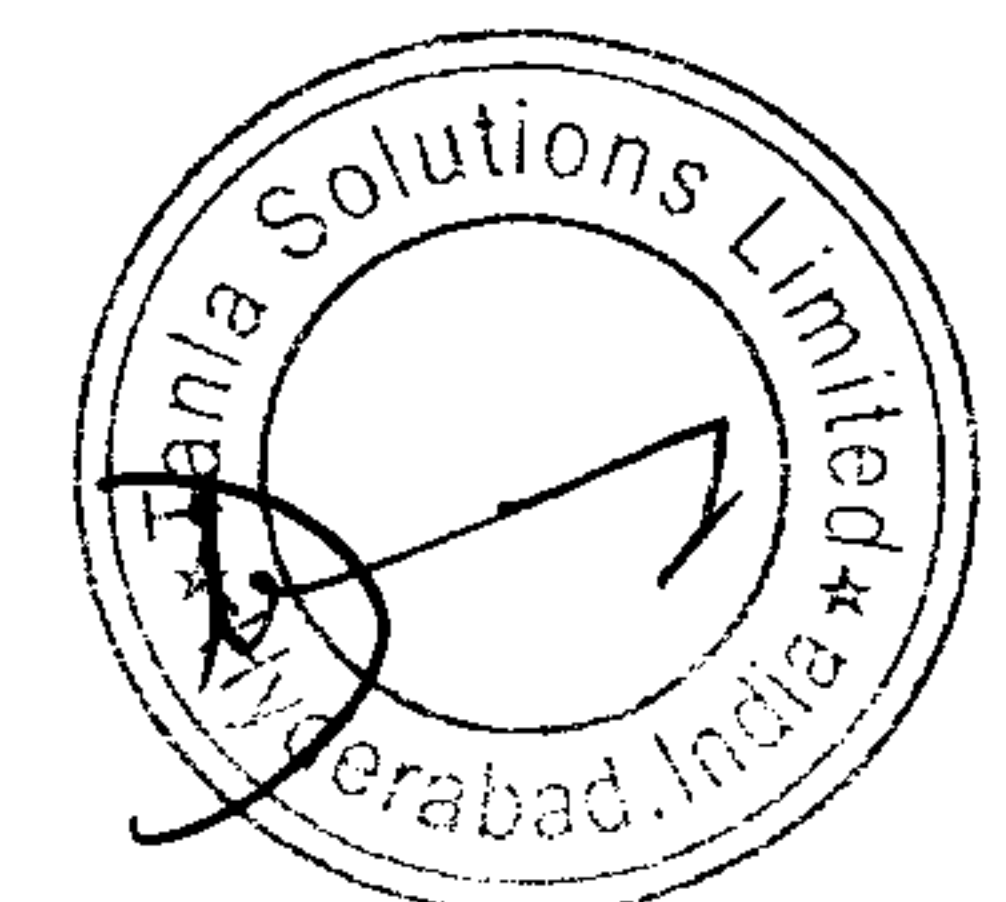


TANLA SOLUTIONS LIMITED
TANLA TECHNOLOGY CENTRE, HITECH CITY ROAD, MADHAPUR, HYDERABAD - 500081
UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014

PART I

(Rupees in Lakhs)

	Particulars (Refer notes below)	Consolidated Results for the				Tanla Solutions Limited - Results for the			
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous accounting year ended	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous accounting year ended
		June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1	Income from Operations								
	(a) Overseas	3087.16	2941.59	1733.15	7873.05	3.79	4.59	6.27	31.78
	(b) Domestic- India	934.79	610.97	544.68	2586.77	909.79	562.75	544.68	2538.55
	(c) Other Operating Income	-	-	-	-	-	-	-	-
	Total income from operations (net)	4021.95	3552.56	2277.83	10459.82	913.58	567.34	550.95	2570.33
2	Expenses								
	(a) Cost of sales	1607.79	1344.32	1245.09	4980.46	553.70	211.68	230.77	1091.60
	(b) Change in inventories	-	-	-	-	-	-	-	-
	(c) Employee Benefits expense	236.45	248.60	237.04	953.00	148.55	143.34	128.27	547.78
	(d) Depreciation and Amortisation expense	1970.23	3992.44	1473.36	8404.54	225.87	269.74	267.06	1070.90
	(e) Advertisement expense	63.65	146.98	27.15	227.13	2.31	1.56	4.13	18.67
	(f) Bad Debts provision	-	112.20	-	112.20	-	-	-	-
	(g) Other Expenses	476.19	361.58	108.26	614.95	96.04	136.27	54.99	353.64
	Total expenses	4354.32	6206.12	3090.89	15292.28	1026.47	762.58	685.22	3082.59
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	-332.36	-2653.56	-813.06	-4832.46	-112.89	-195.24	-134.27	-512.26
4	Other Income	46.79	2128.65	128.34	3165.86	118.75	166.93	128.34	547.61
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	-285.57	-524.91	-684.72	-1666.59	5.86	-28.31	-5.93	35.34
6	Finance costs	-	-	-	-	-	-	-	-
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5+6)	-285.57	-524.91	-684.72	-1666.59	5.86	-28.31	-5.93	35.34
8	Exceptional items	-	968.10	-	968.10	-	968.10	-	968.10
9	Profit / (Loss) from ordinary activities before tax (7+8)	-285.57	-1493.01	-684.72	-2634.69	5.86	-996.41	-5.93	-932.75
10	Tax Expense								
	- Provision for Income Tax	-	-	-	-	-	4.08	-	4.08
	- Provision for Deferred Tax	2.25	-619.85	-5.25	-652.08	2.25	64.99	-5.25	32.76
11	Net Profit / (Loss) from ordinary activities after tax (9+10)	-287.82	-873.16	-679.47	-1982.61	3.61	-1065.49	-0.68	-969.60
12	Extraordinary items	-	-	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11+12)	-287.82	-873.16	-679.47	-1982.61	3.61	-1065.49	-0.68	-969.60
14	Share of profit / (loss) of associates	0.00	-	0.00	-	-	-	-	-
15	Minority Interest	-	-	-	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)	-287.82	-873.16	-679.47	-1982.61	3.61	-1065.49	-0.68	-969.60
17	Paid-up Equity Share Capital (Face Value of Re.1 each)	1014.80	1014.80	1014.80	1014.80	1014.80	1014.80	1014.80	1014.80
18	Reserves and Surplus (excluding revaluation reserves) as per balance sheet of previous accounting year	-	-	-	59152.63	-	-	-	60498.56
19.i	Earnings per share (before extraordinary items) (of Re.1 each) (not annualised)								
	(a) Basic	-0.28	-0.86	-0.67	-1.95	0.004	-1.05	-0.001	-0.96
	(b) Diluted	-0.28	-0.86	-0.67	-1.95	0.004	-1.05	-0.001	-0.96
19.ii	Earnings per share (after extraordinary items) (of Re.1 each) (not annualised)								
	(a) Basic	-0.28	-0.86	-0.67	-1.95	0.004	-1.05	-0.001	-0.96
	(b) Diluted	-0.28	-0.86	-0.67	-1.95	0.004	-1.05	-0.001	-0.96

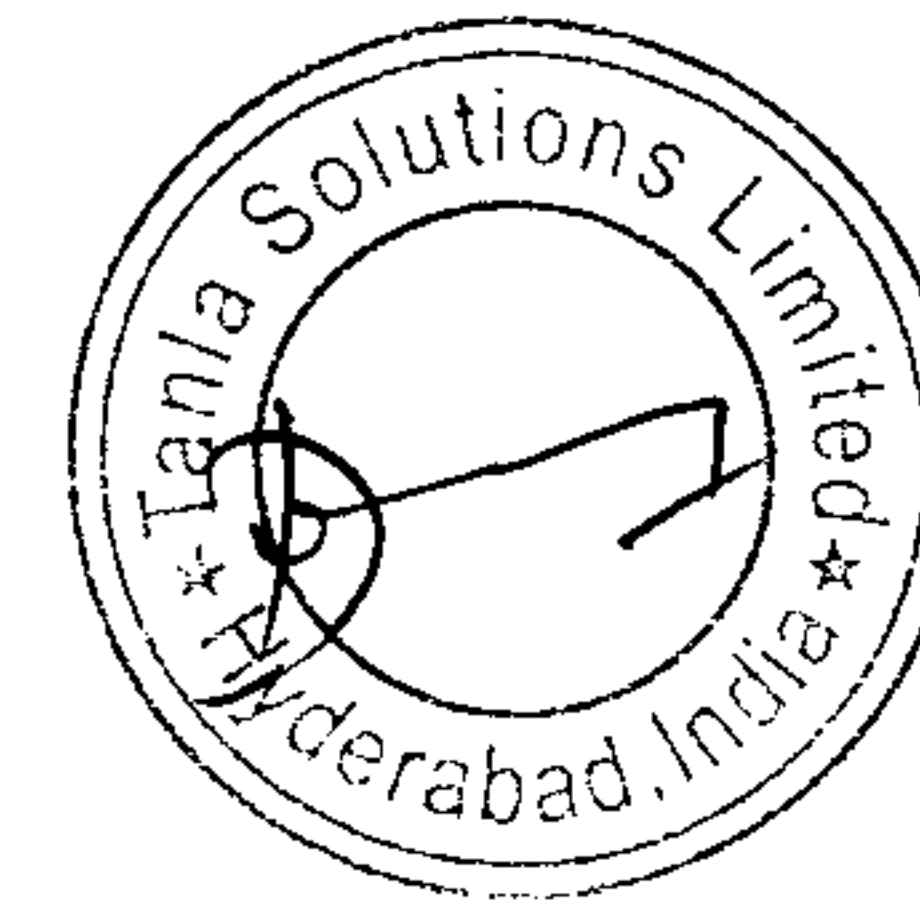


PART II

Select Information for the quarter and year ended June 30,2014

Particulars (Refer notes below)	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous accounting year ended	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Previous accounting year ended
	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014	June 30, 2014	March 31, 2014	June 30, 2013	March 31, 2014
A PARTICULARS OF SHAREHOLDING								
1 Public shareholding								
No. of Shares (Adjusted to par value Re. 1)	68,081,325	67,596,960	67,311,002	67,596,960	68,081,325	67,596,960	67,311,002	67,596,960
Percentage of shareholding	67.09%	66.61%	66.33%	66.61%	67.09%	66.61%	66.33%	66.61%
2 Promoters and promoter group Shareholding								
a) Pledged/Encumbered								
- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Non-encumbered								
- Number of shares	33,398,268	33,882,633	34,168,591	33,882,633	33,398,268	33,882,633	34,168,591	33,882,633
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	32.91%	33.39%	33.67%	33.39%	32.91%	33.39%	33.67%	33.39%

B INVESTOR COMPLAINTS	3 months ended 30/06/2014
Pending at the beginning of the quarter	-
Received during the quarter	1
Disposed off during the quarter	1
Remaining unresolved at the end of the quarter	-



Notes:

1. The above financial results for the quarter ended June 30, 2014 have been subjected 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 08, 2014.
2. The Company is engaged in telecom infrastructure and related value added services business and its operations constitute a single segment in the context of Accounting Standard (AS17) "Segment Reporting".
3. Consolidated financial results include the results of Tanla Solutions (UK) Ltd., Tanla Mobile Asia Pacific Pte. Ltd, (Singapore), Tanla Mobile Private Limited (India) & Mufithumb Corporation Pvt. Limited - wholly owned subsidiaries, Tanla Mobile Middle East FZ-LLC (UAE), Tanla Mobile Ireland Private Limited, (Ireland), - wholly owned subsidiaries of Tanla Mobile Asia Pacific Pte Ltd (Singapore), Tanla Mobile Finland Oy, (Finland) - wholly owned subsidiary of Tanla Mobile Middle East FZ LLC (UAE) and Tanla Oy (formerly Openbit Oy) (Finland) - wholly owned subsidiary of Tanla Mobile Finland Oy (Finland).
4. In accordance with Clause 41 of Listing Agreement, the Company has published consolidated financial results. The Standalone financial results of the Company for the quarter ended June 30, 2014 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 :

(Rs. In Lakhs)

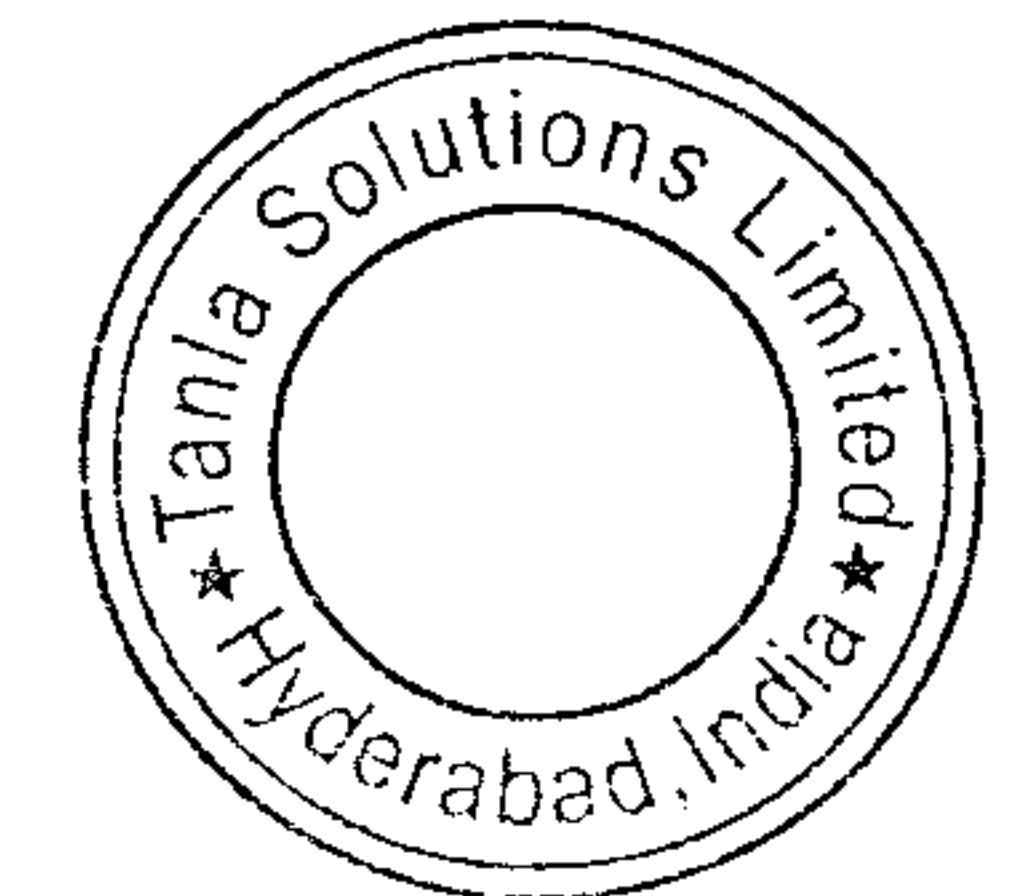
Particulars	Quarter Ended		Year Ended
	30.06.2014 unaudited	31.03.2014 audited	31.03.2014 audited
Income from operations & other income	1032.33	734.27	3117.94
Profit / (Loss before tax)	5.86	(996.41)	(932.75)
Profit / (Loss after tax)	3.61	(1065.49)	(969.60)

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

Place: Hyderabad
Date: July 08, 2014

For and on behalf of the Board of Directors


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





RAMASAMY KOTESWARA RAO & CO.,
CHARTERED ACCOUNTANTS

LIMITER REVIEW REPORT
For the Quarter ended 30th June, 2014

Review Report to the Board of Directors, TANLA SOLUTIONS LIMITED

We have reviewed the accompanying statement of unaudited financial results of **TANLA SOLUTIONS LIMITED** for the period ended 30th June, 2014, 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. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/Committee of Board of Directors. Our responsibility is to issue a report on these financial statements 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 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

(C.V.Koteswara Rao)
Partner
Membership No:028353



Place: Hyderabad
Date: July 08, 2014



Investor Update
Q1FY15

Highlights

Financials :

- Revenue from Operations up by 13.2% at Rs. 4021.95 lakhs against Rs. 3552.56 lakhs in Q4 FY2014.
- Revenue from Domestic Operations up by 53% at Rs. 934.79 lakhs against Rs. 610.97 lakhs in Q4 FY2014.
- Total Revenues for Q4 FY2014 included income from exceptional items totalling to Rs.2128.65 lakhs, there were no such exceptional items during Q1 FY2015.
- EBIDTA up by 22.3% at Rs. 1637.87 lakhs against Rs. 1338.88 lakhs in Q4 FY2014.

Particulars	Quarter ended June 30		% Change over Q1 FY2014	Quarter ended March 31	
	2014	2013	%	2014	%
Income from Operations :					
Overseas	3087.16	1733.15	78.1 %	2941.59	4.9 %
Domestic	934.79	544.68	71.6 %	610.97	53.0 %
Total Income from Operations (A)	4021.95	2277.83	76.6 %	3552.56	13.2 %
Other Income :					
Bad debts recovery	-	-	-	1732.00	-
Interest & Income on Investments	46.79	128.34	-63.5 %	162.65	-71.2 %
Forex fluctuation	-	-	-	234.00	-
Total Other Income (B)	46.79	128.34	-63.5 %	2128.65	-97.8 %
Total Revenue (A)+ (B)	4068.74	2406.17	69.1 %	5681.21	-28.3 %
Expenses :					
Operating Expenses (C)	1607.79	1245.09	29.1 %	1344.32	19.6 %
Diminution in Value of Investment (D)	-	-	-	968.10	-
Total Expenses (C)+ (D)	1607.79	1245.09	29.1 %	2312.42	-30.4 %
% Total Revenue	39.52	51.75	-	40.7	-
Gross Margin :					
Gross Margin from Operations (A-C)	2414.16	1032.74	133.8 %	2208.24	9.3 %
% Total Revenue	59.33	42.92	38.2 %	38.87	52.6 %
Other Income net of Diminution in Value of Investments (H)	-	-	-	1160.55	-
EBIDTA (E)	1637.87	660.29	113.6 %	1338.88	-32.6 %

Particulars	Quarter ended June 30		% Change over Q1 FY2014	Quarter ended March 31	% Change over Q4 FY2014
	2014	2013	%	2014	%
Depreciation & Amortization :					
Normal Depreciation (F)	1917.07	1473.36	30.1 %	1985.44	-3.4 %
Depreciation on account of Currency Translation (G)	53.16	-	-	2007.00	-
Total Depreciation & Amortization (F+G)	1970.23	1473.36	33.7 %	3992.44	-50.6 %
Net Profit/(Loss) before Depreciation on account of Currency Translation (E-F)	-279.20	-684.72	-	513.99	-
Net Profit/(Loss) after Depreciation & Amortization (E-(F+G)+B+H)	-285.57	-684.72	-	-1493.01	-
Net Profit/(Loss) before tax	-285.57	-684.72	-	-1493.01	-
Provision for Taxation :					
Normal Deferred Tax	2.25	-5.25	-	-	-
Deferred Tax Reversal	-	-	-	-619.85	-
Net Profit/(Loss) after Tax	-287.82	-679.47	-	-873.16	-
Earnings Per Share (of Face value Re.1/- each)	-0.28	-0.67	-	-0.86	-

Revenue by Geography

Particulars	Quarter Ended		
	June 30 2014	June 30 2013	March 31 2014
India	23.2 %	23.9 %	17.2 %
ROW	76.8 %	76.1 %	82.8 %

Revenue by Product-mix

Particulars	Quarter Ended		
	June 30 2014	June 30 2013	March 31 2014
m-messaging	70.1 %		65.1 %
m-payments	24.6 %		22.0 %
m-commerce	5.3 %		12.8 %

Currency Variance

Particulars	Quarter Ended		
	June 30 2014	June 30 2013	March 31 2014
GBP	102.06	90.63	99.41
USD	59.94	59.59	59.75

Business Update:

m-messaging :

- Deployment of the messaging platform with one of the large Telcos in India, is progressing as per schedule and is expected to be completed by August 2014.
- Tanla has processed 5.4b messages during Q1 up from 3.8b in Q4 FY2014.
- Estimated Application to Peer market in India is around 4b messages per month and Tanla processed 45% of the market for clients of various sector including banking, e-commerce and social media sectors.

m-payments:

- Deployment of payment platform with a partner in the US has been completed and initial clients have been boarded.
- 62m mobile payment transactions have been processed by Tanla's payment platform in Q1 up from 55m transactions in Q4FY2014.

m-commerce:

- m- Commerce services are in the deployment stage with 3 large Telcos in India and one Telco in international market.

Others:

Property : Approvals received from HMDA and development activities on the land are progressing as per schedule.

Safe Harbor:

Certain statements in this release reflecting our future growth prospects are forward - looking statements which involve a number of risks and uncertainties that could cause results to differ materially from those in such forward looking statements. The risks and uncertainties relating to these statements include but are not limited to risks and uncertainties with respect to fluctuation in earnings, our ability to manage growth, intense competition on IT services including these factors which may affect our cost advantage, cost of resources, introduction of regulations that might impact the prospects, our ability to successfully complete the planned projects, general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.



Tanla Technology Centre,
Madhapur, Hyderabad,
India - 500081

For Investor contact
e-mail : investorhelp@tanla.com

www.tanla.com