



Tanla Platforms Limited

Tanla Technology Centre,
Madhapur, Hyderabad,
Telangana, India - 500081

CIN: L72200TG1995PLC021262



+91-40-40099999



91-40-23122999



info@tanla.com



www.tanla.com

Date: January 28, 2025

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: **532790**

National Stock Exchange of India Ltd.

“Exchange Plaza”
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051
Symbol: **TANLA**

Dear Sir / Madam,

Subject: Transcript of Earnings Call for Q3-FY'25

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, please find attached herewith the transcript of the Earnings Call on Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2024 held on Wednesday, January 22, 2025, at 4:30 PM IST.

The transcript is uploaded on company's website on below link:

Link: <https://www.tanla.com/investor-relations/quarterly-results>

Kindly take the same on record and disseminate on your website.

Thanking you

Yours faithfully,

For Tanla Platforms Limited

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SESHANURADHA CHAVA
DHA CHAVA Date: 2025.01.28
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Seshanuradha Chava
General Counsel and Company Secretary
ACS-15519



Tanla Platforms Limited
Q3FY25 Earnings Conference Call Transcript
January 22, 2025

Call Duration	<ul style="list-style-type: none">▪ 39 minutes
Management	<ul style="list-style-type: none">▪ Ritu Mehta - Head of Investor Relations▪ Uday Kumar Reddy - Founder, Chairman & Chief Executive Officer▪ Deepak Goyal - Executive Director & Chief Business Officer▪ Abhishek Jain - Chief Financial Officer
Participants that asked the questions	<ul style="list-style-type: none">▪ Deepak Chokhani- Jade Capital▪ Sharad Kohli- Individual Investor▪ Amit Chandra - HDFC Securities▪ Tejas Shah- Laser Securities▪ Aashish Gupta- AG Capital



Operator: Ladies and gentlemen, good day, and welcome to Q3FY25 Earnings Conference Call of Tanla Platforms Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing * then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Ritu Mehta. Thank you and over to you.

Ritu Mehta: Good evening, and welcome to our Q3 earnings call. Joining us with today are Uday Reddy, Founder, Chairman, and CEO; Deepak Goyal, Executive Director and Chief Business Officer; and Abhishek Jain, CFO. Uday will share his perspectives on business imperatives and strategic progress made. After his opening remarks, we'll be happy to engage with participants and address their questions.

Before we start the call, let me draw your attention to the fact that today's discussion may feature statements that are forward-looking in nature. All statements, other than the statements of historical facts could be deemed forward-looking in nature. Such statements are inherently subject to risk and uncertainties, some of which cannot be quantified or predicted. A detailed disclosure in this regard is mentioned in the results presentation that is uploaded on our website. Audio recording and transcript will be available.

I now hand it over to Uday for his opening remarks.

Uday Kumar Reddy: Thank you, Ritu. Good evening, everyone. A very warm welcome and thank you for joining this call. I wish you a very, very happy new year to all of you. I'm sure you had a chance to go through our investor presentation and my letter, which are very detailed. Let us straight away get into our Q&A, the management team, and I will be very happy to get into more details in the call. Ritu?

Let's move into the Q&A. The management team and I are happy to answer any questions. Ritu let's open it up.

Question-and-Answer Session

Operator: Thank you very much. We'll now begin the question-and-answer session. Anyone who wishes to ask a question may press * and 1 on their touch-tone telephone. If you wish to remove yourself from the question queue you may press * and 2. Participants are requested to use handsets while asking your question. Ladies and gentlemen, we will wait for a moment, while the question queue assembles. Participants you may press * and 1 to ask a question.

The first question is from the line of Deepak Chokhani Jade Capital. Please go ahead.

Deepak Chokhani: Good evening, Uday and everyone. I have three questions. First is how long before we see industry tailwinds to do away with and how do we plan to grow our revenues? That's question number one. Question number two is VF International acquisition. When do you expect the approvals? And the last question is how do you plan to deploy the cash? Thank you.

Uday Kumar Reddy: Abhishek, do you want to take this?

Abhishek Jain: Sure. Thank you for the question, Deepak. Let me tell you on the growth story side. We are seeing evolving market right there. We continue to see a good volume growth from an NLD perspective. Of course, it's a very, very price sensitive market. So, we do



see dynamics in terms of playing out and it is not reflected in our top-line. But as we see certain stability or come back on the pricing, we should see the growth momentum also building up. That was more from an NLD perspective. International business, especially ILD, continues to be get impacted. And hence, if you see our enterprise business overall was a little sombre. But on a positive side, if I have to talk about it, OTT business continues to really do well. The contribution from 15% to the overall revenue has moved to 23%. All the challenges, whether it be WhatsApp, RCS and anything that I missed is doing phenomenally well. RCS has seen a 4X growth. We were recently awarded as RCS growth partner of the year award. And, WhatsApp has also shown a good resilience despite the pricing correction that we saw from last quarter, where we had a full quarter impact this quarter. We see a good growth momentum build up as well in that.

So overall, I would say, it's an evolving market, it's very difficult to predict for me to say when we see the industry moving out. I can only assure you that we continue to maintain the market share and our market share in terms of the volumes and in terms of penetration, both from an OTT channel continues to be robust.

Your second question was on VF International. I think we are also waiting for that D-Day, we have approached RBI and other regulatory authorities for the necessary approvals. We don't want to call out the date, but as soon as we get the approvals, we will inform to the stock exchange and to the other stakeholders.

The third question was on cash. Yes, I think we are proud to say that we had a solid run both from the sales and finance and other teams supported to generate a solid cash flow this quarter. We had free cash flow of 180% of the PAT, which was highest in last few quarters. We have two plans. I think, A, we will continue to invest in the innovation and the talent, which is more organic investments. I think Uday have spelled out earlier and we continue to innovate ourselves and we will continue to focus and continue to invest in that area. Second, our capital allocation policy which is 30% return to our shareholders continu Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for closing comments.es. We have declared an interim dividend of INR 6 per share, which should be credited soon. And third, we will continue to look for an asset whether be organic, inorganic investments. We will continue to look for an opportunity. So those are the three, I would say, three areas where we'll continue to invest.

Deepak Chokhani: Right. Thank you so much. All the best.

Uday Kumar Reddy: Thank you.

Operator: Thank you. A reminder to all participants you may press * and 1 to ask a question. The next question comes from Sharad Kohli, who is an investor. Please go ahead.

Sharad Kohli: Hi, guys. I have a few questions here. The first one is, you guys talked about OTT volumes going up, but unfortunately there's like almost a fight to the bottom, right? So, we have the telcos that are now getting into the space, where Bharti's been there for a while. They've been facing now competition from the OTT guys and OTT guys are cutting their prices. So, unfortunately, we are price takers, right? So, what is your perspective in terms of when does the bleeding stop, right, because I don't see an end to this, right? And so that's my first question. Let me be more specific on that question like where would you see a trigger point, where the OTT players, because to me, it's such a – when you look at a player like WhatsApp, it is such a small market for them in terms of the overall business that they do globally, right? So, if when I look at this whole market, I don't see, like, why would they stop at this 30% correction in pricing that they did the last quarter, like, why wouldn't they go lower to get more business in India, right, and then kind of cut off Bharti's legs and stuff, right? So, I'd



like a more thoughtful response on that. My second question has to do, I know, you made a comment on free cash flow. I mean, it was great this quarter, but I'm guessing that's because of all the cash that was held up by VIL. And now that we are no longer the clients on this front, it's 183% of PAT. But if I look at the last two quarters, we had recovered 40% and 46% as a percent of PAT. So, we were lower than historic numbers, which are closer to 85% to 90%. So, I think this is just playing catch up. And on that point, on the dividend versus share buyback, I think it's great that the stock is corrected. But I really think a good capital allocation, at least from a shareholder perspective, I mean, as a shareholder perspective, end up paying 36% tax on dividends that are come, right? So, I think, if you look at all the players globally, who do a good capital allocation, they buy back their stock, if they think the stock is undervalued, they buy back the stock. And specifically in the case of India, if you bought back your stock as a shareholder, I could exit the stock and pay the 20% or 15% long-term capital gains tax – sorry, 12.5% long-term capital gains tax, as opposed to paying 38% tax on dividends. And that should apply to all shareholders, including the management as well. And finally, I had a question on the balance sheet. There was a massive increase in the platforms internally developed number, right, it went up from INR 85 crores to INR 146 crores. So basically, we are essentially capitalizing all of our expenses of development, where if you look at global platforms, they typically expense it, right? So, obviously, I can make two arguments here, which is that – I want to understand the logic of doing this every quarter, because normally there would be a balance between capitalizing everything versus expensing it. And when you capitalize something, you're kind of overstating your profits. So, if you can shed light on the reason why everything is being capitalized, and the number jumped up by almost INR 62 crores here in one quarter, so I'd like to better understand, and I know the MaaP platform came into being and that's why this was capitalized. But I'd like to understand more the logic between capitalizing versus expensing. That's it. Thank you.

Abhishek Jain:

Sure. So let me take the question from backwards and then I'll ask Deepak to help me answer on others. So, let me take your last question, right? The last question was on the balance sheets. The way to read is that we are a fast company, right? And we have two arms. One is enterprise business and second is the platform. Enterprise business, whatever we do, as you rightly said, is not a made for long-term, it is for here and now, which we are serving for our customers and none of those expenses gets capitalized, right? Which is the core business, or I would say, a significant portion of the business. Second portion of the business, which you call out as a platform business, is for future, right? So, we are developing a platform which needs to be used for perpetuity – I won't say perpetuity, but in some sense for a very, very long period, right? A very good example of that is the SMSC and the Trubloq that we installed in 2018-2019, which is still being used without any major upgrades, right? So why asset is being put to use now, it takes a certain time, say, maybe 6 to 9 months to develop a platform. And when we are developing a platform, any SaaS based company, I'm sure, take it to work in progress. And once we go live, we capitalize it. So that has been our philosophy.

We see a big uptick in the capitalized value, because MaaP, which is one of the successful RCS platforms for us, has gone live. We have seen a very good uptick in the volumes. We touch a billion volume in a month after we go live. And hence, you see a higher calculation that you see in our books. But we have a very clear philosophy of what to be capitalized and what not to be capitalized. And very clear called-out depreciation policies, which get some more times of the period and is very clearly stated in our financials and all relevant areas that you would like to see.

Second question was on free cash flow, right? I think it's not fair to assume VIL deal, and we've got a catch-up collection. I don't think so that's the right thing. This quarter, I don't think so other than the normal business that you would have done with the partner you mentioned, any catch-up we have got from a cash commission. I



think I would say, yes, you're right, that on a YTD basis, in H1, the free cash flow percentage was left. But there's no one-time major long outstanding payment that got collected has impacted our free cash flow.

We do see some kind of a little bit of seasonality, some kind of delay. And hence, even if I take on a YTD basis, it would be roughly approximately nearly 90% of our PAT, which we have delivered at the free cash flow from a full year basis, right?

The third, I think we'll put the position on dividend and buyback, which is return to shareholders. I think buyback, if I understand correctly, is not anymore same tax efficiency or tax policies. I think the regulation has changed mid of this year. Having said that, we do keep evaluating this every quarter with our Board, and we'll take your recommendation, we'll decide whatever Board recommends, we'll take it forward. And the first one, on OTT channels, and maybe I'll help request Deepak to help us here. Deepak, if you're there.

Deepak Goyal:

Yeah, I'm there, Abhishek. So, on OTT side, I would like to say that yes, there is WhatsApp did reduce the prices for utility messages. But they also increase the prices for promotion messages. And today, WhatsApp's more than 85% of the revenue comes from promotional and marketing messages, and only 15% to 17% coming from utility messages. So that's the split. Having said that, we should also remember that most of the utility messages are transaction messages, which are getting transacted in India today. Most of them are regulated. Whether it's banking, or it is insurance sector, or it is SEBI, the market alerts and everything. So, these messages cannot be replaced by any of the OTT players. So there, the SMS is going to stay. So, it's no threat from OTT channels over there.

But other than the regulated message, yes. So, there is a play in transaction side. But there's a very big play on the marketing side. And that's where we are working. So, as Abhishek mentioned, it's not just about Meta. We are working very closely with Google. That is our next big thing. And we are seeing huge growth over there. And price wise also is quite competitive compared to Meta.

Customers are very happy with the kind of response they're getting and the ROI they're getting. We are building a lot of solutions around that. And currently we are creating stickiness, not only from the backend side of it where we have Tanla's MaaP platform deployed with the telcos, but we are also building a lot of solutions on top of it, so that we can have a huge stickiness with our enterprise customers, and they see the real value over there.

So, if you really asked me a few months from now, we would see a huge, not only growth, but our market share is also going to increase in a big way.

Sharad Kohli:

Can I follow up with those responses, please?

Deepak Goyal:

Sure.

Sharad Kohli:

Okay. So, first thing, since I have Deepak who just responded, so Deepak, my first question to you is, in terms of market competitiveness, right, I know that you're saying, so my first question is the MaaP platform, is that exclusive to you guys? Like, what is stopping, a Route Mobile, or Bharti, or Gupshup, is this exclusive deployment for Tanla on the telcos platforms? Or can those guys develop their own MaaP platform and also have their base set up with the telcos?

Deepak Goyal:

Uday, you would like to take this?



- Uday Kumar Reddy:** Yeah, it's not exclusive partnership, like, as you rightly mentioned, Sharad like they can develop on their own and deploy. But having said that, I have not seen any telcos developing the platforms in deploying on their own.
- Sharad Kohli:** Yeah, because I'm just looking at the word which Deepak said stickiness, right? It's for stickiness to be there. I mean, unless it's exclusive, tomorrow, like, people come in undercut pricing and all that stuff.
- Deepak Goyal:** Sharad, stickiness most of more – see, I tell you, okay, let me explain. So, when we talk about MaaP platform, it gives us end-to-end visibility, right? So, we are in control of our entire messaging journey, right? So, we have a full control over it. And the stickiness comes when we have our solutions built over it. And customers are tightly integrated to that. Let's say, for example, we are doing for a couple use case for metro rail, right? So, once you are there, you have closed a customer. And there are a lot of journeys we build. So, customers are going to move away. I mean, we have recently Axis Bank, they were very happy and we are building a lot of journeys for them. So, they are not going to – because it's going to be a huge task to move to someone else, right? So, we are integrating a lot of such journeys, a lot of such use cases on RCS and on other OTT channels, which is going to give us huge stickiness. And as far as enterprise customers are concerned, they would see the value over it, they would get beyond a point, they don't want to see a price or price they're paying, they will see what ROI they're getting on those channels.
- Sharad Kohli:** Okay, let me just be more direct, right? So, I'm just like tracking this for, I've been with you guys for 9 years now, right? And there's been literally no growth, the only growth that's really come from and I get the whole argument volume versus pricing and all that stuff. I've been long enough in the stock and this industry globally to understand how this works, right? My only concern is that this is typically our best quarter, and our numbers were very disappointing, right, and I understand investments made in employees and all that stuff.
- It's actually a very simple question like what triggers are you going to look for or are you going to be looking for? So that I have a better understanding where you say, okay, I think the bleeding is stopping and this is more a general question. It's obviously not in your control and I understand that. Like when do you see the industry players like stop totally like saying, okay, let's stop screwing everybody over and let's like to press the stability. Do you see that in the near future, or do you have no visibility on that?
- Uday Kumar Reddy:** No, Sharad, let me answer like in the sense that I'm also going to give a direct answer like we're not in control of the industry, okay, right, and the telcos are involved, tech giants are involved, right, the enterprises are involved, everybody's involved right now. We are not in control of everyone, right? So, the price war happens in a number of times. This is not the first time, right? So, we don't know when it's going to stop, which is not in our control. Let me be very, very clear here.
- Sharad Kohli:** Okay. But is there something which – sorry, go on.
- Uday Kumar Reddy:** Your voice is cracking, Sharad, come back.
- Sharad Kohli:** Yeah, but I mean typically you would get some sense, right, in terms of discussions either through your take rate and stuff. I mean, is there an argument to be made that you guys are delivering a certain service, right? Like in terms of getting on these servicing guys, making sure the promotion is going up. Is there an argument to be made that your take rate goes up to make sure for the shortfall in pricing cut? Are you guys in a position to have that conversation with WhatsApp and other players that,



"Hey, listen, instead of getting a 20% take rate, then you go up to 25% to kind of you guys are still providing a service, right?" Is there enough length or strength you guys have to have those discussions?

Uday Kumar Reddy:

Someone like WhatsApp, like in the Meta, all the decisions are made at headquarters, and also there is a global pricing policy. They're not targeting just for India or some parts of the world, right? So, it's a global policy. So, we don't have any preview to WhatsApp strategy but having said that they always talk to the large players like us to get the feedback, but it is up to the meta how they want to implement their strategy.

Sharad Kohli:

Okay. And just a follow-up question for Abhishek. Abhishek, how does that INR 85 crores going up to INR 146 crores? That's 62 crores, right? I've asked this question in the past. And your comment on SaaS platforms, that SaaS platforms do capitalize. Yeah, SaaS platforms do capitalize, but they capitalize the tech part of it. So, I had asked these questions about 2 years ago. What percentage of this capitalization is actual tech versus employees? What is the split?

Abhishek Jain:

Okay. So, there are two things, right? One, any platform that you deploy would have, A, hardware; second, licenses; and third, employee cost would be fully integrated to develop the software, right, of those platforms. Now, it would be unfair that we will capitalize only in hardware and software, and not the muscles behind the mind who is creating that platform. So, what, as I clearly said, the enterprise business has zero capitalization, which is run the mill which is both Karix and ValueFirst from an enterprise perspective. While Tanla is primarily focused more on platform and SaaS, were only R&D team working on the platform business, those employee costs to the extent they are deployed and working for the platforms are capitalized. For example, any corporate support, any customer service team, those employee costs are not capitalized at all. Now, you see this as a bigger number, because, as I said, any platform, all platform takes a cycle of 6 to 9 months to develop and get deployed, and that's why it looks a little bit of over number, a bigger number. But just the example that I gave right now is a very classic example of Trubloq, for example, which has been deployed for the last 6-plus-years, right? And we have hardly had any major upgrade post that barring some silos and so forth. So that's how we have to see it, frankly.

Sharad Kohli:

That's fine. And my last response to you on the comment you made on buybacks, I completely disagree with you on that part. I mean, I've been in this market for 25 years, I ran a fund. Buybacks are done when management thinks...

Uday Kumar Reddy:

Sharad, it's late. Let's allow others to ask the questions, right?

Operator:

Thank you. Our next question comes from the line of Amit Chandra with HDFC Securities. Please go ahead.

Amit Chandra:

Yes, sir. Thanks for the opportunity. So, you mentioned that we have seen the impact on the ILD volumes, as there has been a shift to WhatsApp. So earlier in earlier calls, you mentioned that most of the ILD volumes now are no critical volumes, and the shift has almost stagnated, or it has been stabilized. But we are still seeing the shift happening. And also, if you can give some more colour in terms of what proportion of the ILD volumes, you still see that as a risk of shift happening to WhatsApp. And also, if the shift happens what kind of gross margin impact we see, because in general ILD is high gross margin in terms of absolute margin versus in WhatsApp what we make is lower absolute margin, because of the pricing difference? And, secondly, we have seen scale up on the WhatsApp OTT side, but because of the pricing impact how it has impacted the gross margins, because we have seen the gross margins for the enterprise business also coming off?



- Abhishek Jain:** Yeah. Hi, Amit. So, you're right, we have called out earlier that we have only seen the bottom of out of ILD business. But that's why we will not comment on the timeline out of give a revised hope. So, we do believe that there's nothing further substantiate left to see a further drop out of here. But it's very difficult to call out considering what we saw in the last couple of months, right? And, especially, I do remember that in last quarter or Q1, I have called it out. But this is not what we see. Having said that, what is at least good in some extent is that while we see ILD volume is coming down, it is to some extent getting either compensated through an OTT channel shift or through an international market. So, we are able to maintain and sustain the overall revenue top-line to a very narrow range, because of our international business and also the OTT channel shift. Second one, gross margin. If you see my gross margin has been a narrow range, right, we still deliver 26% gross margin, despite ILD dropping significantly year-on-year, right, and not just quarter-on-quarter. So, I would say, instead of getting to what the price scenario would be, because even WhatsApp is evolving from the pricing point of view, their structure point of view, I can only say that our endeavour would be to sustain at a similar level of gross margin at overall level. And, I think, I don't see any reason why we should significantly lose that even in the near future.
- Amit Chandra:** Okay. And you said that the pricing impact has been at this quarter. So, the shift of volumes in terms of lower pricing is already there in the quarter. So, from here on, from the next quarter onwards, we can see the volume growth happening that is there on the WhatsApp channel. That is reflecting on the WhatsApp revenue. Or still you feel that there is a pricing risk score, some kind of adjustment on the WhatsApp side. That is first.
- Abhishek Jain:** Amit, your specific questions...
- Amit Chandra:** No. On the enterprise side, X of WhatsApp, the fall has been very steep, obviously it has been because of the ILD decline, but despite the domestic volume going up, so the ILD is causing a lot of pain for us in the last three, four quarters. So, obviously, you explained that. But, on the WhatsApp side, obviously we have a lot of triggers, but what was the volume growth, if you can give some clarity on that, so that we can get a picture on how the growth will depend on this like next quarter in terms of volume growth?
- Abhishek Jain:** So, I think it's very difficult to segregate these pieces, right? I can only tell you a couple of things, right? OTT as a channel continues to really do that, right? Our share from OTT channel at 15% moved up to 20% at the first of the year. And Q3, we are at 23% at the overall mix. I don't see any reason why between RCS and WhatsApp and other challenges within OTT, why will they not continue to grow? I think one of the growth trust areas, OTT for us, and we do strongly believe that both WhatsApp and RCS will continue to do well. It's difficult to segregating what would be the volume growth versus drive and so forth. But as we speak, we are able to create a lot of new use cases, we are able to create a lot of promotional differentiation, even in various OTT channels that we are working with our customers. And we are also trying to create an agnostic platform or agnostic solution for our customers where they can hook in and choose what channel that they want to use. So, I think, OTT will continue to be promising, including WhatsApp. Your second, yeah, so I think that's what was your overall question. Did I miss anything, Amit?
- Amit Chandra:** No, thank you. I will be back in the queue. Thank you.
- Operator:** Thank you. The next question comes from Tejas Shah with Laser Securities. Please go ahead



- Tejas Shah:** Yeah. Hi. I just wanted to understand, we are always trying to – if we see the presentations, we are always saying, okay, if we had Vodafone, then the business would have grown 18%. Now the Vodafone, I think we have lost that client, correct?
- Abhishek Jain:** Yes. That's correct. Just to clarify, why yes, you're right, Vodafone revenue, which was the VIL firewall deal, it's not clubbed the entire Vodafone because we still continue our strong relationship. But the firewall deal that we lost do not have revenue based both in quarter 2 and quarter 3, which means quarter-on-quarter, there's no impact effect. Having said that, Q3, which is the same quarter last year, we did have INR 14 crore, INR 15 crore worth of business with them. And hence, to do a right comparative reflection, we do call out that number saying, if I keep X of Vodafone, our growth rate would happen in this. Now, of course, I do understand investor sentiment to that matter, Vodafone is no more associated from a deal perspective. But just to bring a clarity to our investors and to shareholders, it becomes important for us to discuss.
- Tejas Shah:** Okay. And do we see our margins going up again or this will take around 2 or 3 quarters more?
- Abhishek Jain:** So, gross margin if you see had been in the narrow range, if I see last 12 quarters, we have been in the range of 25% to 26.9%, right, so we have been in that bucket of 25% to 27% I would say. I don't see and I do believe that while I don't give a forward guidance just to reflect on it that we believe it should be in a narrow range from a gross margin perspective. When it comes to PAT in indirect cost if you see this time we were significantly impacted by one-time Forex loss, which is the euro currency depreciating significantly. We believe and if I go back for a longer period that Forex has neutralized over the period of last 4 quarters prior to Q3. So, I think those in fact, the Forex in fact at least should not be there next quarter is what we believe. And that was the tune of 4.5 to 5 Cr.
- Tejas Shah:** I think normally the third quarter is the best quarter that as a company we get. So, going forward is there any chance of increasing the top-line somehow wherein because it's been stagnant, the topic has been stagnant. Either we are losing some customers, gaining some customers but then we are not moving anywhere in terms of the top-line.
- Abhishek Jain:** I think I would say that the whole discussion with leadership and the management on the ground. I think we leave print and work only on growth which is growth. I appreciate your feedback, but I can only say that the almighty and all minds are behind saying how do we grow whether platform through OTT channels to global expansion and so forth. So, our endeavour would be to continue to push while external challenges are there. Our endeavour would be to continue to put through all three levers to ensure that we come back.
- Tejas Shah:** If you can throw some light on the, I think, gaming what it is. sold some subsidiary if you can throw some light on that. Gamooga, I think it's something else.
- Abhishek Jain:** Okay. No, I don't think so. We have sold it as just a change of ownership. So, I think, what we believe is that Gamooga best fits with Karix in terms of what we deliver and what we serve to our customers. And, hence, from a synergy perspective, we are just merging it with the Karix. So just it continues to be our own company, our own platform, and truly just that it's changing from Tanla Platform to Karix, our own 100% entity.
- Tejas Shah:** Okay. Thank you.
- Abhishek Jain:** Thank you.



- Operator:** Thank you. The next question comes from Ashish Gupta from AG Capital. Please go ahead.
- Ashish Gupta:** Hello, sir. Good evening. Sir, I have a very quick question. One is regarding the platform-side business. So, we are seeing from last few quarters, we are going somewhere around 15% to 16%. So, I wanted to understand some colour on whether this growth will be sustainable for 2 to 5 years, or do you think that it will be papered off, or we can do better than this? That's my first question.
- Abhishek Jain:** So, Ashish, we don't guide, but I can only tell you that platform is one of the growth areas where we continue to focus. We had two old platforms, Trubloq, SMSC, which has been consistently doing well. We launched ATP. We had one couple of customers there. We have launched MaaP, and we have touched a billion-volume last quarter in a month. So, I would say we will continue to focus on our platform. That is an opportunistic area for us for future growth. It would be hard for me to put out a number in terms of what would the growth rate would be there in the near- and long-term future.
- Ashish Gupta:** Yes, sir. No, sir. No problem. So, I just wanted some sense that, okay, we could sustain this, or do better, but I got your point. Second thing, sir, I wanted to understand on the enterprise side of the business, and not from our company, but from an industry standpoint. For next 2 to 5 years, sir, what is the projected growth rate of that overall industry, if you could shed some light on that, maybe because you would have access to a lot of research reports. So, I wanted to sense of how the overall pie will grow. Is it like 5%, 10%, something like that?
- Abhishek Jain:** See, I think it is a little bit dynamic in my view. If I keep the pricing aside for the second, I think, in my view, NLD, which is the local SMS business should grow at a lower double-digit in all sense. But when it comes to platform and OTT, it should definitely continue to grow at a double-digit without any second thought about it. So that's how we see. I think, if you ask me, overall industry was primarily impacted by ILD and SMS volumes continue to do well. There is definitely a price sensitivity, which we called out earlier. As soon as we see some normalization there, I think we should see a good growth in the TAM from an overall investor perspective.
- Ashish Gupta:** Understood. Thank you so much, sir. And last question, sir, so assuming that there is no new platform related employee cost, so sir, do you think that there is a wage inflation could be somewhere around 10% for next 2 to 5 years or do you think that this could be lower?
- Abhishek Jain:** I think it's difficult to call out at this stage, right, and saying, for example, we are known for our innovations, so we cannot keep our hand tight saying, we'll not innovate any more, right? So, we'll take this question, we'll keep you posted if you see an opportunity for future what you're working on, so we'll keep our investors and stakeholders updated about it. But it's very difficult to give you give a very hard number saying we'll grow the wage will grow or not grow by this percentage.
- Ashish Gupta:** Understood. No problem, sir. Thank you so much. That's what I wanted to check. Thank you.
- Abhishek Jain:** Thank you.
- Operator:** Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for closing comments.



Ritu Mehta:

Thank you, everyone. That was the last question for today. In case we could not take your questions due to time constraint, please feel free to reach out to Investor Relations team. Good evening.

Operator:

Thank you. On behalf of Tanla Platforms Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

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