



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

T: +91-40-40099999  
info@tanla.com  
tanla.com

July 31, 2019

To,

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: <b>532790</b>	National Stock Exchange of India Ltd. “Exchange Plaza” Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: <b>TANLA</b>
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Dear Madam/Sir,

**Sub:** Outcome of Board Meeting - Unaudited Financial Results for the quarter ended June 30, 2019.

With reference to the notice issued on July 22, 2019, we would like to inform you that the Board of Directors of the Company at their meeting held on July 31, 2019 have *inter alia* approved the Unaudited Financial Results of the Company for the quarter ended June 30, 2019.

In terms of the above, we are enclosing herewith the following:

1. Unaudited financial results of the Company and Unaudited consolidated financial results of the Company, its subsidiaries and associate for the quarter ended June 30, 2019 under Ind AS, which have been approved and taken on record at a meeting of the Board of Directors of the Company held today.
2. Limited Review Report pursuant to Regulation 33 of the SEBI (LODR) Regulations, 2015, for Unaudited Financial Results (Consolidated & Standalone) for the quarter ended June 30, 2019 from our Statutory Auditors.
3. Appointment of Ms. Amrita Gangotra (DIN: 08333492) as Additional Director (Non-Executive & Independent) with immediate effect.

The Board Meeting commenced at 09:30 AM and concluded at 06.00 PM.

Request you to take the same on record and oblige.

Yours faithfully,

For **Tanla Solutions Limited**


Seshanuradha Chava  
VP - Legal & Secretarial  
ACS-15519

Encl.: as above

# TANLA SOLUTIONS LIMITED

CIN: L72200TG1995PLC021262

TANLA TECHNOLOGY CENTRE, HITECH CITY ROAD, MADHAPUR, HYDERABAD - 500081  
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019



₹ in Lakhs

Particulars (Refer notes below)	Consolidated Results for the				Tanla Solutions Limited - Results for the			
	Quarter ended June 30, 2019	Quarter ended March 31, 2019	Quarter ended June 30, 2018	Year ended March 31, 2019	Quarter ended June 30, 2019	Quarter ended March 31, 2019	Quarter ended June 30, 2018	Year ended March 31, 2019
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
1 Revenue from Operations (net)	39,456.01	31,794.51	18,581.16	100,396.47	27,191.87	26,569.91	15,669.05	80,940.88
2 Other Income	471.76	384.12	181.78	1,061.10	397.59	305.03	173.19	956.04
<b>3 Total income (1+2)</b>	<b>39,927.77</b>	<b>32,178.63</b>	<b>18,762.93</b>	<b>101,457.57</b>	<b>27,589.46</b>	<b>26,874.94</b>	<b>15,842.24</b>	<b>81,896.92</b>
<b>Expenses</b>								
(a) Cost of services	31,790.86	27,217.32	15,975.69	86,066.24	23,206.79	22,489.23	13,704.87	68,695.20
(b) Employee benefits expense	2,666.64	928.07	413.11	2,294.76	479.25	891.76	385.11	2,182.53
(c) Depreciation and amortisation expense	15,364.49	2,033.51	1,204.48	7,322.76	15,162.19	1,922.95	1,053.47	6,808.30
(d) Connectivity & related expenses	165.67	68.04	68.38	269.65	59.24	86.51	57.18	289.52
(e) Travel expenses	110.37	150.47	31.23	259.96	38.95	108.46	31.17	217.57
(f) Finance costs	149.55	(0.13)	-	32.34	212.99	41.46	67.20	295.45
(g) Other expenses	1,592.80	602.30	262.06	1,833.49	1,001.73	505.33	212.55	1,444.56
<b>Total expenses</b>	<b>51,840.37</b>	<b>30,999.58</b>	<b>17,954.96</b>	<b>98,079.20</b>	<b>40,161.14</b>	<b>26,045.70</b>	<b>15,511.54</b>	<b>79,933.15</b>
<b>4 Profit/(loss) before non-controlling interest/share in net profit/(loss) of associate</b>	<b>(11,912.60)</b>	<b>1,179.04</b>	<b>807.97</b>	<b>3,378.37</b>	<b>(12,571.68)</b>	<b>829.24</b>	<b>330.70</b>	<b>1,963.77</b>
5 Share in net profit/(loss) of associate	(19.21)	(30.96)	-	(30.96)	-	-	-	-
<b>6 Profit/(loss) before tax</b>	<b>(11,931.82)</b>	<b>1,148.08</b>	<b>807.97</b>	<b>3,347.41</b>	<b>(12,571.68)</b>	<b>829.24</b>	<b>330.70</b>	<b>1,963.77</b>
7 Tax Expense								
- Current tax	197.92	199.42	75.53	490.00	-	166.62	70.58	411.10
- Mat credit entitlement	(31.17)	(113.19)	(75.53)	(403.78)	-	(166.62)	(70.58)	(411.10)
- Deferred Tax	(4,528.12)	88.50	639.99	279.08	(4,124.24)	106.01	638.05	256.20
<b>8 Profit/(loss) for the period (6-7) Attributable to</b>	<b>(7,570.45)</b>	<b>973.36</b>	<b>167.98</b>	<b>2,982.10</b>	<b>(8,447.44)</b>	<b>723.22</b>	<b>(307.35)</b>	<b>1,707.58</b>
Shareholders of the Company	<b>(7,570.45)</b>	<b>973.36</b>	<b>167.98</b>	<b>2,982.10</b>	<b>(8,447.44)</b>	<b>723.22</b>	<b>(307.35)</b>	<b>1,707.58</b>
Non controlling Interest	-	-	-	-	-	-	-	-
9 Other Comprehensive Income	292.44	40.15	3.03	119.57	2.12	436.07	3.03	433.87
<b>10 Total Comprehensive Income (8+9) Attributable to</b>	<b>(7,278.01)</b>	<b>1,013.51</b>	<b>171.01</b>	<b>3,101.68</b>	<b>(8,445.31)</b>	<b>1,159.30</b>	<b>(304.32)</b>	<b>2,141.45</b>
Shareholders of the Company	(7,278.01)	1,013.51	171.01	3,101.68	(8,445.31)	1,159.30	(304.32)	2,141.45
Non controlling Interest	-	-	-	-	-	-	-	-
11 Paid-up Equity Share Capital (Face Value of ₹ 1 each)	1,403.87	1,156.27	1,124.22	1,156.27	1,403.87	1,156.27	1,124.22	1,156.27
12 Total reserves	-	-	-	<b>71,398.01</b>	-	-	-	<b>68,815.27</b>
13 Earnings per share (before extraordinary items) (of ₹ 1 each) (not annualised)								
(a) Basic	(5.39)	0.84	0.15	2.58	(6.02)	0.63	(0.27)	1.48
(b) Diluted	(5.39)	0.84	0.15	2.58	(6.02)	0.63	(0.27)	1.48



**Notes:**

1. The above Un-audited financial results for the quarter ended June 30, 2019 have been subject to a limited review by the Statutory Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 31, 2019. The statutory auditors have expressed an unmodified audit opinion on these results.
2. The above un-audited financial results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.
3. During the quarter, the following companies were acquired w.e.f., April 10, 2019:
  - a) Karix Mobile Private Limited, India (“Karix”)
  - b) Unicel Technologies Private Limited, India (“Unicel”)
 The Consolidated financial results for the quarter ended June 30, 2019 include the results of the operations of the above entities. The corresponding figures for the prior periods are not comparable.
4. The above un-audited financial results include financials of subsidiaries/joint venture/associate :
  - i. Karix Mobile Pvt Ltd., India
  - ii. Unicel Technologies Pvt Ltd., India
  - iii. Tanla Mobile Asia Pacific Pte Ltd., Singapore
  - iv. Tanla Corporation Pvt Ltd, India
  - v. Capitalsiri Investments Pvt Ltd. India
  - vii. Joint Venture - TZ Mobile Private Limited
  - vii. Associate - Jengatron Gaming India Pvt Ltd
5. Effective April 01, 2019, the Company has adopted Ind AS 116 “Leases”, applied to all the lease contracts existing on April 01, 2019 using the modified retrospective method. The adoption of the standard did not have any material impact on the financial results of the company for the quarter ended June 30, 2019.
6. As per the Telecom Commercial Communications Customer Preference Regulations (TCCCPR), 2018, voice and text communications should be provided using block chain technology. New technology and cloudification of services has resulted in a need for re-assessment of useful life of technology assets leading to additional provision of accelerated depreciation amounting to ₹ 13,315.00 lakhs
7. The Un-audited financial results for the quarter ended June 30, 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		
	30-Jun-19 Unaudited	31-Mar-19 Audited	30-Jun-18 Unaudited
Revenue from operations & other income	27,589.46	26,874.94	15,842.24
Profit / (Loss) before tax	(12,571.68)	829.24	330.70
Profit / (Loss) after tax	(8,447.44)	723.22	(307.35)

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

For and on behalf of the Board of Directors



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



Hyderabad  
July 31, 2019



# M.N. RAO & ASSOCIATES

Chartered Accountants

## Independent Auditor's Review Report on Unaudited Quarterly 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,  
M/s TANLA SOLUTIONS LIMITED

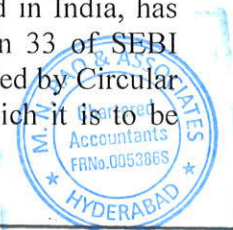
We have reviewed the accompanying statement of unaudited Consolidated financial results of **TANLA SOLUTIONS LIMITED** ('the Holding company') and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended 30th June, 2019 ('the statement'), being submitted by the holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 Dated 5<sup>th</sup> July, 2016. This statement is the responsibility of the Holding Company's Management and approved by the Board of Directors/Committee of Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 Interim financial reporting (Ind AS 34), Prescribed under section 133 of the Companies Act 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

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

The statement includes the results of the following entities:

1. Karix Mobile Pvt Ltd., India, (Wholly Owned Subsidiary)
2. Unicel Technologies Pvt Ltd., India, (Step Down Subsidiary)
3. Tanla Mobile Asia Pacific Pte Ltd., Singapore, (Wholly Owned Subsidiary)
4. Tanla Corporation Pvt Ltd, India, (Wholly Owned Subsidiary)
5. Capitalsiri Investments Pvt Ltd. India (Wholly Owned Subsidiary )
6. Jengatron Gaming India Pvt Ltd (Associate Entity)
7. TZ Mobile Private Limited (Joint Venture)

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



We did not audit the financial statements of the subsidiaries included in the consolidated financial results, whose financial statements reflects total assets of Rs. 6,98,18,69,325/- as at 30<sup>th</sup> June 2019, total revenues of Rs 3,19,79,71,191/-, total net profits of Rs 10,75,17,025/- and the other comprehensive income of Rs. 2,90,31,235/- for the quarter ended on the date , as considered in the consolidated financial results. These financial statements results have been have been furnished to us by the management and our opinion on the consolidated financial results , 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  
FRN.No.005386S



*V.V. Bhavana*

(V Venkata Bhavana)

Partner

Membership No: 243589

UDIN: 19243589AAAAAT6496

Place: Hyderabad  
Date: 31<sup>st</sup> July, 2019



# M.N. RAO & ASSOCIATES

Chartered Accountants

## Independent Auditor's Review Report on Unaudited Quarterly 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,  
M/s TANLA SOLUTIONS LIMITED

We have reviewed the accompanying statement of unaudited Standalone financial results of **TANLA SOLUTIONS LIMITED** ('the company') for the quarter ended 30<sup>th</sup> June, 2019 ('the statement'), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 Dated 5<sup>th</sup> July, 2016.

This statement which is the responsibility of the Company's Management and approved by the Board of Directors/Committee of Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 Interim financial reporting (Ind AS 34), Prescribed under section 133 of the Companies Act 2013, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

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

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

We have reviewed the financial results and other information presented in accordance with IND AS for the quarter ended 30<sup>th</sup> June, 2019 and have been presented solely on the basis of information compiled by the management.

For M. N. RAO & ASSOCIATES

Chartered Accountants

FRN.No.005386S



*V.V. Bhavana*  
(V Venkata Bhavana)

Partner

Membership No: 243589

UDIN: 19243589AAAAAS6627

Place: Hyderabad  
Date: 31<sup>st</sup> July, 2019