

October 31, 2017

Hyderabad

To,

Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400001.

National Stock Exchange of India Ltd  
Exchange Plaza, Plot No.C/1, Block-G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400051.

Dear Madam/Sir,

**Sub: Outcome of the Board Meeting held on October 31, 2017**


With reference to the notice issued on October 20, 2017, the Board of Directors in the meeting held today i.e., October 31, 2017, have approved the Statement of Unaudited Financial Results for the quarter & half year ended September 30, 2017.

Please find enclosed the below mentioned outcome of the said meeting:

1. Statement of Unaudited Financial Results for the quarter & half year ended September 30, 2017 as approved by the Board of Directors at its meeting held today. The meeting commenced at 11:30 AM and concluded at 01:50 P.M.
2. Limited Review Report for Unaudited Financial Results for the quarter ended September 30, 2017 from our Statutory Auditors, M/s. M.N.Rao & Associates, Chartered Accountants (FRN. No. 005386S).
3. New Line of Business: The Board has approved to enter in to a new line of business i.e., Financial Technology through its 100% subsidiary to build a Market Place for businesses. In order to strengthen this offering, the Board has approved to apply for a NBFC licence for its subsidiary.

Request you to take the same on record and oblige.

for **Tanla Solutions Limited**

  
Seshanuradha Chava  
VP - Legal & Secretarial  
ACS-15519





# M.N. RAO & ASSOCIATES

Chartered Accountants

## LIMITED REVIEW REPORT For the Quarter ended 30<sup>th</sup> September, 2017

To  
The Board of Directors,  
M/s TANLA SOLUTIONS LIMITED

We have reviewed the accompanying statement of unaudited Standalone financial results of **TANLA SOLUTIONS LIMITED** ('the company') for the quarter ended 30<sup>th</sup> September, 2017 ('the statement'), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 Dated 5<sup>th</sup> July, 2016. This statement Which is the responsibility of the Company's Management and approved by the Board of Directors/Committee of Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 Interim financial reporting (Ind AS 34), Prescribed under section 133 of the Companies Act 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

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

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement, Prepared in accordance with the aforesaid Indian accounting standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 Dated 5<sup>th</sup> July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

We have audited or reviewed the financial results and other information presented in accordance with IND AS for the year ended 31<sup>st</sup> March 2017 and quarter ended 30<sup>th</sup> September, 2017 and have been presented solely on the basis of information compiled by the management.

For M. N. RAO & ASSOCIATES

Chartered Accountants

FRN.No.005386S



(SREEKANTH REDDY V)

Partner

Membership No: 023408

Place: Hyderabad  
Date: 31<sup>st</sup> October, 2017





To  
The Board of Directors,  
M/s TANLA SOLUTIONS

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**Morgan Stanley | Investment Research**

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# TANLA SOLUTIONS LIMITED

CIN: L72200TG1995PLC021262

TANLA TECHNOLOGY CENTRE, HITECH CITY ROAD, MADHAPUR, HYDERABAD - 500081

STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30, 2017



Part I

₹ in Lakhs

Particulars (Refer notes below)	Consolidated Results for the						Tanla Solutions Limited - Results for the					
	Quarter ended	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended	Quarter ended	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
	30-Sep-17 Un-audited	30-June-17 Un-audited	30-Sep-16 Un-audited	30-Sep-17 Un-audited	30-Sep-16 Un-audited	31-Mar-17 Audited	30-Sep-17 Un-audited	30-June-17 Un-audited	30-Sep-16 Un-audited	30-Sep-17 Un-audited	30-Sep-16 Un-audited	31-Mar-17 Audited
1 Income from Operations (net)	19815.95	18552.97	13492.10	38368.92	23291.44	57930.00	16736.38	17209.24	10821.10	33945.63	19173.34	49871.50
Other Income	8.25	22.62	54.53	30.87	181.96	249.20	7.93	21.03	49.47	28.96	168.48	239.77
<b>Total income</b>	<b>19,824.20</b>	<b>18,575.59</b>	<b>13,546.63</b>	<b>38,399.79</b>	<b>23,473.40</b>	<b>58,179.21</b>	<b>16,744.31</b>	<b>17,230.28</b>	<b>10,870.57</b>	<b>33,974.59</b>	<b>19,341.82</b>	<b>50,111.27</b>
2 Expenses												
(a) Cost of services	17259.56	16,122.65	11462.91	33382.22	19546.33	49,454.97	14501.06	15,237.53	9831.51	29,738.60	16972.10	44,142.30
(b) Change in inventories	-	-	-	-	-	-	-	-	-	-	-	-
(c) Employee Benefits expense	377.76	386.14	343.05	763.90	701.88	1,444.08	324.03	366.79	263.76	690.82	537.29	1,186.65
(d) Depreciation expense	1178.68	1187.46	471.01	2366.14	1126.77	1,959.13	1068.99	1,078.60	389.01	2,147.59	464.21	1,105.51
(e) Connectivity & related expenses	54.17	71.44	35.07	125.62	68.54	202.98	47.01	60.68	35.05	107.68	60.29	135.95
(f) Travel Expenses	81.40	82.81	38.39	164.20	73.95	256.77	82.92	81.29	27.29	164.20	60.07	158.16
(g) Other Expenses	236.20	252.95	239.02	489.15	412.60	961.53	186.74	233.71	191.60	420.44	295.96	3,534.00
Total expenses	19,187.77	18,103.47	12,589.44	37,291.23	21,930.07	54,279.47	16,210.75	17,058.59	10,738.22	33,269.34	18,389.92	50,262.59
3 <b>Profit / (Loss) before tax (1-2)</b>	<b>636.44</b>	<b>472.12</b>	<b>957.19</b>	<b>1,108.56</b>	<b>1,543.33</b>	<b>3,899.74</b>	<b>533.57</b>	<b>171.69</b>	<b>132.34</b>	<b>705.25</b>	<b>951.90</b>	<b>(151.31)</b>
4 Tax Expense												
- Provision for Income Tax	89.23	61.28	27.96	150.51	204.51	-	118.36	32.15	27.96	150.51	204.51	-
- Provision for Deferred Tax	-181.87	(781.71)	-41.04	-963.58	-36.82	(191.60)	-248.08	(778.78)	-42.51	(1,026.86)	-42.47	(88.43)
5 <b>Net Profit / (Loss) for the period (3-4)</b>	<b>729.08</b>	<b>1,192.56</b>	<b>970.28</b>	<b>1,921.63</b>	<b>1,375.64</b>	<b>4,091.34</b>	<b>663.29</b>	<b>918.31</b>	<b>146.89</b>	<b>1,581.60</b>	<b>789.86</b>	<b>(62.88)</b>
Attributable to Shareholders of the Company	729.08	1,192.56	970.28	1,921.63	1,375.64	4,091.34	663.29	918.31	146.89	1,581.60	789.86	(62.88)
Non controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
6 Other Comprehensive Income	1.37	1.37	0.83	2.74	1.66	5.49	1.37	1.37	0.83	2.74	1.66	5.49
7 <b>Total Comprehensive Income (5+6)</b>	<b>730.45</b>	<b>1,193.93</b>	<b>971.11</b>	<b>1,924.38</b>	<b>1,377.30</b>	<b>4,096.83</b>	<b>664.66</b>	<b>919.69</b>	<b>147.72</b>	<b>1,584.35</b>	<b>791.52</b>	<b>(57.39)</b>
Attributable to Shareholders of the Company	730.45	1,193.93	971.11	1,924.38	1,377.30	4,096.83	664.66	919.69	147.72	1,584.35	791.52	(57.39)
Non controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
8 Paid-up Equity Share Capital (Face Value of Re.1 each)	1,124.22	1,074.86	1,014.80	1,124.22	1,014.80	1,020.75	1,124.22	1,074.86	1,014.80	1,124.22	1,014.80	1,020.75
9 Total reserves	-	-	-	-	-	64,555.20	-	-	-	-	-	62,981.63
10 Earnings per share (of ₹ 1 each) (not annualised)												
(a) Basic	0.65	1.11	0.96	1.71	1.36	4.01	0.59	0.85	0.14	1.41	0.78	-0.06
(b) Diluted	0.65	1.11	0.96	1.71	1.36	4.01	0.59	0.85	0.14	1.41	0.78	-0.06

Part II Segment Reporting (Consolidated) :  
Reporting of Segment wise Revenue, Results and Capital Employed :

₹ in Lakhs

Sl. No.	Particulars	Consolidated Results for the					
		Quarter ended			Half Year ended		Year ended
		30-Sep-17 Un-audited	30-June-17 Un-audited	30-Sep-16 Un-audited	30-Sep-17 Un-audited	30-Sep-16 Un-audited	31-Mar-17 Audited
1	<b>Segment Revenue</b>						
	(a) Mobile VAS & Messaging Services	19,115.95	18,052.97	12,992.10	37,168.92	22,591.44	55,630.00
	(b) Property Development	700.00	500.00	500.00	1,200.00	700.00	2,300.00
	Total Sales/Income from Operations	19,815.95	18,552.97	13,492.10	38,368.92	23,291.44	57,930.00
	Less: Inter Segment Revenue	-	-	-	-	-	-
	<b>Net Sales/Income from operations</b>	19,815.95	18,552.97	13,492.10	38,368.92	23,291.44	57,930.00
2	<b>Segment Results - Profit(+)/Loss(-) before other income and tax</b>						
	(a) Mobile VAS & Messaging Services	383.19	254.51	674.66	637.69	1,040.88	2,837.04
	(b) Property Development	245.00	195.00	228.00	440.00	320.50	813.50
	Total Segment Results - Profit(+)/Loss(-) before other income and tax	628.19	449.51	902.66	1,077.69	1,361.38	3,650.54
	Less: Other Unallocable Income	(8.25)	(22.62)	(54.53)	(30.87)	(181.96)	(249.20)
	<b>Profit before Tax</b>	636.44	472.12	957.19	1,108.56	1,543.34	3,899.74
3	<b>Segment Assets :</b>	77,822.68	75,121.75	70,386.31	77,822.68	70,386.31	73,894.54
	(a) Mobile VAS & Messaging Services	4,760.32	4,665.32	5,033.16	4,760.32	5,033.16	4,461.32
	(b) Property Development	82,583.00	79,787.07	75,419.47	82,583.00	75,419.47	78,355.86
	Total Segment Assets						
	<b>Segment Liabilities :</b>						
	(a) Mobile VAS & Messaging Services	15,443.57	13,754.22	9,064.45	15,443.57	9,064.45	13,364.12
	(b) Property Development	87.88	71.88	125.95	87.88	125.95	79.57
	Total Segment Liabilities	15,531.45	13,682.34	9,190.40	15,531.45	9,190.40	13,443.69

Notes:

1. The above Un-audited financial results for the quarter and half year ended September 30, 2017 have been subject to a limited review by the Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on October 31, 2017.
2. The above Un-audited financial results have been prepared in accordance with the Ind AS notified under the Companies(Indian Accounting Standards) Rules, 2015.
3. The Un-audited financial results for the quarter & Half year ended September 30, 2017 are available on the Company’s website (www.tanla.com) and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com)”

Key standalone information is given below :

₹ in Lakhs

Particulars	Quarter Ended		
	30-Sep-17 Un-audited	30-June-17 Un-audited	30-Sep-16 Un-audited
Income from operations & other income	16,744.31	17,230.28	10,870.57
Profit / (Loss before tax)	533.57	171.69	132.34
Profit / (Loss after tax)	663.29	918.31	146.89

7. Previous period / year figures have been re-grouped/re-arranged wherever necessary.

For and on behalf of the Board of Directors

Place: Hyderabad  
Date: October 31, 2017

(D.Uday Kumar Reddy)  
Chairman & Managing Director  
DIN: 00003382

## Statement of Assets and Liabilities (Un-audited)

₹ in Lakhs

Particulars	Consolidated		Standalone	
	30-Sep-17	31-Mar-17	30-Sep-17	31-Mar-17
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	7,026.23	4,516.64	4,714.07	2,808.25
(b) Capital work-in-progress	-	2,449.74	-	1,976.86
(c) Investment Property	385.37	385.37	385.37	385.37
(d) Other Intangible assets	39,316.15	41,673.10	39,316.15	41,673.10
(e) Financial Assets				
(i) Investments	-	-	5,273.75	5,273.75
(f) Deferred tax assets (net)	1,385.24	690.53	1,672.91	646.05
(g) Other non-current assets	1,347.55	1,830.63	1,646.65	767.18
<b>Total non current assets</b>	<b>49,460.54</b>	<b>51,546.02</b>	<b>53,008.91</b>	<b>53,530.58</b>
(2) Current Assets				
(a) Inventories	1,419.29	2,209.29	-	-
(b) Financial Assets				
(i) Trade receivables	15,835.88	11,362.79	13,341.81	9,479.48
(ii) Cash and cash equivalents	14,685.84	13,330.18	13,333.16	11,986.77
(iii) Loans and advances	255.48	251.49	221.24	251.49
(c) Other current assets	2,311.22	393.37	2,395.00	1,970.90
<b>Total current assets</b>	<b>34,507.71</b>	<b>27,547.11</b>	<b>29,291.22</b>	<b>23,688.64</b>
<b>TOTAL ASSETS</b>	<b>83,968.25</b>	<b>79,093.14</b>	<b>82,300.13</b>	<b>77,219.21</b>
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	1,124.22	1,074.86	1,124.22	1,074.86
(b) Other equity	67,312.58	64,555.20	65,412.59	62,981.63
<b>Total equity</b>	<b>68,436.80</b>	<b>65,630.05</b>	<b>66,536.81</b>	<b>64,056.48</b>
(2) Non current liabilities				
(a) Financial liabilities				
(i) Other financial liabilities	7.25	7.25	7.25	7.25
(b) Provisions	22.81	17.29	22.81	17.29
(c) Other liabilities	5.85	2.10	5.85	2.10
Total Non Current Liabilities	35.91	26.64	35.90	26.64
(3) Current liabilities				
(a) Financial liabilities				
(i) Trade payables	14,078.57	12,337.66	13,987.08	12,238.09
(ii) Other financial liabilities	-	-	522.33	471.73
(b) Other current liabilities	1,147.33	979.45	993.73	352.51
(c) Short-term provisions	0.21	0.21	0.21	0.21
(d) Liabilities for current tax (net)	269.44	119.13	224.06	73.54
<b>Total Current liabilities</b>	<b>15,495.54</b>	<b>13,436.45</b>	<b>15,727.41</b>	<b>13,136.09</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>83,968.25</b>	<b>79,093.14</b>	<b>82,300.13</b>	<b>77,219.21</b>