

# 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, 2020



₹ in Lakhs

Particulars (Refer notes below)	Consolidated Results for the				Standalone Results for the			
	Quarter ended June 30, 2020	Quarter ended March 31, 2020	Quarter ended June 30, 2019	Year ended March 31, 2020	Quarter ended June 30, 2020	Quarter ended March 31, 2020	Quarter ended June 30, 2019	Year ended March 31, 2020
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
1 Revenue from Operations (net)	45,554.77	52,207.62	39,456.01	194,283.97	19,660.42	23,974.99	27,191.87	106,037.06
2 Other Income	1,322.77	370.18	471.76	1,236.46	1,004.13	211.04	397.59	913.58
3 <b>Total income (1+2)</b>	<b>46,877.54</b>	<b>52,577.80</b>	<b>39,927.77</b>	<b>195,520.43</b>	<b>20,664.55</b>	<b>24,186.03</b>	<b>27,589.46</b>	<b>106,950.64</b>
4 <b>Expenses</b>								
(a) Cost of services	35,024.58	41,012.54	31,790.86	155,171.84	17,142.93	19,545.73	23,206.79	88,291.28
(b) Employee benefits expense	1,990.17	1,802.24	2,666.64	10,893.08	434.57	439.39	479.25	1,875.76
(c) Depreciation and amortisation expense	1,148.78	8,407.43	15,364.49	37,779.58	248.96	4,663.70	15,162.19	32,070.52
(d) Connectivity & related expenses	196.97	240.00	165.67	816.29	57.20	190.11	59.24	373.34
(e) Finance costs	69.96	191.61	149.55	641.63	5.68	123.84	212.99	572.79
(f) Other expenses	843.03	3,294.34	1,703.17	8,900.39	351.22	172.36	1,040.68	2,874.81
<b>Total expenses</b>	<b>39,273.49</b>	<b>54,948.16</b>	<b>51,840.38</b>	<b>214,202.81</b>	<b>18,240.56</b>	<b>25,135.13</b>	<b>40,161.14</b>	<b>126,058.50</b>
5 <b>Profit before non-controlling interest/share in net profit/(loss) of associate (3-4)</b>	<b>7,604.05</b>	<b>(2,370.36)</b>	<b>(11,912.61)</b>	<b>(18,682.38)</b>	<b>2,435.99</b>	<b>(949.10)</b>	<b>(12,571.68)</b>	<b>(19,107.86)</b>
6 Exceptional item : Impairment of Goodwill/ Provision for impairment of investment in subsidiaries	-	4,873.14	-	4,873.14	-	4,873.14	-	4,873.14
7 <b>Profit before non-controlling interest/share in net profit/(loss) of associate (5-6)</b>	<b>7,604.05</b>	<b>(7,243.50)</b>	<b>(11,912.61)</b>	<b>(23,555.52)</b>	<b>2,423.99</b>	<b>(5,822.24)</b>	<b>(12,571.68)</b>	<b>(23,981.00)</b>
8 Share in net profit/(loss) of associate	-	-	(19.21)	(169.04)	-	-	-	-
9 <b>Profit before tax (7-8)</b>	<b>7,604.05</b>	<b>(7,243.50)</b>	<b>(11,931.82)</b>	<b>(23,724.56)</b>	<b>2,423.99</b>	<b>(5,822.24)</b>	<b>(12,571.68)</b>	<b>(23,981.00)</b>
10 Tax Expense								
- Current tax	553.80	1,125.47	197.92	1,125.47	160.40	-	-	-
- Prior period taxes/MAT credit	(1,074.77)	-	(31.17)	-	-	-	-	-
- Deferred Tax	264.46	543.91	(4,528.12)	(3,733.47)	819.70	(38.90)	(4,124.24)	(4,088.79)
11 <b>Profit / (Loss) for the period (9-10)</b>	<b>7,860.56</b>	<b>(8,912.88)</b>	<b>(7,570.45)</b>	<b>(21,116.56)</b>	<b>1443.89</b>	<b>(5,783.34)</b>	<b>(8,447.44)</b>	<b>(19,892.21)</b>
Attributable to: Shareholders of the Company	7,860.56	(8,912.88)	(7,570.45)	(21,116.56)	1443.89	(5,783.34)	(8,447.44)	(19,892.21)
Non controlling Interest	-	-	-	-	-	-	-	-
12 Other Comprehensive Income	(1.74)	310.53	292.44	992.67	(36.79)	58.73	2.12	163.26
13 <b>Total Comprehensive Income (11+12)</b>	<b>7,858.82</b>	<b>(8,602.35)</b>	<b>(7,278.01)</b>	<b>(20,123.89)</b>	<b>1,407.10</b>	<b>(5,724.61)</b>	<b>(8,445.32)</b>	<b>(19,728.95)</b>
Attributable to: Shareholders of the Company	7,858.82	(8,602.35)	(7,278.01)	(20,123.89)	1,407.10	(5,724.61)	(8,445.32)	(19,728.95)
Non controlling Interest	-	-	-	-	-	-	-	-
14 Paid-up Equity Share Capital (Face Value of ₹ 1 each)	1,522.58	1,459.72	1,403.87	1,459.72	1,522.58	1,459.72	1,403.87	1,459.72
15 Total reserves	-	-	-	68,713.73	-	-	-	65,446.33
16 Earnings per share (of ₹ 1 each) (not annualised)								
(a) Basic	5.16	(6.11)	(5.39)	(14.77)	0.95	(3.96)	(6.02)	(13.92)
(b) Diluted	5.16	(6.11)	(5.39)	(14.77)	0.95	(3.96)	(6.02)	(13.92)



**Notes:**

- The above un-audited financial results for the quarter ended June 30, 2020 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 August 12, 2020.
- The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The above un-audited financial results include financials of subsidiaries, Associate and Joint venture:
 

i. Tanla Corporation Private Limited, India	ii. Tanla Mobile Asia Pacific Pte Limited., Singapore	iii. Tanla Digital Labs Private Limited, India	iv. Capitalsiri Investments Pvt Ltd. India
v. Gamooga Softtech Private Limited, India	vi. Associate-TZ Mobile Private Limited, India	vii. Joint Venture-Jengatron Gaming Private Limited, India	

The corresponding June 2019 quarter does not include Gamooga Softtech Private Limited as it was acquired on October 24, 2019 and partially Karix Mobile Private Limited and Unicel Technologies Private Limited (Merged with Tanla Corporation Private Limited) as they were acquired from April 10, 2019. Hence, the figures are not comparable.

- The Hon'ble National Company Law Tribunal, Hyderabad bench, vide its order dated June 30, 2020 approved the scheme of amalgamation for the merger of subsidiaries Karix Mobile Private Limited and Unicel Technologies Private Limited with Tanla Corporation Private Limited with appointed date April 10, 2019. Pursuant to merger, the tax provision created for the year ended March 31, 2020 in Karix Mobile Private Limited of ₹ 1,074.77 lakhs has been reversed during the quarter.
- On April 03, 2020, 62,85,858 equity shares allotted on conversion of warrants to promoters at a premium of ₹ 39/-.
- The Company concluded the buyback of 1,66,92,752 (representing 10.97 % of the total number of Equity Shares in the existing total paid-up equity capital of the Company) equity shares on July 22, 2020 at a price of ₹ 81 per equity share ("Buyback") as approved earlier by the Board of Directors at their meeting held on April 22, 2020. This has resulted in a total cash outflow of ₹ 16,469.69 Lakhs (including Tax of ₹ 2,948.56). The Paid-up Equity Share Capital post buy back is ₹ 13,55,64,805.
- The Company continues to consider the impact of COVID-19 pandemic in assessing the recoverability of receivables, goodwill, intangible assets, and certain investments. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial results. The Company based on its judgements, estimates and assumptions including sensitivity analysis expects to fully recover the carrying amount of receivables, goodwill, intangible assets, investments and other assets. The Company will continue to closely monitor any material changes to future economic conditions.
- The EPS for quarters has not been annualised.
- The Company operates in a single segment "A2P messaging services", as such reporting is done on single segment basis.
- The Un-audited financial results for the quarter ended June 30, 2020 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 :**

Particulars	Quarter Ended		
	30-Jun-20	31-Mar-20	30-Jun-19
	Un-audited	Audited	Un-audited
Revenue from operations & other income	20,664.55	24,186.03	27,589.46
Profit / (Loss) before tax	2,423.95	(5,822.24)	(12,571.68)
Profit / (Loss) after tax	1,443.85	(5,783.34)	(8,447.44)

₹ in Lakhs

- The previous quarter's/year's figures have been regrouped/rearranged wherever necessary to make it comparable with the current quarter/period.



Hyderabad  
August 12, 2020

For and on behalf of the Board of Directors

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

