



Tanla Platforms Limited

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www.tanla.com

Date: January 21, 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: Letter to Shareholders for quarter ended December 31, 2024

With reference to the subject cited, we enclose herewith Letter to Shareholders for quarter ended December 31, 2024.

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

Thanking you

Yours faithfully,

For Tanla Platforms Limited

SESHANURA
DHA CHAVA

Digitally signed by
SESHANURADHA CHAVA
Date: 2025.01.21 20:04:55
+05'30'


Seshanuradha Chava
General Counsel and Company Secretary
ACS-15519



tanla
BUSINESS
REVIEW

Shareholders' Letter
and Results

Q3 FY25



**Tailored
connections,
anytime,
anywhere.**

Tanla showcases innovations at the Tanla
Immersive & Experience Center, IMC 2024.

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OTT contribution to overall revenue was at **23%** in Q3FY25

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Our strategic investments in OTT and the scaling of our platforms are enabling us to navigate changing market dynamics effectively. We delivered one billion RCS messages in a month, demonstrating our ability to scale. We also generated a robust free cash flow of ₹ 217 Cr (183% of PAT) in this quarter.



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Q11. What is the latest on ESG front?

Third year in a row, we have improved our S&P global score from 32 (2022) to 68 (2023) to 74/100 in 2024.

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About Tanla

Through Tanla Platforms Limited's cloud communications technology, over 2,000 global enterprises deliver billions of critical customer interactions daily – from vital banking alerts to life-saving healthcare notifications. Our secure platforms don't just connect; they transform relationships, enabling businesses to create trusted, personalized experiences for millions of end-users worldwide. By championing communication security and fighting digital fraud, we protect both enterprises and their customers, ensuring every interaction builds trust. Experience how we're revolutionizing communication outcomes at www.tanla.com.

Tanla Team
Celebrating **One Billion RCS** Messages
in a Month



Financial Performance Q3 FY25

Revenue

₹ 10,004 Mn

Gross Profit

₹ 2,607 Mn

Gross margin 26.1%

EBITDA

₹ 1,634 Mn

EBITDA margin 16.3%

PAT

₹ 1,185 Mn

PAT margin 11.8%

EPS

₹ 8.82 Per Share

Cash and Cash equivalents

₹ 9,208 Mn

Digital Platforms

Revenue

₹ 955 Mn

grew 8.6% QoQ

Gross Profit

₹ 943 Mn

Gross margin 98.7%

EBIT

₹ 587 Mn

EBIT margin 61.5%

Enterprise Communications

Revenue

₹ 9,049 Mn

de-grew 0.9% QoQ

Gross Profit

₹ 1,664 Mn

Gross margin 18.4%

EBIT

₹ 801 Mn

EBIT margin 8.9%

Significant Events

- Delivered one billion RCS business messages in a month, making us one of the leading global players
- We were recognized as the 'RCS Growth Partner of the Year' by Google
- We were the first to launch and implement PE/TM binding on our Trubloq platform
- We scored 74 in the S&P Global ESG Scores also commonly known as DJSI scores, up from 68 in 2023
- Appointed Ms. Naiyya Saggi as an Independent Director to the Board
- In line with our capital allocation policy of 30% dividend payout of our consolidated Profit After Tax, the Board has approved an interim dividend of ₹6 per share

Our strategic investments in OTT and the scaling of our platforms are enabling us to navigate changing market dynamics effectively. We delivered one billion RCS messages in a month, demonstrating our ability to scale. We also generated a robust free cash flow of ₹ 217 Cr (183% of PAT) in this quarter.

- Uday Reddy, Founder Chairman & CEO

Invitation to conference

Tanla will host a conference call and live webcast to discuss the financial results on Jan 22, 2025 at 4.30 PM IST. Watch the presentation at <https://bit.ly/42f9Epk>

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Singapore : 8001012045

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Message from Chairman

"I wish you all a very Happy New Year. As I reflect on 2024, let me give you a perspective on how we are progressing on our strategic focus areas.

A. Scaling Digital Platforms

We delivered 9% QoQ growth in gross profits in Q3. Growth was led by 'Messaging as a Platform' (MaaP) for RCS. In a short span, we have scaled 'MaaP' and delivered one billion RCS messages in a month, making us one of the leading RCS players globally. We were named as the 'Growth Partner of the Year' by Google for 2024.

B. Attaining OTT Leadership

We have made significant investments in the OTT channels over the past few quarters which are playing out as per expectations. RCS revenue has grown 4x in one year and WhatsApp grew by 38% YoY.

OTT channels contributed 23% of our revenue in Q3 FY25, up from 15% in Q3 FY24. We have added over 100 new logos this quarter and 50% were onboarded for OTT.

We are delivering solutions to enhance customer experience and engagement by leveraging the power of OTT channels. For example, we helped one of the leading financial service providers reduce marketing costs while achieving a 3x increase in read rates and an 8x higher click-through-rate on WhatsApp.

C. Innovation

Innovation is at the core of our DNA which is reflected in the IP we create. Till date, we have been granted eight patents, including one this quarter by USPTO (United States Patent and Trademark Office) for [detecting phishing attacks](#).

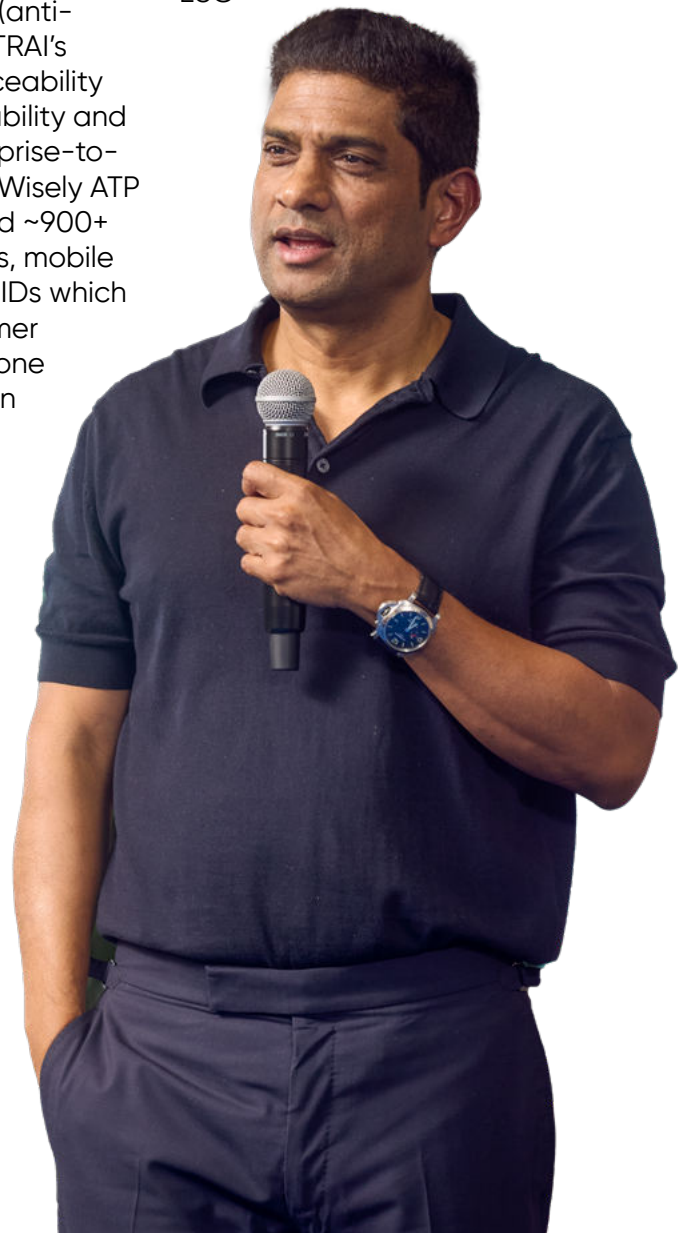
We foster innovation and continuously explore anti-spam and anti-scam solutions to address the evolving needs of the digital economy. For example, Trubloq (anti-spam) responded to TRAI's mandate for SMS traceability by ensuring accountability and transparency in enterprise-to-user communication. Wisely ATP (anti-scam) eliminated ~900+ entities including URLs, mobile numbers, and sender IDs which helped reduce customer complaints by 9% for one of the leading banks in India.

D. Financials

We continue to gain market share in a highly price-sensitive environment. While Q3 revenue growth was soft, we sustained gross margins at current levels. We are making strategic investments focused on building world-class talent to drive growth and innovation, which are impacting profitability for short-term. However, our

profitability metrics remain industry leading. Our balance sheet remains strong, with a cash balance of ₹9,208 Mn and zero debt, and it continues to generate robust free cash flows (₹2,165 Mn, 183% of PAT).

In line with our capital allocation philosophy, we have declared an interim dividend of ₹6 per share (~₹7 billion has been returned to shareholders over the past 5 years through buyback and dividends). On the ESG



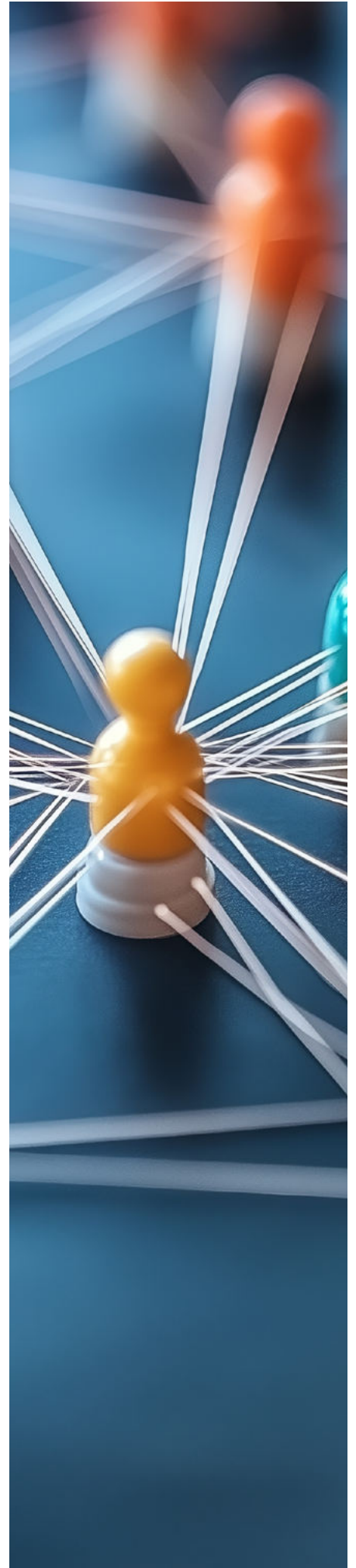
front, [our S&P Global ESG score](#) for 2024 is 74, placing us in the top 99 percentile of all companies in our industry segment.

I am excited to welcome Naiyya Saggi to our board who brings in expertise in scaling consumer-first businesses who will guide our global expansion.

In summary, it excites me that investments in talent, platforms, and partnerships are now creating multiple threads of opportunities which will continue to drive growth and differentiation. I thank you all for your support and encouragement."

Udar Reddy

Founder Chairman & CEO



Tanla Talks

Rich Communication Services (RCS) is disrupting the way businesses connect with their customers, offering richer, more interactive, and meaningful communication experiences. We are empowering a billion users to engage with businesses through multimedia messages, actionable buttons, and chatbots, all within their native messaging apps.



Developing RCS as a transformative technology is both an exciting challenge and a unique opportunity. Its potential to scale and reach billions highlights how innovation can redefine communication. Working on this inspires a deeper understanding of how technology evolves to connect and enrich lives worldwide.

Debabrata Subudhiray

Associate Director – Products



Our RCS platform is powered by Messaging-as-a-Platform (MaaP), making it easier for telecom operators to onboard enterprises and enabling seamless access to advanced RCS capabilities. With automated, smart registration processes, we ensure businesses are verified

quickly and securely, while guarding against fraud and scams. RCS is about more than just richer communication—it's about ensuring safe, spam-free interactions, combining our cutting-edge AI capabilities with the power of RCS to foster trust and increase engagement.

What makes Tanla's RCS offering unique?

It's our AI-first approach. Our RCS platform stands out because of its magical blend of security, automation, and user-focused innovation. Intelligent algorithms continuously monitor communications to prevent suspicious or spammy content from reaching users. Beyond security, we focus on results, offering insights like content quality scores to help businesses create relevant, impactful messages that truly connect with their audience. This results in better experiences for users and improved conversions for enterprises.

RCS transforms communication by enabling users to complete entire journeys—whether discovering products or making purchases—without leaving their messaging app. It's a streamlined experience that not only enhances user convenience but also delivers measurable business outcomes.

What inspires and drives you on your journey to RCS success?

It is exciting how mutable and disruptive RCS is, rapidly evolving and offering vast

opportunities for innovation and growth. The response in India has been incredible— we delivered **1 billion messages in a month**, demonstrating the channel's appeal to both users and enterprises.

It's not just about sending messages; it's about creating trusted, interactive, and engaging experiences that benefit everyone—users, businesses, and telecom operators. Winning **Google's Growth Partner of the Year 2024** proves our commitment to pushing boundaries and transforming communication. We are passionate about using RCS to build a more connected world, where users feel safe, businesses unlock new opportunities, and telcos maintain their credibility.



Achieving a record-breaking rollout for the RCS platform and earning the prestigious title of Google's Growth Partner of the Year highlights the transformative impact of rich messaging. These milestones further cement Tanla's leadership and innovation in the RCS space.

Amar Reddy Chilukuri

Senior Director of Engineering



Case Study

Empowering Customer Loyalty Through a Transformative WhatsApp Campaign for an Energy Giant



Problem Statement

India's leading downstream energy company, with one of the largest refineries and over 6,000 fuel stations, needed an innovative way to revitalize its loyalty program. Following a major acquisition and rebranding, the challenge was to make customer engagement interactive and personalized while simplifying loyalty point redemption, improving data collection, and driving participation through an accessible platform.



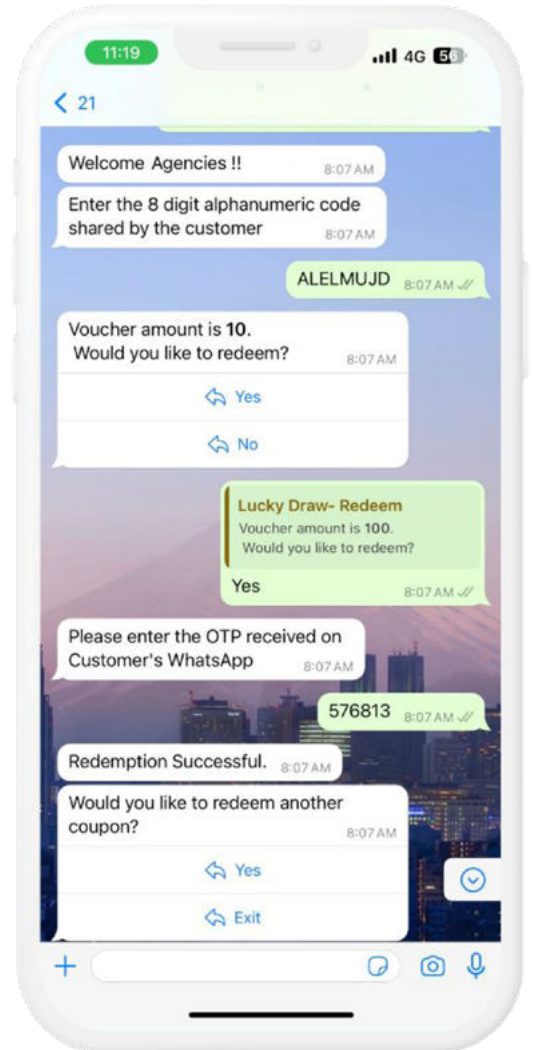
Value Proposition

A WhatsApp-based loyalty campaign leveraged the platform's widespread popularity, offering customers a seamless, user-friendly chatbot experience. This approach enhanced engagement, simplified interactions, and provided a scalable, real-time solution to improve customer satisfaction and loyalty.



Solution

Tanla launched an interactive WhatsApp chatbot campaign using the WhatsApp Business API and Surbo chatbot. Customers engaged via a missed call, received a WhatsApp prompt to upload fuel receipts, and shared basic details. OCR processed receipt data to generate coupon codes, while QR codes enabled instant voucher redemption. With over 1 million participants, 5 million+ interactions, and enhanced loyalty across 1,500+ fuel stations, the campaign was a resounding success.



Partnering for this WhatsApp loyalty campaign has been transformative. Achieving over a million participants in just one month underscores the power of this innovative solution.

Chief Marketing Officer, Leading Energy Company



Management Discussion

Q1 Please provide an overview of Q3 performance?

Revenues for the quarter was at ₹ 10,004 Mn. From a channel perspective, OTT continued to show strong momentum, contributing 22.8% to overall revenue in Q3 FY25, compared to 14.8% in Q3FY24. We continue to see a volume uptick in Domestic SMS; however, it is price sensitive. ILD business continues to be soft.

Gross profit de-grew by 0.4% QoQ to ₹ 2,607 Mn in Q3FY25, impacted by softness in the ILD business.

On the profitability front, EBITDA de-grew by 6.8% QoQ to ₹ 1,634 Mn in Q3 FY25. On a sequential basis the decrease is primarily due to forex losses driven by the sharp depreciation of the EURO, alongside increased investments in talent acquisition and growth initiatives. Profit after tax decreased by 9.0% QoQ to ₹1,185 Mn, with earnings per share at ₹ 8.82. If adjusted for forex impact, PAT would be at 1,230Mn

Deep-Dive Chart

Q2 What is leading sequential growth for Digital Platforms?

In Q3, Digital Platforms revenue grew by 8.6% QoQ to ₹ 955 Mn, driven by incremental revenue from MaaP. We have delivered one billion RCS messages in a month and processed over 100 Bn+ volumes on Trubloq in Q3. We were recognized by Google as the **"RCS Growth Partner of the Year"**.

On YoY basis revenue de-grew by 0.3% YoY to ₹ 955 Mn, if normalized for loss of revenues from Vi network, YoY growth would be at 16.9%.

Gross profit grew by 1.0% YoY and 8.6% QoQ to ₹ 943 Mn in Q3Y25.

Q3 How did Enterprise Communication business perform

Revenues for the quarter was at ₹ 9,049 Mn. Newer channels like WhatsApp (38% YoY) and RCS (4X) continue to deliver growth. Domestic SMS (NLD) continues to see volume growth, however there the average price realization has come down. ILD business continues to see softness due to shift of volumes on WhatsApp which is priced 30% lower.

Gross profit de-grew by 4.9% QoQ to ₹ 1,664 Mn in Q3FY24. The gross profit was impacted due to softness in the ILD business.

Q4 We continue to see healthy additions of new customer additions. Can please elaborate on their performance.

We have implemented a highly aggressive campaign to acquire new customers across multiple segments. These new customers are scaling up well. The customers on-boarded during the trailing twelve months (TTM) have added ₹ 363 Mn in Q3. We have added 123 new logos in Q3, 50% of additions are on new channels like WhatsApp and RCS. The revenue contribution from newly acquired customers amounts to ₹ 64 Mn.

Deep-Dive Chart

Q5 Moving on, Indirect cost expenses have significantly gone up? Can you please provide some details on the same?

Indirect expenses have increased by 12.5% QoQ to ₹ 973 Mn in Q3, driven by strategic investments and onetime forex impact. Employee cost increased by ₹ 23 Mn to ₹ 566 Mn as we continue to invest in our talent across innovation and go-to-market (GTM) teams. Other expenses were impacted by a forex loss of ₹ 44 Mn in Q3, compared to a ₹ 23 Mn gain in Q2, due to a sharp depreciation of the EURO

during the quarter. Over the longer period, the cumulative impact of forex fluctuations from Q3FY24 to Q2FY25 is a gain of ₹ 11 Mn.

We participated in Indian Mobile Congress (IMC) and showcased our Wisely ATP solution. We also hosted multiple sale events for WhatsApp and RCS, aligning with our strategic priorities.

Deep-Dive Chart

Q6 Can you throw some color on Depreciation and Amortization?

Depreciation and Amortization expense increased by 4.8% QoQ to ₹ 246 Mn in Q3. We have capitalized our Messaging-as-a-Platform (MaaP) during the quarter. The cost of capitalization comprises of costs directly attributable to development including third-party consultants cost and internal employee cost associated with the development.

Deep-Dive Chart

Q7 Can you give a view on Effective tax rate (ETR)?

Profit after tax de-grew by 9.0% QoQ to ₹1,185 Mn in Q3. Effective tax rate for Q3 is at 19.2%. ETR from nine-month period is at 19.0%. The ETR decreased from the previous year is due to change in business mix. Tax contribution to the exchequer in Q3 was ₹ 2,562 Mn. These contributions include corporate income taxes and contributions by way of withholding taxes and indirect taxes such as GST in India and Singapore, VAT in UAE etc.

Deep-Dive Chart

Q8 Could you provide information on cash flows?

In Q3, we generated strong cash flow, with ₹ 2,632 Mn as cash from operations and ₹ 2,165 Mn in free cash flow- the highest in last six quarters. We experienced strong collections in Q3, resulting in an improvement in our days sales outstanding (DSO), which reduced by 8 days to 82 days.

Deep-Dive Chart

Q9 How is the cash balance looking at the end of the quarter?

The cash balance increased by ₹ 2,155 Mn to ₹ 9,208 Mn (including investments in liquid funds and fixed deposits with maturity greater than twelve months) in Q3FY25. On a quarterly basis independent confirmation is obtained by our statutory auditors for 100% of the cash balance. Restricted cash is held as margin money deposits given for bank guarantees and cash credit limits.

Deep-Dive Chart

Q10 Can you share an update on acquisition of ValueFirst International business?

The overseas entities acquisition is yet to be completed as we are awaiting regulatory approvals. As informed earlier, the management team of ValueFirst will be incentivized for performance with a RSU grant of approximately ₹ 500 Mn in ValueFirst. **Refer press release regarding ValueFirst acquisition.**

Q11 What is the latest on ESG front?

We are focused on good governance and sustainability and adhere to stipulated frameworks and standards to establish the same. S&P Global conducts an assessment of the ESG practises annually, releasing an annual ESG score for companies under various categories.

Third year in a row we have improved our S&P global score from 32 (2022) to 68 (2023) to 74/100 in 2024. We have achieved a industry max score in Human Capital Management and a near perfect score for Information Security, Cyber Security, and Privacy Protection reflecting our commitments to equity transparency and leadership in safeguarding data.

Share performance and Ownership

Tanla is listed on two national exchanges, the NSE and BSE and included in prestigious indices such as the Nifty 500, BSE 500, Nifty Digital Index, FTSE Russell and MSCI.

The Company has only one class of shares – equity shares of par value of ₹ 1/- each. The authorized share capital of the Company is 20,00,00,000 equity shares. As on Dec 31, 2024, paid-up share capital was ₹ 134.6 Mn

As of Dec 31, 2024, Company has about 2,80,102 shareholders as compared to 2,40,882 shareholders as on March 31, 2024. Promoters and employees hold 47.12% of the total equity.

Annexure- 1 Quarterly Disclosures

(In ₹ Mn, unless otherwise stated)	Three Months Ended Dec-31 (Un Audited)		Nine Months Ended Dec-31 (Un Audited)	
	Q3 FY25	Q3 FY24	9M FY25	9M FY24
Revenue from operations	10,004	10,026	30,034	29,223
Gross profit	2,607	2,699	7,919	7,874
Gross margin	26.1%	26.9%	26.4%	26.9%
EBITDA	1,634	1,928	5,274	5,718
EBITDA margin	16.3%	19.2%	17.6%	19.6%
EBITDA/ Gross profit	62.7%	71.4%	66.6%	72.6%
EBIT	1,388	1,694	4,567	5,094
EBIT margin	13.9%	16.9%	15.2%	17.4%
Interest Income	92	39	246	122
Interest yield	6.8%	4.7%	6.4%	5.0%
Profit after tax	1,185	1,401	3,899	4,181
Profit after tax margin	11.8%	14.0%	13.0%	14.3%
Free cash flow	2,165	640	3,429	2,819
Earnings per share (In ₹)	8.82	10.42	29.02	31.10
EBITDA per share (In ₹)	12.14	14.3	39.25	42.53
Cash and Cash equivalents	9,208	6,162	9,208	6,162
ROCE - (Including CCE)	24.2%	-	26.5%	35.0%
ROCE - (Excluding CCE)	34.3%	-	37.6%	51.0%
DSO days	82	77	82	79
Average number of employees	1,049	644	1,044	646

CONDENSED CONSOLIDATED INCOME STATEMENT

(In ₹ Mn, unless otherwise stated)	Three Months Ended Dec-31 (Un Audited)		Nine Months Ended Dec-31 (Un Audited)	
	Q3 FY25	Q3 FY24	9M FY25	9M FY24
Revenue from operations	10,004	10,026	30,034	29,223
Cost of services	(7,397)	(7,327)	(22,115)	(21,349)
Gross profit	2,607	2,699	7,919	7,874
Operating expenses				
Sales and Marketing	(496)	(199)	(970)	(460)
General and administrative	(477)	(572)	(1,675)	(1,696)
Total operating expenses	(973)	(771)	(2,646)	(2,156)
EBITDA	1,634	1,928	5,274	5,718
Depreciation	(246)	(234)	(707)	(624)
EBIT	1,388	1,694	4,567	5,094
Finance cost	(14)	(17)	(46)	(46)
Other income	94	51	293	167
Profit before tax	1,468	1,728	4,814	5,215
Tax expenses	(283)	(327)	(915)	(1,034)
Profit after tax	1,185	1,401	3,899	4,181
Earnings per share (In ₹)	8.82	10.42	29.02	31.10

CONDENSED CONSOLIDATED BALANCE SHEET

(In ₹ Mn, unless otherwise stated)	Dec 31, 2024 (Un Audited)	Sep 30, 2024 (Un Audited)
ASSETS		
Property, plant and equipment	2,243	2,281
Platforms	1,467	852
Customer Relationships	256	271
Brands	22	26
Non-Compete	15	17
Technology & Software	287	309
Intangible assets under development	678	1,145
Goodwill	2,646	2,646
Right-of-use-lease assets	556	590
Capital work in progress	28	16
Investment Property	17	17

Financial assets	452	416
Deferred tax assets (net)	448	405
Other non-current assets	655	435
Total non-current assets	9,770	9,426
Trade receivables	8,976	10,045
Investments	2,419	1,553
Cash and bank balances	6,535	5,267
Other Financial assets	4,614	5,126
Other current assets	328	508
Total current assets	22,872	22,499
TOTAL ASSETS	32,642	31,925

EQUITY AND LIABILITIES

(In ₹ Mn, unless otherwise stated)	Dec 31, 2024 (Un Audited)	Sep 30, 2024 (Un Audited)
EQUITY AND LIABILITIES		
Equity share capital	135	135
Other equity	22,195	20,941
Total equity	22,330	21,076
Non current liabilities		
Financial Liabilities	-	-
Borrowings	-	-
Lease liabilities	565	597
Other financial liabilities	-	-
Provisions	18	15
Other non-current liabilities	11	8
Total Non Current Liabilities	594	620
Current liabilities		
Trade payables	6,192	6,239
Lease liabilities	104	99
Other financial liabilities	2,668	3,146
Other current liabilities	348	341
Short term provisions	83	83
Liabilities for current tax (net)	323	321
Total Current liabilities	9,718	10,228
TOTAL EQUITY AND LIABILITIES	32,642	31,925

CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

(In ₹ Mn, unless otherwise stated)	Share capital	Reserves	Retained earnings	Other contributions	Total
Opening balance 01 April 2023	134	2,502	12,165	374	15,175
Profit for the period			5,483		5,483
Other comprehensive income				22	22
Issue of equity shares		66			66
Shares bought back					
Dividend declared			(1,344)		(1,344)
Others		17			17
Closing balance 31 March 2024	134	2,584	16,303	396	19,418
Opening balance 01 April 2024	134	2,584	16,303	396	19,417
Profit for the period			3,899		3,899
Other comprehensive income				63	63
Issue of equity shares	1	(244)			(243)
Shares bought back					-
Dividend declared			(806)		(806)
Others					-
Closing balance 31 Dec 2024	135	2,340	19,396	459	22,330

CONDENSED STATEMENT OF CASH FLOWS (Un-Audited)

(In ₹ Mn, unless otherwise stated)	Q3 FY25	Q3 FY24	9M FY25	9M FY24
Cash flow before changes in working capital	1,711	1,945	5,373	5,879
Changes in working capital	1,240	(677)	(517)	(1,125)
Cash generated from operations	2,951	1,268	4,856	4,754
Taxes	(319)	(186)	(437)	(776)
Cash flow from operating activities	2,632	1,082	4,419	3,978
Net investments in tangible and intangible assets	(467)	(442)	(989)	(1,159)
Purchase/(Sale) of Investments in Subsidiary/associate	-	-	-	(3,737)
Purchase/(Sale) of Investments in Short-term Liquid Funds	(865)	-	(2,419)	-
Interest and other income received	92	45	235	145
Movement in bank balances	(21)	-	(116)	-
Cash flow from investing activities	(1,261)	(398)	(3,289)	(4,752)
Issue of shares	(15)	-	(300)	-
Buyback of shares	-	-	-	-
Dividend paid during the year	-	-	(807)	(538)
Payment and Interest paid on lease liabilities	(43)	(3)	(127)	(124)
Borrowings	-	-	-	-
Cash flow from financing activities	(58)	(3)	(1,234)	(661)
Cash flow for the period	1,313	681	(104)	(1,435)
Cash, cash equivalents at the beginning of period	7,053	5,450	6,671	7,116
Forex Fluctuations	(44)	31	(32)	(24)
Cash Acquired on ValueFirst Acquisition	-	-	-	506
Cash and cash equivalent	8,322	6,162	6,535	6,163
Fixed deposits having maturity greater than 12 months	21	-	254	-
Investments in liquid assets	865	-	2,419	-
Cash, cash equivalents closing balance	9,208	6,162	9,208	6,162

Annexure- 2 Quarterly Trends

Key financial ratios	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
Revenue growth	(1.7%)	(2.3%)	13.9%	18.5%	15.3%	20.6%	10.0%	(0.8%)	(0.2%)
Gross margin %	24.9%	27.5%	26.5%	27.4%	26.9%	26.7%	26.9%	26.2%	26.1%
EBITDA margin %	17.4%	20.0%	20.0%	19.5%	19.2%	16.0%	18.8%	17.5%	16.3%
Adjusted EBITDA %	17.4%	20.0%	20.0%	19.5%	19.2%	18.7%	18.8%	17.5%	16.3%
EBIT margin %	16.0%	18.2%	18.2%	17.3%	16.9%	13.7%	16.5%	15.2%	13.9%
Adjusted EBIT margin %	16.0%	18.6%	18.2%	17.3%	16.9%	16.4%	16.5%	15.2%	13.9%
Profit after tax margin %	13.4%	14.4%	14.9%	14.1%	14.0%	13.0%	14.1%	13.0%	11.8%
Adjusted Profit after tax margin %	13.4%	14.8%	14.9%	14.1%	14.0%	13.5%	14.1%	13.0%	11.8%
Free cash flow	(867)	1,472	869	1,310	640	1,492	744	520	2,165
Day sales outstanding	67	62	67	75	77	76	83	90	82
ROCE (Including CCE)	31.2%	34.0%	38.4%	38.5%	34.7%	32.5%	31.0%	28.0%	24.2%
ROCE (excluding CCE)	57.8%	61.4%	71.8%	55.0%	50.8%	49.6%	46.8%	41.5%	34.3%

Revenue (In ₹ Mn)	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
Platform	782	815	879	953	958	900	868	880	955
Enterprise	7,914	7,520	8,232	9,133	9,068	9,155	9,154	9,127	9,049
Total	8,696	8,335	9,111	10,086	10,026	10,055	10,022	10,007	10,004

Gross profit (In ₹ Mn)	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
Platform	751	781	851	931	934	884	856	868	943
Enterprise	1,418	1,508	1,562	1,831	1,765	1,802	1,838	1,750	1,664
Total	2,169	2,289	2,413	2,762	2,699	2,686	2,694	2,618	2,607

Gross margin	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
Platform	96.0%	95.9%	96.8%	97.7%	97.5%	98.2%	98.7%	98.7%	98.7%
Enterprise	17.9%	20.1%	19.0%	20.0%	19.5%	19.7%	20.1%	19.2%	18.4%
Total	24.9%	27.5%	26.5%	27.4%	26.9%	26.7%	26.9%	26.2%	26.1%

EBITDA (In ₹ Mn)	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
EBITDA	1,513	1,661	1,822	1,968	1,928	1,604	1,886	1,754	1,634
EBITDA margin	17.4%	19.9%	20.0%	19.5%	19.2%	16.0%	18.8%	17.5%	16.3%

EBITDA/Gross profit	69.8%	72.6%	75.5%	71.2%	71.4%	59.7%	70.0%	67.0%	62.7%
EBITDA/per share	11.2	12.4	13.6	20.5	14.3	14.0	14.0	13.1	12.2
Adjusted EBITDA	1,513	1,699	1,822	1,968	1,928	1,877	1,886	1,754	1,634
Adjusted EBITDAMargin	17.4%	20.4%	20.0%	19.5%	19.2%	18.7%	18.8%	17.5%	16.3%

Profit/(loss) after tax (In ₹ Mn)	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
Profit/(loss) after tax	1,165	1,203	1,354	1,425	1,401	1,302	1,412	1,302	1,185
Profit after tax margin	13.4%	14.4%	14.9%	14.1%	14.0%	13.0%	14.1%	13.0%	11.8%

Earnings per share (In ₹)	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
Basic earnings per share	8.58	8.88	10.07	10.60	10.42	9.69	10.50	9.70	8.82

Free cash flow (In ₹ Mn)	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25
Free cash flow	(867)	1,472	869	1,310	640	1,492	744	520	2,165

RSUs	No of RSUs
Opening Balance Oct 1, 2024	1,03,211
RSU's granted	-
RSU's exercised	(50,000)
RSU's Lapsed/cancelled/added back to Pool	-
Balance as on Dec 31, 2024	53,211

RSUs vested yet to be exercised	No of RSUs
RSU vested yet to be exercised as on October 1, 2024	-
FY 24-25	-
FY 25-26	40,711
FY 26-27	12,500
Balance as on Dec 31, 2024	53,211

Key Policies

Basis for preparation of financial statements

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under Section 133 of the Companies Act, 2013 (the "Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 as amended, issued by Ministry of Corporate Affairs ("MCA"). Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Revenue recognition

Revenues are derived from our Enterprise and Platform business. Revenues from Enterprises are computed based on total transactions processed through our platforms at an agreed price per transaction. Platform revenues are computed by way of revenue share measured as a rate applicable to transaction processed on mobile carrier's network. Revenue is recognized upon provision of service to customers that reflects the consideration we expect to receive in exchange for those service.

Depreciation and Amortization

Fixed assets including IT assets are depreciated over their estimated useful lives using the straight-line method. Intangible assets created at time of acquisition based on purchase price allocation methodology. Intangible assets are amortised over their estimated useful lives using the straight-line method. Right-of-use asset represents leased assets (leased office space) and is depreciated over their useful life.

Capitalization of Platform cost: Research and development cost are aimed at developing new and innovative products, expanding features for our existing platforms and products. Development cost comprises of third-party product development and other direct related cost associated with it. Development cost incurred are capitalized on product go-live.

Provision for bad and doubtful debts

The provision for bad and doubtful debt policy is a norm-based policy approved by the Audit Committee Debtors are assessed at end of each reporting period and provided for based on the policy, 50%- debtor aged between 180-270 days and 100% for greater than 270 days for Enterprise customers and 100% for greater than 365 days for PSU and government. Provisions created shall be higher of Expected Credit Loss (ECL) or provision determined by the policy.

Investment policy

Investments can be in form of liquid funds- fixed deposits/term deposits with banks, housing finance companies and saving scheme/securities/ bonds issued by the central government which is approved by the Audit Committee. Investments are mainly in Fixed deposits with banks and housing finance companies having a credit rating of "AAA". Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

Dividend policy

The dividend policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining funds for longer term sustainable growth of the Company. The Company would maintain a total dividend pay-out of 30% of the annual Consolidated Profits after Tax (PAT) of the Company. PAT means Profit after tax as per the audited consolidated P&L financials and available as distributable surplus to the shareholders.

Governance policies

Code of Conduct:	Tanla is committed to follow the best business, commercial and legal practices. The Code of Conduct is intended to guide the Board in implementation of the code. The code is applicable to all employees of Tanla including the Directors of Tanla and its subsidiaries.
Supplier code of conduct:	We believe in conducting business with ethics and integrity, treating all people with dignity and respect, supporting our communities, and honoring the laws & regulations of the countries in which we operate. We will endeavor to choose reputable business partners who conduct their business in a manner that shows high ethical standards, safe and healthy work environments, protection of human rights and dignity, protection of environment and compliance with the law. The SCoC outlines our expectations regarding the workplace standards and the business practices of our suppliers and those in their supply chain.
Whistle Blower Policy:	This policy is formulated with a view to provide a mechanism for employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the company's code of conduct.
Code for Insider Trading:	<p>The Code prescribes the Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of the Company.</p> <p>The trading window shall be closed from 1st of month of every quarter till 48 hours after the declaration of the financial results. The Trading window will be closed from 1st March, 1st June, 1st December, 1st December until 48 hours after the declaration of financial results of the Company for the respective quarter.</p>
Risk Management policy:	The Company is affected by general economic, financial, and regulatory developments at the domestic and international level. We have in place a structure, procedures, and control systems to detect & identify risks and implement appropriate measures to mitigate and prevent them.
Related Party Transaction Policy:	Related party transactions are subject to the Audit Committee's approval. As required by the applicable Regulations, all related party transactions are reported on a half-yearly basis to the Stock Exchanges. Our related party transactions are limited to inter-company transactions.
Environmental policy	We endeavour to reduce the impact of our operations and business activities on the environment while influencing the people in our value chain as well as our social interactions to follow the path of environmentally sustainable living.

Definitions

Platform business	Platform business refers to revenue generated from “Platform as a service offering”, where only cloud and hosting are a charge on revenue.
Enterprise business	Enterprise business refers to revenue generated based on total transactions processed at an agreed price per transaction, through multiple channels like SMS, emails, WhatsApp and others. Cost of services for enterprise business mainly consist of transaction fee paid to mobile carriers and other suppliers.
Gross profit	Revenue less cost of services. Cost of services comprises of service transaction fee paid to mobile carriers and other suppliers.
Gross margin	The gross margin reflects percentage of revenue less cost of services.
Sales and marketing expense	Sales and marketing expenses comprise of employee cost and expenses directly associated with sales, marketing, and promotional activities.
General and administrative expense	General and administration expenses comprise of employee cost (excluding the salary forming part of S&M), cloud and data center hosting charges, and expenses incurred for day-to-day operations such as rent of facilities, office maintenance, professional fee, and other general expenses.
EBITDA	Earnings before interest, taxes, depreciation, and amortization reflects profit derived based on revenue less of operating expenses. It is reflection of profitability of operating business.
Adjusted EBITDA	Adjusted EBITDA excludes one-time expenses such as one time acquisition, buy back, ESPS and other event related costs.
EBIT	Revenues – Cost of sales (where applicable) – indirect cost (includes platform operational cost, people cost and overheads, SG&A) – depreciation – allocated corporate costs.
Operating cash flow	Operating cash flow is a measure of amount of cash generated from business operations.
Free cash flow	Free cash flow is derived by reducing capital expenditure from operating cash flow. It measures how much cash is at disposal after covering cost associated with business operations.
Return on capital employed (ROCE)	ROCE including CCE: EBIT divided by capital employed. Capital employed is derived by reducing current liabilities from total assets. ROCE excluding CCE: EBIT divided by capital employed. Cash and cash equivalents (CCE) are not considered while computing capital employed.
Rule of 60	Rule of 60 metric is used to measure performance of SaaS companies. This metric which is a summation of Revenue growth and EBIT margin is expected to be at or above 60%. We are tracking this metric only for Digital Platforms.
New customer	New customers include every unique new contracting entity added in the year.

About Tanla:

Founded in 1999, Tanla Platforms Limited has revolutionized digital interactions by empowering users and enabling enterprises through its innovation-led SaaS business. With a unique enterprise and user-centric approach, Tanla has emerged as a leader in the CPaaS industry dominating data security, privacy, spam, and scam protection. Headquartered in Hyderabad (India), Tanla is the preferred partner for over 2,000 enterprises across various industries, including global tech giants like Google, Meta, and Truecaller. Tanla is recognized as a 'Visionary' in the 2024 Gartner® Magic Quadrant™ for CPaaS and is ranked among the "1000 High-Growth Companies in Asia Pacific" by the Financial Times. Tanla is publicly traded on the NSE and BSE (NSE: TANLA; BSE: 532790) and is included in prestigious indices such as the Nifty 500, BSE 500, Nifty Digital Index, FTSE Russell, and MSCI.

Guidance

Tanla does not provide any guidance.

ESG

The purpose of our ESG is to build solutions & services which offer security & transparency, earning the trust of customers, investors and governments while acting responsibly towards employees and communities. We envision in building a resilient organisation that engages with the customers, suppliers, and employees to provide an unparalleled global communications platform

Board of Directors

Mr. Uday Reddy
Founder Chairman & CEO

Mr. Deepak Goyal
Executive Director

Mr. Sanjay Kapoor
Non-Executive Director

Mr. Rahul Khanna
Independent Director
Chief Investment officer
Habrok Capital Management LLP

Dr. RS Sharma
Independent Director
Ex TRAI Chairman

Mr. François Ortalo-Magné
Independent Director
Executive Dean - London Business
School

Ms. Naiyya Saggi
Independent Director

Auditors

Statutory Auditor
M/s. MSKA & Associates
Ananthakrishnan Govindan - Partner

Internal Auditor
Deloitte Touche Tohmatsu
India LLP Vishal Shah - Partner

while being steadfast to ethics and integrity that result in a better future and a committed triple bottom line of People Planet and Profit.

Forward-looking statements

This document might contain statements that are forward looking in nature. All statements other than statements of historical fact could be deemed as forward-looking in nature. Such statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. By receiving this document, you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business.

Certification

The CEO and CFO certify that financial results do not contain any false or misleading statements or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

Headquarters

Tanla Technology Centre,
Hi-Tech City Road, Madhapur,
Hyderabad – 500 081,
Telangana, India.
CIN: L72200TG1995PLC021262
www.tanla.com

Q1

Deep-Dive Chart – Key Metrics

(In ₹ Mn, unless otherwise stated)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Revenues					
Digital Platforms	958	900	868	880	955
Enterprise Communications	9,068	9,155	9,154	9,127	9,049
Total revenues	10,026	10,055	10,022	10,007	10,004
YoY % change	15.3%	20.6%	10.0%	(0.8%)	(0.2%)
Gross Profit					
Digital Platforms	934	884	855	868	943
Enterprise Communications	1,765	1,802	1,839	1,750	1,663
Total Gross profit	2,699	2,686	2,694	2,618	2,607
YoY % change	24.5%	17.3%	11.7%	(5.2%)	(3.4%)
Adjusted EBIT					
Digital Platforms	701	633	580	601	587
Enterprise Communications	993	1,016	1,078	919	801
Total EBIT	1,694	1,649	1,658	1,520	1,388

Q4

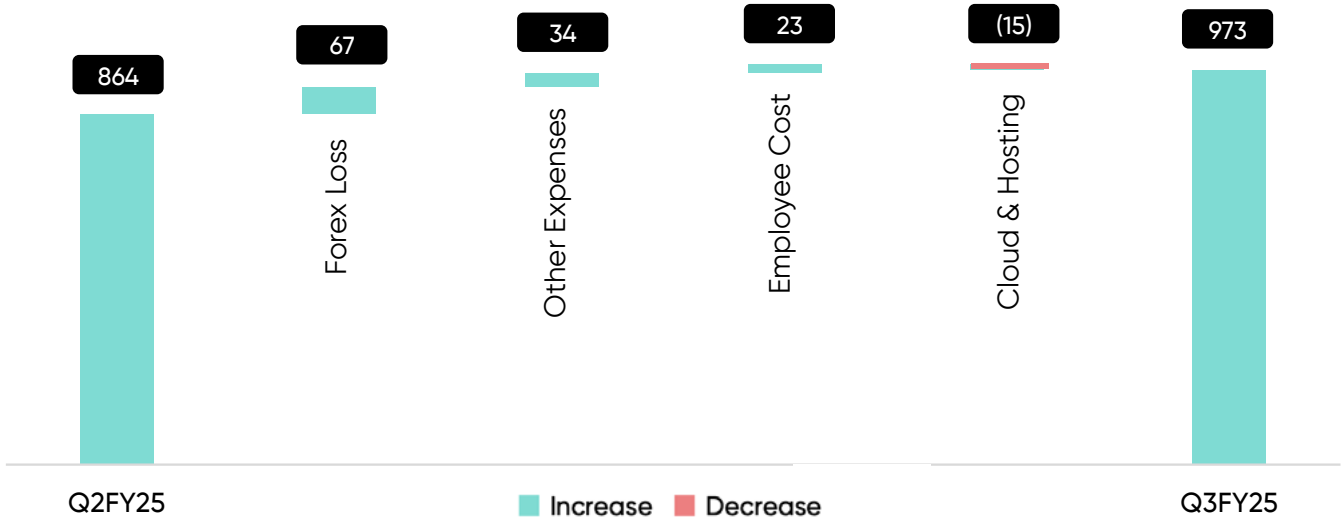
Deep-Dive Chart – Customer Segmentation

Customer segment (In ₹ Mn)	Q3FY25		Q2FY25		Q3FY24		Change in Count	Change in revenue
	Count	Revenue	Count	Revenue	Count	Revenue		
>500Mn	16	3,799	18	4,150	17	3,889	(11.1%)	(8.5%)
>100Mn - < 500Mn	59	3,245	64	3,346	64	3,724	(7.8%)	(3.0%)
>10Mn- < 100Mn	250	2,177	251	2,028	254	2,051	(0.4%)	7.3%
Total	325	9,221	333	9,524	335	9,664	(2.4%)	(3.2%)

Q5

Deep-Dive Chart - Indirect Cost Movement

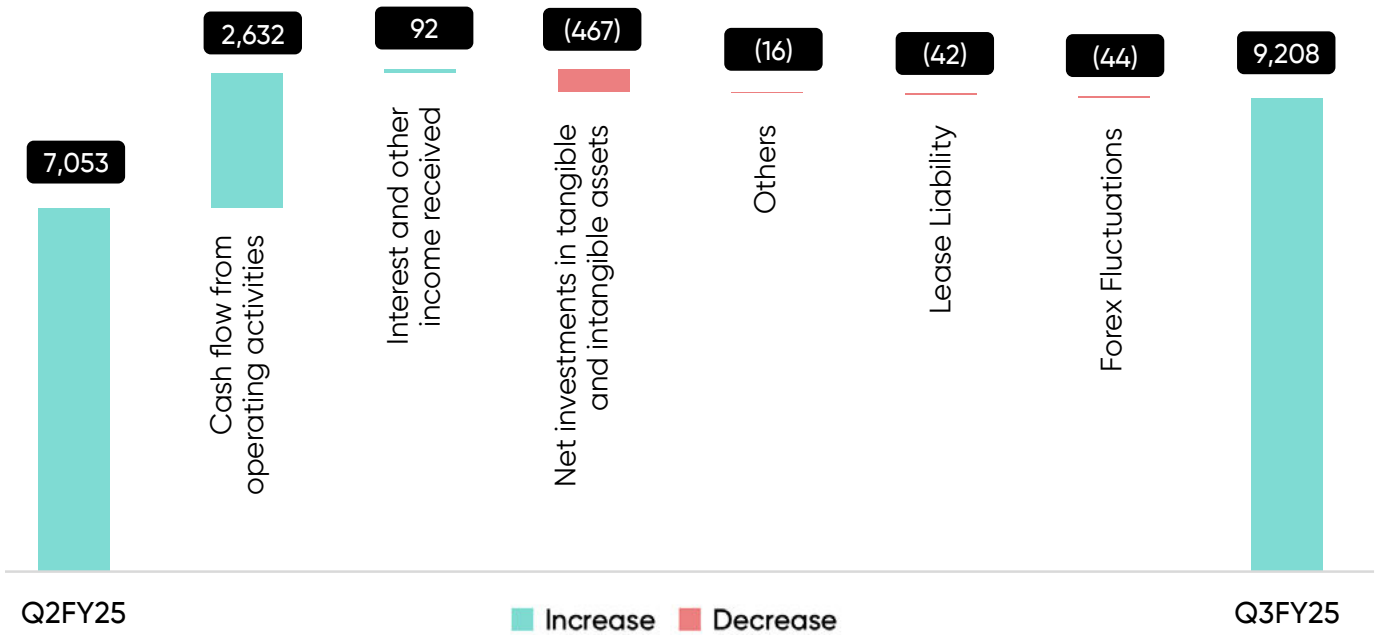
(In ₹ Mn, unless otherwise stated)



Q9

Deep-Dive Chart - Cash Flow Movement

(In ₹ Mn, unless otherwise stated)



Q6

Deep-Dive Chart – Depreciation and Amortization

(In ₹ Mn, unless otherwise stated)	Q3 FY25	Q3 FY24	9M FY25	9M FY24
Amortisation on Platforms	70	63	198	164
Amortisation on Customer Relationship	15	71	52	125
Amortisation on Trade Name	4	10	11	10
Amortisation on Technology	8	17	25	17
Amortisation on Non-compete	1	4	4	4
Amortisation on Software	13	4	37	6
Depreciation on tangible assets & right of use assets	135	65	380	298
Total Depreciation & amortisation	246	234	707	624

Q7

Deep-Dive Chart – ETR Statement

(In ₹ Mn, unless otherwise stated)	Q3 FY25	Q3 FY24	9M FY25	9M FY24
Profit before tax	1,468	1,728	4,814	5,215
Tax expense	(283)	(327)	(914)	(1,034)
Profit after tax	1,185	1,401	3,899	4,181
Effective tax rate	19.2%	18.9%	19.0%	19.8%

(In ₹ Mn, unless otherwise stated)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Cash					
Restricted cash	593	538	568	568	563
Current accounts- ₹	141	122	248	1,669	2,739
Current accounts- USD	638	948	1,154	515	417
Investments					
Fixed deposits	4,790	5,202	5,602	4,301	5,489
Cash and cash equivalents (CCE)	6,162	6,810	7,572	7,053	9,208

Restricted cash is held as margin money deposits given for bank guarantees and cash credit limits. Below table shows cash balance by investment category.

(In ₹ Mn, unless otherwise stated)	Current accounts- ₹	Current ac- counts-USD	Fixed deposits	Restricted cash	Total
HDFC Bank	296	27	3,952	530	4,805
Liquid Funds	2,419	-	-	-	2,419
State Bank of India	2	-	306	-	308
Axis Bank	5	-	218	1	224
ICICI BANK	1	-	237	-	238
Kotak Mahindra Bank	1	-	275	-	276
Citibank (Dubai)	-	319	-	-	319
DBS Bank (Singapore)	-	71	468	32	571
Others (IDBI)	16	-	32	-	48
Total	2,739	417	5,489	563	9,208



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