



Tanla Solutions Limited
Tanla Technology Center
Hi-tech city Road, Madhapur,
Hyderabad, India - 500081
CIN: L72200TG1995PLC021262

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May 02, 2019

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
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Dear Madam/Sir,

Sub: Financial Results for the year ended March 31, 2019 and Recommendation of a Final Dividend.

We enclose the audited financial results of the Company and audited consolidated financial results of the Company and its associate & subsidiaries for the year ended March 31, 2019 under Ind AS (“the Statement”), which have been approved and taken on record at a meeting of the Board of Directors of the Company held today.

We would like to state that M/s. M.N. Rao and Associates, statutory auditors of the Company, have issued audit reports with unmodified opinion on the Statement.

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

1. Statement of Audited Financial Results for the quarter & year ended on March 31, 2019 as approved by the Board of Directors at its meeting held today. The meeting commenced at 12:00 Noon and concluded at 01:50 P.M.
2. Audit Report for Audited Financial Results (Consolidated & Standalone) for the quarter & year ended March 31, 2019 from our Statutory Auditors, M/s. M.N. Rao and Associates, Chartered Accountants, Hyderabad.
3. The Board of Directors have recommended a Final Dividend of Rs. 0.35/- per equity share of Rs.1/- each (35% of the paid-up share capital of the Company) for the Financial Year 2018-19, subject to the approval of Shareholders in their ensuing Annual General Meeting.

Request you to take the same on record and oblige.

Yours faithfully,

For **Tanla Solutions Limited**




Seshanuradha Chava
VP - Legal & Secretarial
ACS-15519

Copy to: NSDL, CDSL and Karvy Fintech Private Limited.

TANLA SOLUTIONS LIMITED

CIN: L72200TG1995PLC021262

TANLA TECHNOLOGY CENTRE, HITECH CITY ROAD, MADHAPUR, HYDERABAD - 500081
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2019



₹ in Lakhs

Particulars (Refer notes below)	Consolidated Results for the					Tanla Solutions Limited				
	Quarter ended Mar 31, 2019	Quarter ended December 31, 2018	Quarter ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018	Quarter ended March 31, 2019	Quarter ended December 31, 2018	Quarter ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
	Audited	Un-audited	Audited	Audited	Audited	Audited	Un-audited	Audited	Audited	Audited
1 Revenue from Operations (net)	31,794.51	28,177.61	20,792.72	100,396.47	79,161.33	26,569.91	21,369.22	17,925.78	80,940.88	69,193.52
2 Other Income	384.12	274.14	401.66	1,061.10	476.00	305.03	262.63	396.28	956.04	467.22
3 Total income (1+2)	32,178.63	28,451.74	21,194.38	101,457.57	79,637.32	26,874.94	21,631.85	18,322.06	81,896.92	69,660.75
4 Expenses										
(a) Cost of services	27,217.32	24,248.49	18,396.32	86,066.24	69,547.04	22,489.23	17,831.55	16,058.56	68,695.20	61,444.29
(b) Employee benefits expense	928.07	544.87	300.90	2,294.76	1,418.23	891.76	520.57	291.82	2,182.53	1,300.09
(c) Depreciation and amortisation expense	2,033.51	2,166.07	2,187.34	7,322.76	5,733.04	1,922.95	2,035.59	1,672.30	6,808.30	4,891.48
(d) Connectivity & related expenses	68.04	68.78	187.29	269.65	381.32	86.51	93.70	91.65	289.52	257.10
(e) Travel expenses	150.47	47.99	55.30	259.96	257.00	108.46	47.69	55.15	217.57	256.55
(f) Finance costs	-	27.38	-	32.34	-	41.46	105.85	-	295.45	69.24
(g) Other expenses	602.18	473.56	270.21	1,833.49	1,038.86	505.33	298.39	244.57	1,444.56	804.49
Total expenses	30,999.58	27,577.14	21,397.36	98,079.20	78,375.49	26,045.70	20,933.33	18,414.05	79,933.15	69,023.24
5 Profit before non-controlling interest/share in net profit/(loss) of associate	1,179.04	874.61	(202.98)	3,378.37	1,261.83	829.24	698.52	(91.99)	1,963.77	637.51
6 Share in net profit/(loss) of associate	(30.96)	-	-	(30.96)	-	-	-	-	-	-
7 Profit before tax	1,148.08	874.61	(202.98)	3,347.41	1,261.83	829.24	698.52	(91.99)	1,963.77	637.51
8 Tax Expense										
- Current tax	199.42	183.44	50.43	490.00	236.49	166.62	155.58	(6.64)	411.10	149.04
- Mat credit entitlement	(113.19)	(183.44)	(10.53)	(403.78)	(161.04)	(166.62)	(155.58)	1.47	(411.10)	(149.04)
- Deferred Tax	88.50	(122.64)	278.65	279.08	(724.41)	106.01	(121.02)	353.32	256.20	(671.71)
9 Profit / (Loss) for the period (5-6) Attributable to	973.36	997.25	(521.53)	2,982.10	1,910.79	723.22	819.54	(440.14)	1,707.58	1,309.22
Shareholders of the Company	973.36	997.25	(521.53)	2,982.10	1,910.79	723.22	819.54	(440.14)	1,707.58	1,309.22
Non controlling Interest	-	-	-	-	-	-	-	-	-	-
10 Other Comprehensive Income	40.15	20.27	223.65	119.57	227.77	436.07	0.91	30.54	433.87	34.66
Total Comprehensive Income (7+8) Attributable to	1,013.51	1,017.52	(297.88)	3,101.68	2,138.56	1,159.30	820.44	(409.60)	2,141.45	1,343.87
8 Shareholders of the Company	1,013.51	1,017.52	(297.88)	3,101.68	2,138.56	1,159.30	820.44	(409.60)	2,141.45	1,343.87
9 Non controlling Interest	-	-	-	-	-	-	-	-	-	-
10 Paid-up Equity Share Capital (face Value of ₹ 1 each)	1,156.27	1,127.22	1,124.22	1,156.27	1,124.22	1,156.27	1,127.22	1,124.22	1,156.27	1,124.22
11 Total reserves	-	-	-	72,143.77	67,640.53	-	-	-	68,815.27	65,272.27
12 Earnings per share (of ₹ 1 each)										
(a) Basic	0.84	0.88	(0.46)	2.58	1.70	0.63	0.73	(0.39)	1.48	1.16
(b) Diluted	0.84	0.88	(0.46)	2.58	1.70	0.63	0.73	(0.39)	1.48	1.16



2. Segment Reporting (Consolidated) :

₹ in Lakhs

Sl. No.	Particulars	Consolidated Results for the				
		Quarter ended			Year ended	
		31-Mar-19 Audited	31-Dec-18 Un-audited	31-Mar-18 Audited	31-Mar-19 Audited	31-Mar-18 Audited
1	Segment Revenue					
	(a) Cloud Communication Services	31,794.51	28,177.61	19,832.82	100,396.47	76,301.43
	(b) Property Development	-	-	959.90	-	2,859.90
	Total Sales/Income from Operations	31,794.51	28,177.61	20,792.72	100,396.47	79,161.33
	Less: Inter Segment Revenue	-	-	-	-	-
	Net Sales/Income from operations	31,794.51	28,177.61	20,792.72	100,396.47	79,161.33
2	Segment Results - Profit(+)/Loss(-) before other income and tax					
	(a) Cloud Communication Services	794.93	600.47	(222.22)	2,317.28	201.74
	(b) Property Development	-	-	19.24	-	584.09
	Total Segment Results - Profit(+)/Loss(-) before other income and tax	794.93	600.47	(202.98)	2,317.28	785.83
	Less: Other Unallocable Income	(384.12)	(274.14)	(401.66)	(1,061.10)	(476.00)
	Add: Share in net profit/(loss) of associate	(30.96)	-	-	(30.96)	-
	Profit before Tax	1,148.08	874.61	198.68	3,347.41	1,261.83
3	Segment Assets:					
	(a) Cloud Communication Services	111,408.36	98,562.27	89,968.09	111,408.36	89,968.09
	(b) Property Development	-	220.00	1,978.05	-	1,978.05
	Total Segment Assets	111,408.36	98,782.27	91,946.14	111,408.36	91,946.14
	Segment Liabilities:					
	(a) Cloud Communication Services	39,231.46	28,683.89	24,578.72	39,231.46	24,578.72
	(b) Property Development	-	-	54.77	-	54.77
	Total Segment Liabilities	39,231.46	28,683.89	24,633.49	39,231.46	24,633.49

Notes:

- The above audited financial results for the quarter and year ended March 31, 2019 have been audited by the Statutory Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 02, 2019. The statutory auditors have expressed an unmodified audit opinion on these results.
- The Board of Directors at its meeting held on May 02, 2019, has recommended a final dividend of ₹ 0.35 per equity share
- On April 10, 2019, Tanla Solutions Limited acquired 100% equity shares of Karix Mobile Pvt Ltd (a leading mobile engagement and communication provider) and its wholly owned subsidiary Unicel Technologies Pvt Ltd; for a total consideration of ₹ 340 Crore from Banyan Investments Limited, a wholly owned subsidiary of GSO Capital Partners L.P, a Blackstone Company
- The above audited financial results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.
- Effective April 1, 2018, the Company has adopted Ind AS 115 using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of the initial application and the comparative information is not restated in the Consolidated Statement of Profit and Loss. "The effect on adoption of the said standard was insignificant on these financial statements."
- The Audited financial results for the quarter and year ended March 31, 2019 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		
	31-March-19 Audited	31-Dec-18 Un-audited	31-March-18 Audited
Income from operations & other income	26,874.94	21,631.85	18,322.06
Profit / (Loss) before tax	829.24	698.52	(91.99)
Profit / (Loss) after tax	723.22	819.54	(440.14)



3. Statement of Assets and Liabilities

₹ in Lakhs

Particulars	Consolidated		Standalone	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	35,972.25	45,198.97	33,748.32	42,460.59
(b) Capital work-in-progress	576.13	-	576.13	-
(c) Investment in associate	169.04	-	-	-
(d) Financial assets				
(i) Investments	-	-	5,585.26	5,385.26
(e) Deferred tax assets (net)	1,123.14	1,452.09	1,060.92	1,354.91
(f) Other non-current assets	7,310.00	1,103.97	7,228.75	948.09
Total non current assets	45,150.56	47,755.04	48,199.39	50,148.86
(2) Current Assets				
(a) Financial Assets				
(i) Investments	7,376.17	-	7,376.17	-
(ii) Trade receivables	39,648.38	26,652.50	32,083.28	23,238.60
(iii) Cash and cash equivalents	15,502.49	16,544.38	13,519.67	13,601.91
(iv) Loans and advances	111.50	214.62	89.62	187.36
(b) Other current assets	4,742.40	2,231.69	4,821.12	3,316.76
Total current assets	67,380.94	45,643.19	57,889.86	40,344.63
TOTAL ASSETS	112,531.50	93,398.24	106,089.25	90,493.49
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	1,156.27	1,124.22	1,156.27	1,124.22
(b) Other equity	72,143.77	67,640.53	68,815.27	65,272.27
Total equity	73,300.03	68,764.75	69,971.54	66,396.49
(2) Non current liabilities				
(a) Financial liabilities				
(i) Borrowings	4,692.53	-	4,692.53	-
(ii) other financial liabilities	19.03	8.55	19.03	8.55
(b) Provisions	-	3.27	-	3.27
(c) Other non-current liabilities	8.85	7.85	8.85	7.85
Total Non Current Liabilities	4,720.41	19.67	4,720.41	19.67
(4) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	1,295.67	-	1,295.67	-
(ii) Trade payables	31,044.65	23,749.69	25,200.12	21,945.56
(iii) other financial liabilities	-	-	2,915.75	1,397.70
(b) Other current liabilities	1,680.73	626.98	1,574.66	584.37
(c) Provisions	-	0.66	-	0.66
(d) Liabilities for current tax (net)	490.00	236.49	411.10	149.04
Total Current liabilities	34,511.05	24,613.82	31,397.30	24,077.34
TOTAL EQUITY AND LIABILITIES	112,531.50	93,398.24	106,089.25	90,493.49

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

For and on behalf of the Board of Directors

 Hyderabad
 May 02, 2019


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




M.N. RAO & ASSOCIATES

Chartered Accountants

Auditor's Report on Quarterly and Annual Standalone Financial Results of Tanla Solutions Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of Tanla Solutions Limited

We have audited the accompanying statement of quarterly and annual standalone financial results ('the statement') of M/s. TANLA SOLUTIONS LIMITED ('The company') for the quarter and year ended 31st March, 2019 ('standalone financial results'), attached herewith being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This statement have been prepared on the basis of the annual standalone Ind AS financial statements, which are the responsibility of the company's management and approved by the board of directors. Our responsibility is to express an opinion on this statement based on our audit of such standalone Ind AS financial statements which have been prepared in accordance with the recognition and measurement principals laid down in Indian accounting standards ('Ind AS') prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

We conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountants of India generally accepted in India. Those standards require that we complied with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit involve includes examining on test basis evidence supporting the amounts disclosed as financials results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our provides a reasonable basis for our opinion.

We believe that our audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us this statement:

- (i) Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
- (ii) gives a true and fair view of the standalone net profit (financial performance including other comprehensive income) and other financial information for the quarter and year ended 31 March 2019.

For M N Rao & Associates
Chartered Accountants

Firm Registration Number: 005386S



V.V. Bhavana
(V Venkata Bhavana)

Partner

M. No.243589

Place: Hyderabad

Date: 02nd May 2019

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M.N. RAO & ASSOCIATES

Chartered Accountants

Auditor's Report on Quarterly and Annual Consolidated Financial Results of Tanla Solutions Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of Tanla Solutions Limited

We have audited the accompanying statement of quarterly and annual consolidated financial results ('the statement') of M/s. Tanla Solutions Limited ("the company"), its subsidiaries (collectively referred to as "The Group"), its associate and joint venture (Refer note A of this report) for the quarter and year ended 31st March, 2019, attached herewith being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI regulation'). Attention is drawn to the fact that the figures for last quarter ended 31 March 2019 and the corresponding quarter ended in the previous year as reported in the Statement are the balancing figures between consolidated audited figures in respect of the full financial year and the published unaudited year to date consolidated figures up to the end of third quarter of the relevant financial year. Also the figures upto the end of the third quarter have only been reviewed and not subjected to audit..

This statement have been prepared on the basis of the annual consolidated Ind AS financial statements, which are the responsibility of the company's management and approved by the board of directors. Our responsibility is to express an opinion on this statement based on our audit of such consolidated Ind AS financial statements which have been prepared in accordance with the recognition and measurement principals laid down in Indian accounting standards ('Ind AS') prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the Management. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements of the group and subsidiaries referred to in point 3 below, the statement:



Note A:

- 1) List of subsidiaries included in the statement:
 - a) Tanla Corporation Private Limited, India
 - b) Tanla Mobile Asia Pacific Pte Ltd, Singapore
 - c) Capitalsiri Investments Private Limited, India
 - 2) List of associated entities included in the statement:
 - a) Jengatron Gaming Private Limited, India
 - 3) List of Joint Ventures included in the statement:
 - a) TZ Mobile India Private Limited, India
- (i) Is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by the circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016 in this regard and
- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the group for the quarter and year ended 31st March, 2019.
- (iii) We did not audit the financial statements of the subsidiaries included in the statement, whose financial statements reflects total assets of Rs. 1,75,51,45,662/- as at 31st March 2019, total revenues of Rs 1,94,55,59,819/-, total net profits of Rs 12,74,52,799/- and the other comprehensive income of Rs. (6,45,134)/- for the year ended on the date , as considered in the statement. These financial statements results have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the statement , in so far it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

For M N Rao & Associates

Chartered Accountants

Firm Registration Number: 005386S



V.V. Bhavana

(V Venkata Bhavana)

Partner

M. No.243589

Place: Hyderabad

Date: 02nd May 2019