



2015  
OnMobile  
Annual Report

### **Elevated by connections**

Through the creation of an interconnected, user-centric, and cohesive business that brings people together, OnMobile will continue the upward trajectory, elevating itself to achieve resounding success.





1.1  
Billion

RBT Reach

Daily RBT plays

500  
Million

61  
Million

RBT Subscribers

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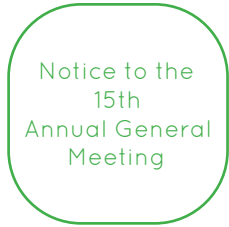
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Welcome

“We’ve overcome daunting challenges.

Now we’re ready to make a difference, offering consumers the solutions and experience they crave.

An exciting future beckons.”



A year of change

# Chairman's message



**François-Charles  
Sirois**

## **Dear Shareholders,**

2014-2015 was a year of transition with many changes on the Board, the executive team and our general operations. At the beginning of the year, it was already very clear that some changes to the business plan were required in order to maintain profitability and establish a stronger base for a winning long-term strategy. I am very pleased to report that the team stepped up to the challenge, delivering 100% of the revised annual operational budget and hitting the key milestones required to be back on track.

## **Efficient operations**

Cost reductions and accountability on expenses across the organization was rapidly established with total operational expenditures reducing from 23% of revenues in the previous year to 19% of revenues in FY 14-15. The operational teams were restructured to deliver better operational efficiencies resulting in a 33% manpower cost on revenues in 2014-15 down from 41% the year before. While these changes were very challenging for the general mood and moral, the current employees' satisfaction rate increased to 2.78 (on a scale of 4), from 2.40 last year, an overall increase of 16%.

## **Global scale**

Global scale is very important in our short-term and long-term strategies. To successfully achieve this, we had to rationalize our extensive product portfolio to focus mainly on our global products. During the year, both our RBT and CVAS services have grown worldwide with many new contracts in Europe and Latin America giving us

a total addressable base of 1.58 billion mobile users. The number of paying subscribers on RBT grew to 61 million (up from 55 million the previous year) and we now have surpassed 500 million music plays per day.

## **A promising future in digital media**

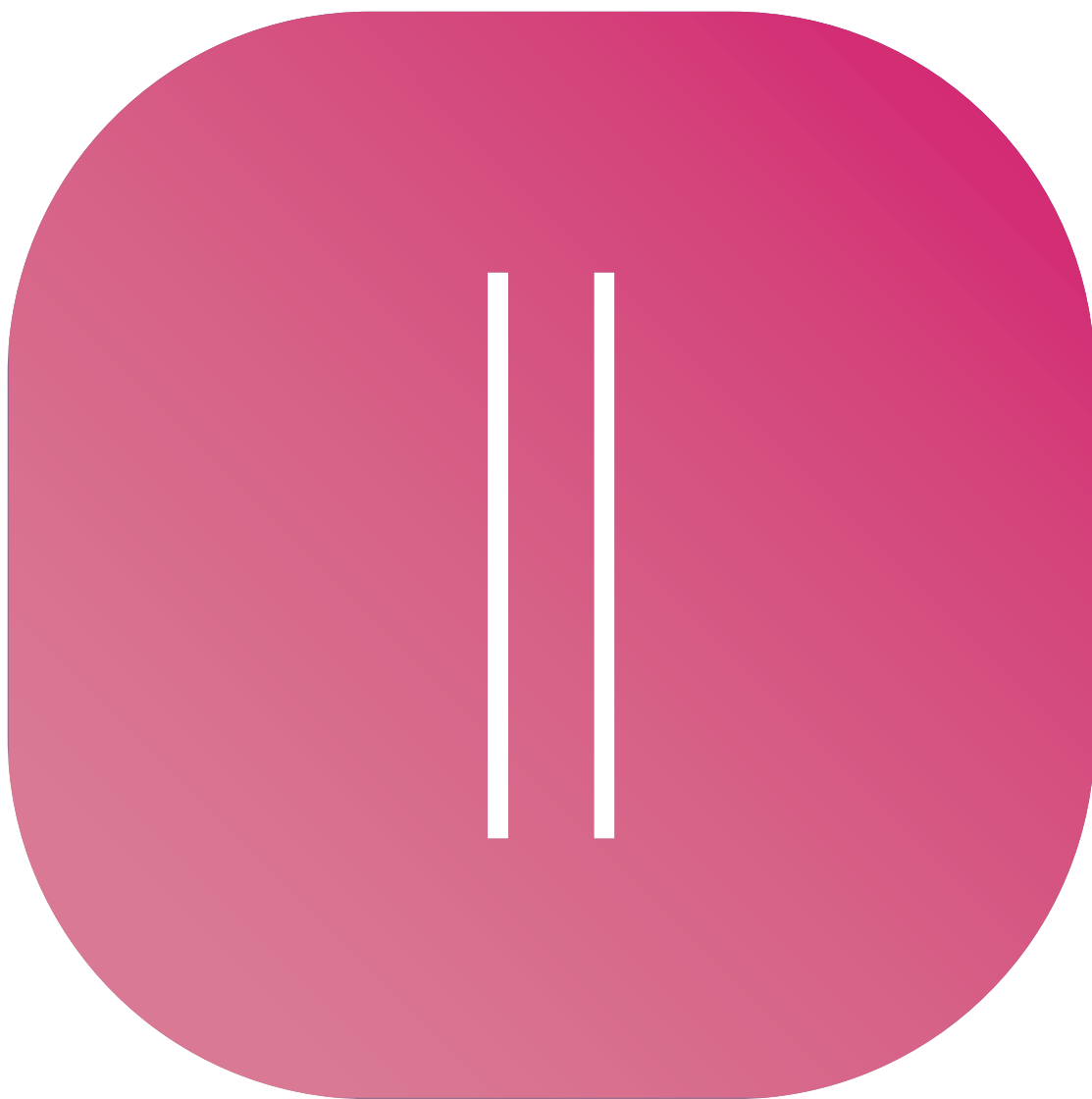
Our deep expertise in mobile services in emerging markets provides us with a great opportunity as the next 3 billion smartphone owners will change the global digital media landscape over the next five years. It is our priority to develop and launch new innovative mobile applications that will be relevant to consumers, triggering daily interactions and confirming our transition from a service company to a dynamic product organization that delivers a true and complete experience.

## **Solid cash position**

OnMobile generated 1,147 million INR of free cash flow for the year, ending with a strong balance sheet of 2,713 million INR available cash. This strong cash position enables us to be more flexible in developing our new strategies. To satisfy some of our shareholders demands, the company completed a 5.8 million share buyback for a total consideration of 443 million INR in January 2015.

Finally, I would like to thank you for your strong support this year and rest assured that myself, the Board of directors and the executive team are fully committed to generating a steady increase in our shareholders' value.

**François-Charles Sirois**



A new beginning



# CEO's message



**Rajiv Pancholy**  
CEO & MD

## **Dear Shareholders,**

At the start of the last financial year, we undertook an in-depth review of all facets of the company's business, and came to the conclusion that urgent action was required to restore profitability, and lay the foundation for the long-term success of OnMobile.

The changes we contemplated were vast in scope, and touched every aspect of the company.

## **Restoring trust**

First and foremost, we had to exercise sound financial management, to win back the trust of our shareholders, customers, and employees. This had to be achieved very quickly, but more importantly, it had to be done with transparency and integrity. This was a major undertaking, but as our Chairman Francois-Charles has described in detail, we achieved all the objectives in a relatively short time frame.

## **Growing the business**

Maintaining the status-quo is never an option in any business, so we had the additional challenge of growing our business even as we were pre-occupied with major changes within the company. I am pleased to report that we had major wins during the year, the most notable ones being:

- Successful deployment of our flagship Ring Back Tone offering in eight African countries of the MTN Group.
- Our first ever, and a very successful RBT service deployment with an operator in Malaysia.
- A major win in Bangladesh with Robi, thus becoming a dominant player in Bangladesh.
- Launch of RBT service with Oi in Brazil, garnering a majority market share in Brazil.
- In India, becoming the sole provider of RBT service to Tata Teleservices.

Last, but most significant, was the launch of our Smartphone based App, called Yavoy, in Telefonica in Spain. This was our first step towards recognizing the global transition to smartphones, and making our products and services relevant to the users of Smartphones.

All this was facilitated by our communication with our customers. It was a message of renewal, vigour, and commitment, which has caused them to re-engage and reconnect with OnMobile.

## **Laying the foundation for the future**

As we look ahead, we are enthused by assets that we can build upon. We have global reach with deployments in five continents. We have an addressable market of over a billion users, with a healthily growing base of over 60 million paying users.

Our vision of the future is best captured in the graphics of this Annual Report. Given that we will be introducing products that are relevant to Smartphone users, the colors depict the way in which a family of Apps will manifest themselves on a Smartphone screen. The overlap between these icons symbolizes two things. First, a consistent and seamless customer experience underpinned by a common brand. Second, the people of OnMobile, across five continents, working arm-in-arm as one team to drive success.

Finally, our success in all arenas was made possible by the cohesion in the leadership team, and the commitment and tenacity of each and every employee. For this, I am most grateful. On behalf of the leadership team, I would like to re-iterate our commitment to creating superior shareholder value in the years to come.

**Rajiv Pancholy**

# Management team



Rajiv Pancholy  
CEO & MD



Sanjay Bhambri  
Chief Commercial Officer



Praveen Kumar K J  
Chief Financial Officer



Florent Stroppa  
Senior Vice President  
- Products



Christy George  
Senior Vice President  
- Engineering



Frederic Lavoie  
Senior Vice President  
- Global Content and  
Multi-Media Strategy



Rajesh Pandey  
Global Head  
- 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



Madhusudan Narayanan  
Vice President  
- Marketing