingTel, Optus, Maxis, Mobiling, Indosat, Dialog, Bangalink Star, ESPN, Nokia, Yahoo, AOL and Big FM etc. The company has built a very strong relationship with its clients so as to ensure order inflow going forward. Over the years, the company has grown inorganically by acquiring few VAS companies like Dilithium, Telisama, Nuance, Voxmobili and formed JVs with many players like Vivo mobile-Brazil, Starfish Mobile-Africa to provide different VAS overseas so as to improve its global presence. Recently OMGL has expanded its global presence by setting up new offices in Spain, Italy, Cyprus, Tanzania, Chile, Panama, Ecuador, Nicaragua, El Salvador and Peru.

Exhibit 12: Geographical Presence



Source : Company Networth Research

Innovative services/software to maintain leadership in the industry:

OMGL's USP is the caller ring back tones (CRBT) which dominates the Indian market with a 62% market share (as shown in Exhibit 13). CRBT is not only a major contributor to the revenues in the VAS segment but also helps to maintain leading position in the VAS industry. It has started gaining popularity in many other countries. It also provides many new customized services & technologies under VAS banner as per the specifications of its clients.

Adapting to the latest technologies:

OMGL has now adapted cloud technology, Solution as a Service (SaaS) based platform, which provides efficiency in operation by converting content, communication and commerce application. Presently, this technology is being used in European, Latin American and African market using such technologies for its music and ring back tone products and with this soft launch company is planning to enter in whole cloud base services space for few more products.

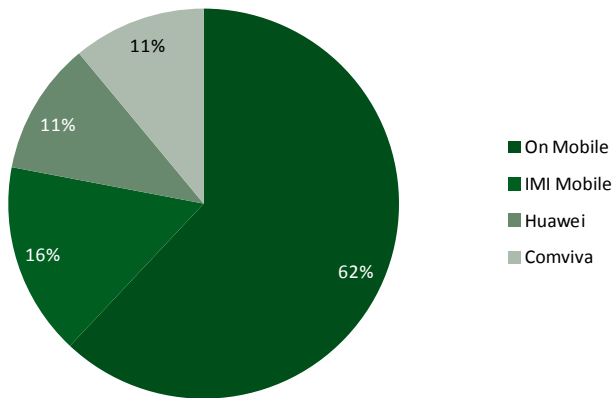
Although, 3G is still at nascent stage in India (<1% penetration), OMGL has already implemented 3G video gateways on many of its clients' network and working continuously to come up with newer applications on 3G and to attract more and more subscribers.

Constant product innovation:

OMGL is continuously working to bring new applications, products and services for customers to outperform its peers. One of the recent examples RBT Light which is small or reduced content form of Ring back tones and is available at a half price of RBT. Thus, this service could gain popularity amongst the price conscious customers and result into additional penetration in ring tone service market.

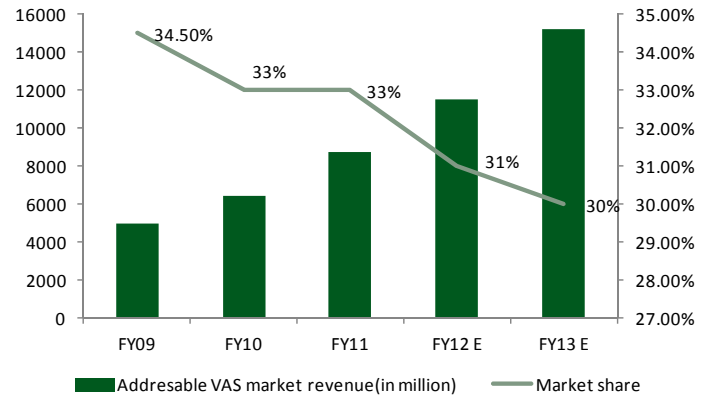
OMGL has launched many newer & innovative applications and services like Music 360 (comprising all music services on single platform), m-commerce services (m-banking), m-marketing, speech based services, video platform services etc. in various countries. The company has its focus on R&D in this ever changing business dynamics so as to maintain its relationship and leading position in the industry. Thus to conclude, we expect that its international revenues will grow significantly pace and helps it to maintain leadership in the industry, however on the domestic front we expect a dent in its market share due to increased competition.

Exhibit 13: Domestic CRBT Market share (in %)



Source: Company, Networth Research

Exhibit 14: Expected Addressable VAS market & Market share for OMGL



Source: Company, Networth Research

Risks & Concerns:

TRAI's consultations effect:

The consultation paper on VAS issued by TRAI has discussed some of its loopholes which seem to be unfavorable for VAS players. It demands confirmation from subscribers through sms/fax/email for renewal of services, and has suggested license regime for VAS players. We expect domestic business to slowdown in the next year due to this. However VAS companies are working to bring out other efficient options and suggestions in respect with TRAI's consultations which is under process.

Intense competition:

Although OMGL is one of the leading Value added service provider in global telecom industry but many other global firms (Huawei, Time dotcom and VeriSign Japan) and small domestic players (One 97 comm., IMI, Comviva and hungama) are mushrooming in the market and eating into the market share of the company. Therefore due to high level of competitive and low penetration of services in the industry OMGL may lose its business if it does not outperform its peers.

Geographical concentration risks:

OMGL is currently gaining traction in foreign countries (America, EMEA and APAC) and revenue growth in international markets is likely to overshadow domestic revenue growth in the coming years. Therefore, currency deviation or any uncertain happening in these geographies may create adverse effect on revenues of the company.

Valuations:

OMGL is currently trading at PE of 8x of its FY11 earnings. We understand that due to presence of known face in the major investors list, the stock initially, enjoyed sky high unrealistic valuation topping ~35x its FY08 EPS during that year. But subsequently, on growth pang the stock has corrected significantly and come off around 69% from its 52week high of ₹ 190.53 and 84% from historic high price of ₹ 360.95. We believe all the negatives are behind us and priced in. The earnings are now normalized to realistic level. Further, the irrational tariff war seen among the telecom players in the past can safely be considered history. The Company's capex are expected to fructify in ensuing years. We set a target price of ₹ 79 for FY13E, at which level the stock would trade at 7x its FY13E EPS of ₹ 11.39. We initiate with **"Buy"** rating on the stock with potential gain of 34% from current level.

Financials:

Income Statement

Y/E March	FY09	FY10	FY11	FY12E	FY13E
Sales & Service	4063.6	4544.0	5372.0	6394.7	7877.4
Expenditure:					
HW/SW & support expenses	777.4	1322.7	1303.1	1534.7	1733.0
Manpower cost	1203.6	1474.9	1773.3	2046.3	2442.0
Administrative & Other expenses	801.3	915.2	1089.9	1278.9	1536.1
Total expenses	2782.3	3712.9	4166.3	4860.0	5711.1
PBDIT	1281.3	831.2	1205.7	1534.7	2166.3
Other Income	310.1	228.4	448.1	356.9	500.8
Dep. and amortization expenses	439.6	440.7	566.7	822.6	913.1
PBIT	1151.6	618.8	1087.1	1068.9	1753.9
Less: Financial cost(Net)	0.5	2.7	8.2	9.5	9.5
PBT	1151.1	616.1	1078.9	1059.4	1744.4
Total tax	299.2	192.6	212.3	233.0	401.2
PAT	852.0	423.5	866.6	826.3	1343.2

Financial Ratios

Y/E March	FY09	FY10	FY11	FY12E	FY13E
P&L Ratios					
EBITDA margins	32%	18%	22%	24%	27%
PBT margins	28%	14%	20%	17%	22%
PAT margins	21%	9%	16%	13%	17%
LT.Debt/Equity	0.08	0.15	0.54	0.27	0.27
Cross Ratios					
Asset Turnover(x)	0.56	0.49	0.59	0.64	0.69
Debtors Receivable (Days)	130	136	153	152	152
Payables days	111	101	102	102	102
Valuation Ratios					
M cap/sales	0.8	0.8	1.3	1.1	0.9
EPS (adj)	7.23	3.59	7.35	7.01	11.39
P/E (x)	8.17	16.43	8.03	8.42	5.18
CMP (Rs)	59	59	59	59	59
Return Ratios					
ROE	12%	6%	10%	9%	13%
ROCE	18%	9%	13%	15%	19%

Balance Sheet

Y/E March	FY09	FY10	FY11	FY12E	FY13E
SOURCES OF FUND:					
Shareholder's Funds					
a) Share Capital	578.6	585.6	589.5	1179	1179
b) Reserve & surplus	6411.2	6810.4	7732.4	7998.98	9379.8
Total	6989.8	7395.9	8322.4	9178.5	10559.3
Loan Funds	46.3	86.8	317.6	317.6	317.6
Deferred payment Liability (Net)	128.6	1720.4	457.2	457.2	457.2
Deferred Tax Liability (Net)	68.2	93.7	78.4	78.4	78.4
Total	7232.9	9296.9	9175.6	10031.7	11412.6
APPLICATION OF FUNDS:					
Fixed Assets					
a) Gross Block	2536.3	5228.3	6268.7	6918.7	7368.7
Less: Accumulated Depreciation	1560.8	1933.5	2492.2	3314.9	4228.1
Net Block	975.5	3294.8	3776.5	3603.8	3140.6
Add: Capital Work-in-progress	71.5	92.1	144.3	124.5	110.5
Total	1047.0	3386.9	3920.8	3728.3	3251.1
Goodwill on consolidation	2107.8	2046.3	2046.3	2046.3	2046.3
Deferred Tax asset	1.0	0.2	0.3	0.3	0.3
Investments	86.7	677.1	541.8	568.9	608.7
Current Assets, Loans and Advances					
a) Inventory	-	-	25.2	-	--
b) Sundry Debtors	1445.2	1689.5	2245.0	2663.0	3280.4
c) Cash and balances	2855.1	1883.1	912.3	1485.7	2965.3
d) Loans and advances	1685.7	1118.8	1503.9	1503.9	1503.9
e) Other current assets	22.3	25.0	40.3	15.0	15.0
Total:	6008.4	4716.4	4701.5	5667.6	7764.7
Less: Current Liab and Provisions	2018.0	1530.0	2035.1	1979.8	2258.6
Net Current Assets	3990.4	3186.4	2666.4	3687.8	5506.1
Total	7232.9	9296.9	9175.6	10031.7	11412.6

Cash Flow Statement

Y/E March	FY09	FY10	FY11	FY12E	FY13E
Net Cash from Operating Activities(I)	480.82	345.3	690.5	883.4	1464.0
Net Cash (Used in)/from Investing Activities(II)	1791.2	-1302.7	-1907.1	-300.4	25.0
Net Cash (Used in)/from Financing Activities(III)	-945.1	188.9	245.8	-9.5	-9.5
Net changes in Cash & Cash Equivalents(I+II+III)	1326.9	-768.5	-970.7	573.4	1479.6
Cash & Cash Equivalents (Open. Bal.)	1458.8	2855.1	1883.0	912.3	1485.7
Cash & Cash Equivalents (Clos. Bal.)	2855.1	1883.0	912.3	1485.7	2965.3

Annexure

Management Profile

Mr. Arvind Rao (Co-Founder & CEO) - Founded the company in 2000 and has been its CEO since inception. Under his stewardship, OMGL has transformed from a domestic VAS player to a leading international VAS provider with more than 90 clients worldwide including Telecom players, Media houses and data providers. He is B.Tech from IIT Mumbai, and has over 20 years of experience in IT, Telecom and Financial service industry. In past he worked with Schlumberger Wireline Services, McKinsey & Company, the Chatterjee Group and Gilbert Global Equity Partners.

Sanjay Uppal (President & COO) - Heads the overall operations of OMGL. He holds a B. Tech degree from IIT Mumbai and has over 18 years of experience in engineering leadership & General management. He was previously associated with Citrix Systems Inc., as VP- Application Networking

Mouli Raman (Co-Founder & CTO) of OMGL where he is responsible for the company's technology and development strategy. He holds a B. Tech degree from NIT Allahabad and has over 19 years of experience in software industry. Previously he was Head of the Internet Products Group at Infosys Technologies.

Other Management Executives: Rajesh Moorthy (CFO), Sandhya Gupta (Head M&A, Investment and strategy),

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Key to NETWORTH Investment Rankings

Buy: Upside by >15, **Accumulate:** Upside by +5 to 15, **Hold:** Upside/Downside by -5 to +5, **Reduce:** Downside by 5 to 15, **Sell:** Downside by >15

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