

TANLA CORPORATION PRIVATE LIMITED**Balance sheet as at****in INR**

Particulars	Note	March 31, 2019	March 31, 2018
<u>I. ASSETS</u>			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	3,47,39,145	12,40,87,098
(b) Deferred tax assets (net)	3	74,29,683	97,18,022
(c) Other current assets	4	98,07,995	76,01,532
Total non current assets		5,19,76,823	14,14,06,651
(2) Current Assets			
(a) Financial Assets			
(i) Trade receivables	5	23,82,23,322	10,93,53,181
(ii) Cash and cash equivalents	6	4,37,51,320	16,70,01,193
(b) Other current assets	7	40,20,09,753	17,70,44,934
Total current assets		68,39,84,396	45,33,99,308
TOTAL ASSETS		73,59,61,219	59,48,05,959
<u>II. EQUITY AND LIABILITIES</u>			
(1) Equity			
(a) Equity share capital	8	1,32,86,470	1,32,86,470
(b) Other equity	9	54,04,86,416	51,72,30,836
Total equity		55,37,72,886	53,05,17,306
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	10	17,36,87,527	5,49,28,255
(b) Other current liabilities	11	6,10,952	6,15,544
(c) Liabilities for current tax (net)	12	78,89,853	87,44,854
Total Current liabilities		18,21,88,332	6,42,88,653
TOTAL EQUITY AND LIABILITIES		73,59,61,219	59,48,05,959
Notes forming part of the financial statements	1 to 21	-	-

As per our report of even date attached

For Ramasamy Koteswara Rao & Co

Chartered Accountants

Firm Regn. No. 010396S

Sd/-

C.V.Koteswara Rao

Partner

Membership No.028353

Hyderabad

May 02, 2019

For and on behalf of the Board

Sd/-

D Uday Kumar Reddy

Director

Sd/-

A G Ravindranath Reddy

Director

Statement of Profit and Loss for the year ended			
			in INR
Particulars	Note	March 31, 2019	March 31, 2018
Revenue			
I. Revenue from Operations	13	34,70,99,388	49,89,47,311
II. Other income	14	3,56,29,859	78,00,813
III. Total Income (I+II)		38,27,29,247	50,67,48,124
IV. Expenses			
Cost of services	15	30,77,72,920	19,29,70,896
Changes in inventories	16	-	21,55,66,895
Employee benefits expenses	17	1,09,13,251	1,02,38,486
Depreciation expense	2	1,47,72,888	4,34,09,915
Other expenses	18	1,51,03,689	1,89,91,318
Total Expenses (IV)		34,85,62,748	48,11,77,510
V. Profit/(loss) before Tax (III - IV)		3,41,66,499	2,55,70,614
VI. Tax expense:			
1. Current Tax		78,89,853	87,44,854
2. Deferred Tax		22,88,339	(52,69,810)
Less: MAT credit entitlement		7,32,727	(11,99,979)
VII. Profit/(Loss) for the period (V - VI)		2,32,55,580	2,32,95,549
VIII. Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss	19	-	-
B (i) Items that will be reclassified to profit or loss		-	-
		-	-
		2,32,55,580	2,32,95,549
IX. Total comprehensive income for the period (VII + VIII)			
Profit attributable to:			
Owners of the Company		2,32,55,580	2,32,95,549
Non-controlling interests		-	-
X. Earnings per equity share (for continuing operations)			
1. Basic		17.50	17.53
2. Diluted		17.50	17.53
Notes forming part of the financial statements	1 to 21		
As per our report of even date attached			
For Ramasamy Koteswara Rao & Co		For and on behalf of the Board	
Chartered Accountants			
Firm Regn. No. 010396S			
Sd/-	Sd/-	Sd/-	
C.V.Koteswara Rao	D Uday Kumar Reddy	A G Ravindranath Reddy	
Partner	Director	Director	
Membership No.028353			
Hyderabad			
May 02, 2019			

TANLA CORPORATION PRIVATE LIMITED

Cash Flow Statement for the year ended

in INR

	Particulars	March 31, 2019	March 31, 2018
A	CASH FLOWS FROM OPERATING ACTIVITIES:		
	Net profit before taxation, and extraordinary items	3,41,66,499	2,55,70,614
	Adjusted for :		
	Depreciation	1,47,72,888	4,34,09,915
	Other Income	(3,55,99,921)	(8,77,242)
	Operating profits before working capital charges	1,33,39,466	6,81,03,287
	Changes in current assets and liabilities:		
	Trade receivables	(12,88,70,141)	(4,29,94,272)
	Other Current Assets	(23,58,23,798)	(14,29,33,509)
	Changes in Inventories	-	22,09,28,638
	Current Liabilities and Provisions	11,78,99,679	55,88,878
	Cash generated from operations	(23,34,54,794)	10,86,93,022
	Income taxes paid	-	-
	Net cash generated from operating activities	(23,34,54,794)	10,86,93,022
B	CASH FLOWS FROM INVESTING ACTIVITIES:		
	(Purchase)/sale of Fixed Assets	7,46,05,000	(2,57,97,318)
	Interest received	3,55,99,921	8,77,242
	Net cash used in investing activities	11,02,04,921	(2,49,20,076)
C	CASH FLOWS FROM FINANCING ACTIVITIES:		
	Proceeds from issue of share capital	-	-
	Un-realised exchange gain / (loss) on conversion	-	-
	Net Cash generated from financing activities	-	-
D	Net increase / (decrease) in cash and cash equivalents	(12,32,49,873)	8,37,72,945
E	Cash and cash equivalents at the beginning of the year	16,70,01,193	8,32,28,248
F	Cash and cash equivalents at the end of the year	4,37,51,320	16,70,01,193

As per our report of even date attached

For Ramasamy Koteswara Rao & Co

Chartered Accountants

Firm Regn. No. 010396S

For and on behalf of the Board

Sd/-

Sd/-

Sd/-

C.V.Koteswara Rao

Partner

Membership No. 028353

D Uday Kumar Reddy

Director

A G Ravindranath Reddy

Director

Hyderabad

May 02, 2019

Tanla Corporation Private Limited
Statement of Changes in Equity

A. Equity share capital

Particulars	Number	in INR
Balance as on 31 March 2017	13,28,647	1,32,86,470
Changes in equity share capital during the year	-	-
Balance as on 31 March 2018	13,28,647	1,32,86,470
Changes in equity share capital during the year	-	-
Balance as on 31 March 2019	13,28,647	1,32,86,470

B. Other Equity

in INR

Particulars	Share Premium	Capital Reserve	Retained Earnings	Total Equity attributable to Equity holders
Balance as at 1 April 2017	47,02,05,155	-	2,37,30,131	49,39,35,286
Profit for the Year	-	-	2,32,95,549	2,32,55,580
Share application money	-	-	-	-
Issue of Equity shares	-	-	-	-
Closing Balance as at 31 March 2018	47,02,05,155	-	4,70,25,681	51,71,90,867
Balance as at 1 April 2018	47,02,05,155	-	4,70,25,681	51,72,30,836
Profit for the Year	-	-	2,32,55,580	2,32,55,580
Share application money	-	-	-	-
Issue of Equity shares	-	-	-	-
Closing Balance as at 31 March 2019	47,02,05,155	-	7,02,81,261	54,04,86,417

Notes forming part of the financial Statements

As per our report attached

For Ramasamy Koteswara Rao & Co
Chartered Accountants
Firm Regn. No. 010396S

For and on behalf of the Board

Sd/-

Sd/-

Sd/-

C.V. Koteswara Rao
Partner
Membership No. 028353

D Uday Kumar Reddy
Director

A G Ravindranath Reddy
Director

Hyderabad
May 02, 2019

Significant Accounting Policies

1**a Basis of preparation of financial statements**

These standalone financial statements have been prepared in accordance Indian Accounting Standards (Ind As) according to the notification issued by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 ('the act') read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from April 1, 2016.

Previous periods have been restated to Ind AS and In accordance with Ind AS 101-First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of Standalone financial statements under Accounting Standards For the year ended March 31, 2016, the Company had earlier prepared and presented its Standalone financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Indian GAAP). Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given.

b Use of Accounting Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial Statements, the reported amount of revenues and expenses during the reported period and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could not differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

c Revenue recognition

Revenue from messaging services is recognized based on the no. of messages delivered on a fixed price , fixed-time frame contracts where there is no uncertainty as to measurement of collectability.
Interest Income is recognised on an accrual basis.

d Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation. All direct costs are capitalized until fixed assets are ready for use including taxes, duties, freight and other incidental expenses relating to acquisition and installation. Capital work-in-progress comprises outstanding advances paid to acquire fixed assets, and the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

e Depreciation

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets in whose case the life of certain assets has been assessed under based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.,

Asset	Useful Life
Computers & Software	03 - 06 years
Vehicles	08 years
Office Equipment	05 years
Furniture & Fixtures	10 years

The useful lives of assets are periodically reviewed and re-determined and the unamortised depreciable amount is charged over the remaining useful life of such assets.

Assets costing Rs. 5,000/-and below are depreciated over a period of one year

f Inventories

Inventories are valued at lower of cost and Market value and includes Registration and incidental expenses.

g Taxes on Income

Income taxes are computed using the tax effect accounting method, in accordance with the Accounting Standard (AS 22) "Accounting for Taxes on Income" which includes current taxes and deferred taxes. Deferred income taxes reflect the impact if current year timing differences between taxable income and accounting income for the year and the relevant of timing difference of earlier years. Deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period when the asset / liability is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred Tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

h Earning Per Share (EPS)

In determining earnings per share, the company considers the net profit after tax expense. The number of shares used in computing basic earnings per is the weighted average shares used in outstanding during the period.

i Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

Note 2- Property, plant and equipment

in INR

Particulars	Air Conditioners	Computers & Software	Office Equipment	Vehicles	Leasehold Building	License Manager Software	Total
Year ended 31 March 2019							
Gross carrying amount							
Cost as at 01 April 2018	1	13,57,09,817	23,69,609	86,95,036	2,87,43,098	1	17,55,17,562
Additions	-	-	-	-	-	-	-
Disposals		(7,40,00,000)		(86,95,036)	-		(8,26,95,036)
Closing Gross carrying amount	1	6,17,09,817	23,69,609	-	2,87,43,098	1	9,28,22,526
Accumulated Depreciation							
Opening accumulated depreciation	-	3,14,22,000	16,81,294	67,39,599	1,15,87,570	-	5,14,30,463
Additions	-	32,58,994	5,52,490	13,80,371	95,81,033	-	1,47,72,888
Disposals	-	-	-	(81,19,970)	-	-	(81,19,970)
Closing accumulated depreciation	-	3,46,80,994	22,33,784	-	2,11,68,603	-	5,80,83,381
Net Carrying amount as at 31 March 2019	1	2,70,28,822	1,35,825	-	75,74,495	1	3,47,39,145
Particulars	Air Conditioners	Computers	Office Equipment	Vehicles	Leasehold Building	License Manager Software	Total
Year ended 31 March 2018							
Gross carrying amount							
Cost as at 01 April 2017	58,88,992	-	23,69,609	86,95,036	1,73,81,355	1	3,43,34,993
Additions	-	13,57,09,817	-	-	1,13,61,743	-	14,70,71,560
Disposals							-
Closing Gross carrying amount	58,88,992	13,57,09,817	23,69,609	86,95,036	2,87,43,098	1	18,14,06,553
Accumulated Depreciation							
Opening accumulated depreciation	54,41,076		11,28,805	15,45,874	57,93,785	-	1,39,09,540
Additions	4,47,916	3,14,22,000	5,52,489	51,93,725	57,93,785	-	4,34,09,915
Disposals							-
Closing accumulated depreciation	58,88,992	3,14,22,000	16,81,294	67,39,599	1,15,87,570	-	5,73,19,455
Net Carrying amount as at 31 March 2018	-	10,42,87,817	6,88,315	19,55,437	1,71,55,528	1	12,40,87,098

in INR

Particulars	As at March 31, 2019	As at March 31, 2018
Note 3		
Deferred tax		
Deferred tax Asset on account of depreciation	74,29,683	97,18,022
	74,29,683	97,18,022
Note 4		
Other non-current assets		
Advance tax & TDS	98,07,995	76,01,532
Loans and advances	-	-
	98,07,995	76,01,532
Note 5		
Trade Receivables		
Unsecured, Considered Good		
Outstanding for a period exceeding 6 months	-	-
Other Trade receivables	23,88,22,434	10,93,53,181
Less: Allowance for doubtful debts	5,99,112	-
	23,82,23,322	10,93,53,181
Note 6		
Cash and cash equivalents		
Balances with banks		
- Current Accounts	4,37,51,210	11,67,06,972
- Deposits	-	5,02,94,178
Cash on hand	110	43
	4,37,51,320	16,70,01,193
Note 7		
Other current assets		
Other advances	10,19,88,000	1,53,26,000
Advance tax & TDS	89,32,820	69,97,275
GST input credit	31,79,996	90,13,934
Loans and advances	28,56,93,821	13,99,69,933
Mat credit entitlement	22,15,116	57,37,792
	40,20,09,753	17,70,44,934
Note 8		
Equity Share capital		
(i) Authorised		
22,50,000 Equity shares of Rs.10/- each	2,25,00,000	2,25,00,000
(ii) Issued Subscribed and fully paid up:		
13,28,647 Equity Shares of Rs.10/- each fully paid-up	1,32,86,470	1,32,86,470
	1,32,86,470	1,32,86,470

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period				
Particulars	2018-19		2017-18	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	13,28,647	1,32,86,470	13,28,647	1,32,86,470
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13,28,647	1,32,86,470	13,28,647	1,32,86,470
Shares in the company held by each shareholder holding more than 5 percent shares				
Particulars	2018-19		2017-18	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Tanla Solutions Limited	13,28,647	100	13,28,647	100
Note 9		As at	As at	
Other Equity		March 31, 2019	March 31, 2018	
(i) Other reserves				
- Share Premium		47,02,05,155	47,02,05,155	
- Share application money pending allotment		-	-	
		47,02,05,155	47,02,05,155	
(ii) Retained Earnings				
Opening		4,70,25,681	2,37,30,131	
Profit for the year/quarter		2,32,55,580	2,32,95,549	
Less: Proposed dividend for the year		-	-	
Dividend tax		-	-	
Total retained earnings		7,02,81,261	4,70,25,681	
Total Other Equity (i+ii)		54,04,86,416	51,72,30,836	
Note 10				
Trade and other payables				
Trade Payables		17,22,35,527	5,38,48,255	
Outstanding Expenses		14,52,000	10,80,000	
		17,36,87,527	5,49,28,255	
Note 11				
Other current liabilities				
Statutory Liabilities		2,65,213	3,15,544	
Other Liabilities		3,45,739	3,00,000	
		6,10,952	6,15,544	
Note 12				
Liabilities for current tax				
Provision for income tax		78,89,853	87,44,854	
		78,89,853	87,44,854	

in INR

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Note 13		
Revenue from Operations		
Sale of plots	-	28,59,90,851
A2P Messaging services	34,70,99,388	21,29,56,460
Total Revenues	34,70,99,388	49,89,47,311
Note 14		
Other Income		
Interest received from group companies	2,63,10,962	69,23,571
Interest on fixed deposits	8,29,723	8,77,242
Interest on ICD	66,41,096	-
Profit on sale of assets	29,938	-
Miscellaneous income	18,18,140	-
Total Other Income	3,56,29,859	78,00,813
Note 15		
Cost of Services		
Cost of Services - A2P messaging	30,77,72,920	19,29,70,896
Cost of Development	-	-
Total Cost of Services	30,77,72,920	19,29,70,896
Note 16		
Changes in inventories		
Opening Stock :		
Stock-in-Trade (Land)	-	21,55,66,895
Less:		
Closing Stock:		
Stock-in-Trade (Land)	-	21,55,66,895
Changes in inventories	-	-
Note 17		
Employee benefit expense		
Salaries & Wages	1,03,99,880	97,70,625
Contribution to Provident and other funds	5,13,371	4,67,861
Employee benefit expense	1,09,13,251	1,02,38,486
Note 18		
Other Expenses		
Advertisement expenses	15,29,138	18,30,400
Rent, rates & taxes	2,47,949	1,41,69,780
Repairs & maintenance	3,69,535	2,04,755
Travelling expenses	42,39,097	45,032
Vehicle maintenance	7,61,152	84,989
Office maintenance	57,58,796	4,82,825
Professional charges	12,98,202	18,68,545
Auditors remuneration	3,00,000	3,00,000
Bank charges	708	4,991
Allowance for doubtful debts	5,99,112	-
OTHER EXPENSES	1,51,03,689	1,89,91,318
Note 19		
Statement of other comprehensive income		
(i) Items that will not be reclassified to profit or loss	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
	-	-
(i) Items that will be reclassified to profit or loss	-	-
	-	-

Note No.

20	Contingent Liabilities			in INR	
	S.No.	Particulars	As at March 31, 2019	As at March 31, 2018	
	1	Outstanding guarantees given by the company	-	-	
	2	Claims against company, not acknowledged as debts	-	-	
	3	Claims made by company, not acknowledged as debts	-	-	
	4	Corporate Guarantee given to Group companies	-	-	
21	Related Party Disclosures:				
	A) List of Related Parties:				
	Name of the Related Party		Country	Relationship with the Entity	
	Tanla Solutions Limited		India	100% Holding company	
	B) List of Transactions with Related Parties:				
	Transactions with Tanla Solutions Limited - 100% Holding Company				in INR
	Nature of transactions	As at March 31, 2019	As at March 31, 2018		
a	Unsecured Loan	28,56,93,821	13,97,69,933		
As per our report of even date attached					
For Ramasamy Koteswara Rao & Co		For and on behalf of the Board			
Chartered Accountants					
Firm Regn. No. 010396S					
Sd/-	Sd/-	Sd/-			
C.V.Koteswara Rao	D Uday Kumar Reddy	A G Ravindranath Reddy			
Partner	Director	Director			
Membership No. 028353					
Hyderabad					
May 02, 2019					