



July 28, 2017
Hyderabad

To,

| | |
|---|--|
| Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. | National Stock Exchange of India Ltd Exchange Plaza, Plot No.C/1, Block-G, Bandra Kurla Complex, Bandra (East) Mumbai – 400051. |
|---|--|

Dear Madam/Sir,

Sub: Outcome of the Board Meeting held on July 28, 2017

With reference to the notice issued on July 15, 2017, the Board of Directors in the meeting held today i.e., July 28, 2017, have approved the Statement of Unaudited Financial Results for the quarter ended June 30, 2017.

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

1. Statement of Unaudited Financial Results for the quarter ended June 30, 2017 as approved by the Board of Directors at its meeting held today. The meeting commenced at 11:00 AM and concluded at 12:25 P.M.

In addition, we wish to inform that the Company will provide quarterly/ year-to-date consolidated financial results along with standalone financial results for FY 2017-18.

2. Limited Review Report for Unaudited Financial Results (Consolidated & Standalone) for the quarter ended June 30, 2017 from our Statutory Auditors, M/s. Ramasamy Koteswara Rao & Co., Chartered Accountants, Hyderabad.

Request you to take the same on record and oblige.

For **TANLA SOLUTIONS LIMITED**



Seshanuradha Chava
ACS-15519
VP - Legal & Secretarial



LIMITED REVIEW REPORT-CONSOLIDATED FINANCIAL RESULTS
For the Quarter ended 30th June, 2017

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 Group** comprising TANLA SOLUTIONS LIMITED ('the company') and its subsidiaries (together referred to as 'the Group') for the quarter ended 30th June, 2017 ('the statement') except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us being submitted by the company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5th, 2016.

This statement which is the responsibility of the Company's Management and has been approved by the Board of Directors/Committee of Board of Directors has been compiled from the related interim unaudited consolidated financial statements which have been prepared in accordance with Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34") 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 of the Statement 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 unaudited consolidated 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 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable Indian Accounting Standards ("Ind As") specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI No. CIR/CFD/FAC/62/2016 dated July 5th, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For RAMASAMY KOTESWARA RAO & CO

Chartered Accountants

FRN.No.010396S




(C V Koteswara Rao)

Partner

Membership No: 028353

Place: Hyderabad
Date: 28th July, 2017



LIMITED REVIEW REPORT- STANDALONE FINANCIAL RESULTS
For the Quarter ended 30th June, 2017

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 June, 2017 ('the statement') except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us being submitted by the company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5th, 2016.

This statement which is the responsibility of the Company's Management and has been approved by the Board of Directors/Committee of Board of Directors has been compiled from the related interim unaudited standalone financial statements which have been prepared in accordance with Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34") 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 of the Statement 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 unaudited 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 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian Accounting Standards ("Ind As") specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI No. CIR/CFD/FAC/62/2016 dated July 5th, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For RAMASAMY KOTESWARA RAO & CO

Chartered Accountants

FRN.No.010396S



(C V Koteswara Rao)

Partner

Membership No: 028353

Place: Hyderabad

Date: 28th July, 2017

TANLA SOLUTIONS LIMITED

CIN: L72200AP1995PLC021262

TANLA TECHNOLOGY CENTRE, HITECH CITY ROAD, MADHAPUR, HYDERABAD - 500081
STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017



₹ in Lakhs

| Particulars (Refer notes below) | Consolidated Results for the | | | | Tanla Solutions Limited | | | |
|---|------------------------------|---|--|---|-----------------------------|---|--|---|
| | 3 months ended June 30 2017 | Preceding 3 months ended March 31, 2017 | Corresponding 3 months ended June 30, 2016 | Previous Accounting Year March 31, 2017 | 3 months ended June 30 2017 | Preceding 3 months ended March 31, 2017 | Corresponding 3 months ended June 30, 2016 | Previous Accounting Year March 31, 2017 |
| | Un-audited | Audited | Un-audited | Audited | Un-audited | Audited | Un-audited | Audited |
| 1 Income from Operations (net) | 18,552.97 | 17,779.64 | 9,799.34 | 57,930.00 | 17,209.24 | 15,409.40 | 8,352.25 | 49,871.50 |
| 2 Other Income | 22.62 | -6.06 | 127.43 | 249.20 | 21.03 | -0.63 | 119.01 | 239.77 |
| 3 Total income (1+2) | 18,575.59 | 17,773.58 | 9,926.77 | 58,179.21 | 17,230.28 | 15,408.77 | 8,471.26 | 50,111.27 |
| 4 Expenses | | | | | | | | |
| (a) Cost of services | 16,122.65 | 15,222.63 | 8,083.42 | 49,454.97 | 15,237.53 | 13,142.48 | 7,140.59 | 44,142.30 |
| (b) Change in inventories | - | - | - | - | - | - | - | - |
| (c) Employee benefits expense | 386.14 | 389.52 | 358.83 | 1,444.08 | 366.79 | 320.64 | 273.53 | 1,186.65 |
| (d) Depreciation expense | 1,187.46 | 381.87 | 655.76 | 1,959.13 | 1,078.60 | 275.03 | 75.20 | 1,105.51 |
| (e) Connectivity & related expenses | 71.44 | 90.66 | 33.47 | 202.98 | 60.68 | 31.88 | 25.24 | 135.95 |
| (f) Travel expenses | 82.81 | 146.57 | 35.56 | 256.77 | 81.29 | 66.90 | 32.78 | 158.16 |
| (g) Other expenses | 252.95 | 365.53 | 173.58 | 961.53 | 233.71 | 3,113.18 | 104.36 | 3,534.00 |
| Total expenses | 18,103.47 | 16,596.78 | 9,340.62 | 54,279.47 | 17,058.59 | 16,950.12 | 7,651.70 | 50,262.59 |
| 5 Profit / (Loss) before finance costs (3-4) | 472.12 | 1,176.80 | 586.15 | 3,899.74 | 171.69 | -1,541.35 | 819.56 | -151.31 |
| 6 Finance costs | - | - | - | - | - | - | - | - |
| 7 Profit / (Loss) before tax (5-6) | 472.12 | 1,176.80 | 586.15 | 3,899.74 | 171.69 | -1,541.35 | 819.56 | -151.31 |
| 8 Tax Expense | | | | | | | | |
| - Provision for Income Tax | 61.28 | -279.78 | 176.55 | - | 32.15 | -279.78 | 176.55 | - |
| - Provision for Deferred Tax | -781.71 | -74.23 | 4.22 | -191.60 | -778.78 | 29.60 | -0.03 | -88.43 |
| 9 Net Profit / (Loss) for the period (7-8) | 1,192.56 | 1,530.81 | 405.38 | 4,091.34 | 918.31 | -1,291.18 | 643.04 | -62.88 |
| Attributable to | | | | | | | | |
| Shareholders of the Company | 1,192.56 | 1,530.81 | 405.38 | 4,091.34 | 918.31 | -1,291.18 | 643.04 | -62.88 |
| Non controlling Interest | - | - | - | - | - | - | - | - |
| 10 Other Comprehensive Income | 1.37 | 2.92 | 0.83 | 5.49 | 1.37 | 2.92 | 0.83 | 5.49 |
| 11 Total Comprehensive Income (9+10) | 1,193.93 | 1,533.73 | 406.21 | 4,096.83 | 919.69 | -1,288.26 | 643.87 | -57.39 |
| Attributable to | | | | | | | | |
| Shareholders of the Company | 1,193.93 | 1,533.73 | 406.21 | 4,096.83 | 919.69 | -1,288.26 | 643.87 | -57.39 |
| Non controlling Interest | - | - | - | - | NA | NA | NA | NA |
| 12 Paid-up Equity Share Capital (Face Value of ₹ 1 each) | 1,074.86 | 1,020.75 | 1,014.80 | 1,020.75 | 1,074.86 | 1,020.75 | 1,014.80 | 1,020.75 |
| 13 Total reserves | - | - | - | 64,555.20 | - | - | - | 62,981.63 |
| 14 Earnings per share (of ₹ 1 each) (not annualised) | | | | | | | | |
| (a) Basic | 1.11 | 1.50 | 0.40 | 4.01 | 0.85 | -1.26 | 0.63 | -0.06 |
| (b) Diluted | 1.11 | 1.50 | 0.40 | 4.01 | 0.85 | -1.26 | 0.63 | -0.06 |



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

₹ in Lakhs

| Sl. No. | Particulars | Consolidated Results for the | | | |
|---------|--|------------------------------|----------------------|--------------------------|----------------------|
| | | 3 months ended | | Year ended | |
| | | 30-June-17 Un-audited | 31-Mar-17 Audited | 30-June-16 Un-audited | 31-Mar-17 Audited |
| 1 | Segment Revenue | | | | |
| | (a) Mobile VAS & Messaging Services | 18,052.97 | 16,679.64 | 9,599.34 | 55,630.00 |
| | (b) Property Development | 500.00 | 1,100.00 | 200.00 | 2,300.00 |
| | Total Sales/Income from Operations | 18,552.97 | 17,779.64 | 9,799.34 | 57,930.00 |
| | Less: Inter Segment Revenue | - | - | - | - |
| | Net Sales/Income from operations | 18,552.97 | 17,779.64 | 9,799.34 | 57,930.00 |
| 2 | Segment Results - Profit(+)/Loss(-) before other income and tax | | | | |
| | (a) Mobile VAS & Messaging Services | 254.51 | 917.86 | 366.20 | 2,837.04 |
| | (b) Property Development | 195.00 | 265.00 | 92.50 | 813.50 |
| | Total Segment Results - Profit(+)/Loss(-) before other income and tax | 449.51 | 1,182.86 | 458.70 | 3,650.54 |
| | Less: Other Unallocable Income | (22.62) | 6.06 | (127.43) | (249.20) |
| | Profit before Tax | 472.12 | 1,176.80 | 586.13 | 3,899.74 |
| 3 | Segment Assets: | | | | |
| | (a) Mobile VAS & Messaging Services | 75,121.75 | 73,894.54 | 67,886.31 | 73,894.54 |
| | (b) Property Development | 4,665.32 | 4,461.32 | 5,022.16 | 4,461.32 |
| | Total Segment Assets | 79,787.07 | 78,355.86 | 72,908.47 | 78,355.86 |
| | Segment Liabilities: | | | | |
| | (a) Mobile VAS & Messaging Services | 13,754.22 | 13,364.12 | 7,443.90 | 13,364.12 |
| | (b) Property Development | 71.88 | 79.57 | 205.78 | 79.57 |
| | Total Segment Liabilities | 13,826.10 | 13,443.69 | 7,649.68 | 13,443.69 |

Notes:

- The above Un-audited financial results for the quarter ended June 30, 2017 have been subject to a limited review by the Auditors, reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on July 28, 2017
- The above Un-audited financial results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.
- The Un-audited financial results for the quarter ended June 30, 2017 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-June-17 Un-audited | 31-Mar-17 Audited | 30-June-16 Un-audited |
| Income from operations & other income | 17,230.28 | 15,408.77 | 8,471.26 |
| Profit / (Loss before tax) | 171.69 | (1541.35) | 819.56 |
| Profit / (Loss after tax) | 918.31 | (1291.18) | 643.04 |

- 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
