



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

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info@tanla.com
tanla.com

November 01, 2018.

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 Sir / Madam,

Sub: Outcome of Board Meeting - Unaudited Financial Results for the quarter & half year ended September 30, 2018.

With reference to the notice issued on October 23, 2018, we would like to inform you that the Board of Directors of the Company at their meeting held on November 01, 2018 have *inter alia* approved the Unaudited Financial Results of the Company for the quarter & half year ended September 30, 2018.

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 and its subsidiaries for the quarter & half year ended September 30, 2018 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 & half year ended September 30, 2018 from our Statutory Auditors.

The Board Meeting commenced at 11:30 AM and concluded at 03.25 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 UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018



₹ in Lakhs

Particulars (Refer notes below)	Consolidated Results for the						Tanla Solutions Limited						
	Quarter ended Sept 30, 2018	Quarter ended June 30, 2018	Quarter ended Sept 30, 2017	Half Year ended Sept 30, 2018	Half Year ended Sept 30, 2017	Year ended March 31, 2018	Quarter ended Sept 30, 2018	Quarter ended June 30, 2018	Quarter ended Sept 30, 2017	Half Year ended Sept 30, 2018	Half Year ended Sept 30, 2017	Year ended March 31, 2018	
	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited	
1	Income from Operations (net)	21,843.20	18,581.16	19,815.95	40,424.36	38,368.92	79,161.33	17,332.70	15,669.05	16,736.38	33,001.75	33,945.63	69,193.52
	Other Income	221.07	181.78	8.25	402.84	30.87	476.00	215.19	173.19	7.93	388.38	28.96	467.22
	Total income (1+2)	22,064.27	18,762.93	19,824.20	40,827.20	38,399.79	79,637.32	17,547.89	15,842.24	16,744.31	33,390.13	33,974.59	69,660.75
2	Expenses												
	(a) Cost of services	18,624.74	15,975.69	17,259.56	34,600.43	33,382.22	69,547.04	14,669.56	13,704.87	14,501.06	28,374.43	29,738.60	61,444.29
	(b) Change in inventories	-	-	-	-	-	-	-	-	-	-	-	-
	(c) Employee benefits expense	408.71	413.11	377.76	821.82	763.90	1,418.23	385.10	385.11	324.03	770.21	690.82	1,300.09
	(d) Depreciation and amortisation expense	1,918.70	1,204.48	1,178.68	3,123.18	2,366.14	5,733.04	1,796.29	1,053.47	1,068.99	2,849.76	2,147.59	4,891.48
	(e) Connectivity & related expenses	64.45	68.38	54.17	132.83	125.62	381.32	52.14	57.18	47.01	109.32	107.68	257.10
	(f) Travel expenses	30.28	31.23	81.40	61.51	164.20	257.00	30.26	31.17	82.92	61.42	164.20	256.55
	(g) Finance costs	5.08	-	-	5.08	-	-	88.36	59.78	17.83	148.14	38.51	69.24
	(h) Other expenses	495.56	262.06	236.20	757.62	489.15	1,038.86	420.87	219.97	168.91	640.84	381.93	804.49
	Total expenses	21,547.52	17,954.96	19,187.77	39,502.48	37,291.23	78,375.49	17,442.57	15,511.54	16,210.75	32,954.11	33,269.33	69,023.24
3	Profit / (Loss) before tax	516.75	807.98	636.44	1,324.72	1,108.56	1,261.83	105.32	330.70	533.57	436.02	705.26	637.51
4	Tax Expense												
	- Current tax	31.61	75.53	89.23	107.14	150.51	236.49	18.32	70.58	118.36	88.90	150.51	149.04
	- Mat credit entitlement	(31.61)	(75.53)	-	(107.14)	-	(161.04)	(18.32)	(70.58)	-	(88.90)	-	(149.04)
	- Deferred Tax	(326.76)	639.99	(181.87)	313.22	(963.58)	(724.41)	(366.85)	638.05	(248.08)	271.20	(1,026.86)	(671.71)
5	Net Profit / (Loss) for the period (3-4)	843.51	167.99	729.08	1,011.50	1,921.63	1,910.79	472.17	(307.35)	663.29	164.82	1,581.61	1,309.22
	Attributable to Shareholders of the Company	843.51	167.99	729.08	1,011.50	1,921.63	1,910.79	472.17	(307.35)	663.29	164.82	1,581.61	1,309.22
	Non controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
6	Other Comprehensive Income	56.12	3.03	1.37	59.15	2.74	227.77	(6.14)	3.03	1.37	(3.11)	2.74	34.66
7	Total Comprehensive Income (5+6)	899.63	171.02	730.45	1,070.65	1,924.38	2,138.56	466.03	(304.32)	664.66	161.71	1,584.35	1,343.87
	Attributable to Shareholders of the Company	899.63	171.02	730.45	1,070.65	1,924.38	2,138.56	466.03	(304.32)	664.66	161.71	1,584.35	1,343.87
	Non controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
8	Paid-up Equity Share Capital (Face Value of ₹ 1/- each)	1,124.22	1,124.22	1,124.22	1,124.22	1,124.22	1,124.22	1,124.22	1,124.22	1,124.22	1,124.22	1,124.22	1,124.22
9	Total reserves	-	-	-	-	-	67,640.53	-	-	-	-	-	65,272.27
10	Earnings per share (before extraordinary items) (of ₹ 1/- each) (not annualised)												
	(a) Basic	0.75	0.15	0.65	0.90	1.71	1.70	0.42	(0.27)	0.59	0.15	1.41	1.16
	(b) Diluted	0.75	0.15	0.65	0.90	1.71	1.70	0.42	(0.27)	0.59	0.15	1.41	1.16



2. Segment Reporting (Consolidated Un-audited) :
Reporting of Segment wise Revenue, Results and Capital Employed :

₹ in Lakhs

Sl. No.	Particulars	Consolidated Results for the					
		Quarter ended			Half Year ended		Year ended
		30-Sep-18 Un-audited	30-Jun-18 Un-audited	30-Sep-17 Un-audited	30-Sep-18 Un-audited	30-Sep-17 Un-audited	31-Mar-18 Audited
1	Segment Revenue						
	(a) Cloud Communication Services	21,843.20	18,581.16	19,115.95	40,424.36	37,168.92	76,301.43
	(b) Property Development	-	-	700.00	-	1,200.00	2,859.90
	Total Sales/Income from Operations	21,843.20	18,581.16	19,815.95	40,424.36	38,368.92	79,161.33
	Less: Inter Segment Revenue	-	-	-	-	-	-
	Net Sales/Income from operations	21,843.20	18,581.16	19,815.95	40,424.36	38,368.92	79,161.33
2	Segment Results - Profit(+)/Loss(-) before other income and tax						
	(a) Cloud Communication Services	295.68	626.20	383.19	921.88	637.69	201.74
	(b) Property Development	-	-	245.00	-	440.00	584.09
	Total Segment Results - Profit(+)/Loss(-) before other income and tax	295.68	626.20	628.19	921.88	1,077.69	785.83
	Less: Other Unallocable Income	(221.07)	(181.78)	(8.25)	(402.84)	(30.87)	(476.00)
	Profit before Tax	516.75	807.98	636.44	1,324.72	1,108.56	1,261.83
3	Segment Assets:						
	(a) Cloud Communication Services	95,201.95	90,151.34	77,822.68	95,201.95	77,822.68	89,968.09
	(b) Property Development	220.00	220.00	4,760.32	220.00	4,760.32	1,978.05
	Total Segment Assets	95,421.95	90,371.34	82,583.00	95,421.95	82,583.00	91,946.14
	Segment Liabilities:						
	(a) Cloud Communication Services	27,359.35	22,890.70	15,443.57	27,359.35	15,443.57	24,578.72
	(b) Property Development	-	-	87.88	-	87.88	54.77
	Total Segment Liabilities	27,359.35	22,890.70	15,531.45	27,359.35	15,531.45	24,633.49

Notes:

- The above Un-audited financial results for the quarter and six months ended September 30, 2018 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 November 01, 2018. The statutory auditors have expressed an unmodified audit opinion on these results.
- The above Un-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 condensed consolidated interim statement of profit and loss. The effect on adoption of the said standard was insignificant on these financial statements.
- During the quarter, the Company was sanctioned working capital limits of ₹ 500 lakhs and Term loan of ₹ 720 lakhs from HDFC Bank. However, the loans were not availed as at the end of the quarter Sept 30, 2018. Finance cost of ₹ 5.08 lakhs in consolidated financial results represents loan processing charges.
- The Un-audited financial results for the quarter and half year ended September 30, 2018 are available on the Company's website (www.tanla.com) and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com)

Key standalone information is given below :

₹ in Lakhs

Particulars	Quarter Ended		
	30-Sep-18 Unaudited	30-Jun-18 Unaudited	30-Sep-17 Unaudited
Income from operations & other income	17,547.89	15,842.24	16,744.31
Profit / (Loss) before tax	105.32	330.70	533.57
Profit / (Loss) after tax	472.17	(307.35)	663.29

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



3. Balance Sheet as at

₹ in Lakhs

	Particulars	Consolidated		Standalone	
		30-Sep-18 Un-audited	31-Mar-18 Audited	30-Sep-18 Un-audited	31-Mar-18 Audited
1	ASSETS				
	(1) Non-current assets				
	(a) Property, Plant and Equipment	39,932.31	45,198.97	37,897.15	42,460.59
	(b) Financial Assets				
	(i) Investments	50.00	-	5,435.26	5,385.26
	(c) Deferred tax assets (net)	1,143.35	1,452.09	1,088.19	1,354.91
	(d) Other non-current assets	1,534.86	1,103.97	1,429.72	948.09
	Total non current assets	42,660.51	47,755.04	45,850.32	50,148.86
	(2) Current Assets				
	(a) Financial Assets				
	(i) Investments *	12,868.35	-	12,868.35	-
	(ii) Trade receivables **	32,804.50	26,652.50	26,478.92	23,238.60
	(iii) Cash and cash equivalents	4,248.13	16,544.38	2,889.97	13,601.91
	(iv) Loans and advances	162.14	214.62	139.86	187.36
	(b) Other current assets	3,821.65	2,231.69	4,291.04	3,316.76
	Total current assets	53,904.78	45,643.19	46,668.15	40,344.63
	TOTAL ASSETS	96,565.29	93,398.24	92,518.47	90,493.49
2	EQUITY AND LIABILITIES				
	(1) Equity				
	(a) Equity share capital	1,124.22	1,124.22	1,124.22	1,124.22
	(b) Other equity	68,081.73	67,640.53	65,053.64	65,272.27
	Total equity	69,205.95	68,764.75	66,177.86	66,396.49
	(2) Non current liabilities				
	(a) other financial liabilities	26.85	8.55	26.85	8.55
	(b) Provisions	3.27	3.27	3.27	3.27
	(c) Other non-current liabilities	8.85	7.85	8.85	7.85
	Total Non Current Liabilities	38.97	19.67	38.97	19.67
	(4) Current liabilities				
	(a) Financial liabilities				
	(i) Trade payables	26,494.57	23,749.69	21,942.46	21,945.56
	(ii) other financial liabilities	-	-	3,598.92	1,397.70
	(b) Other current liabilities	717.84	626.98	670.52	584.37
	(c) Provisions	0.83	0.66	0.83	0.66
	(d) Liabilities for current tax (net)	107.14	236.49	88.90	149.04
	Total Current liabilities	27,320.38	24,613.82	26,301.64	24,077.34
	TOTAL EQUITY AND LIABILITIES	96,565.29	93,398.24	92,518.47	90,493.49

* Represents investments in short term liquid mutual funds

** Includes debtors amounting to ₹ 4,000 Lakhs realised in the first week of Quarter 3

For and on behalf of the Board of Directors



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




M.N. RAO & ASSOCIATES

Chartered Accountants

LIMITED REVIEW REPORT For the Quarter ended 30th September 2018

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 September 2018 ('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 5th 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: Name of the Subsidiaries: Tanla Corporation Pvt Ltd., India, Capitalsiri Investments Private Limited., India and Tanla Mobile Asia Pacific Pte Ltd., Singapore.

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 5th July 2016. Including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M. N. RAO & ASSOCIATES

Chartered Accountants

FRN.No.005386S



(SREEKANTH REDDY V)

Partner

Membership No: 023408

Place: Hyderabad
Date: 30th October 2018



M.N. RAO & ASSOCIATES

Chartered Accountants

LIMITED REVIEW REPORT For the Quarter ended 30th September 2018

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 30th September, 2018 ('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 5th 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 5th 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 30th September, 2018 and have been presented solely on the basis of information compiled by the management.

For M. N. RAO & ASSOCIATES

Chartered Accountants

FRN.No.005386S



(SREEKANTH REDDY V)

Partner

Membership No: 023408

Place: Hyderabad
Date: 30th October 2018