

# 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.

Figures in Rs. Lakhs

| Particulars | Quarter ended June 30 | | % Change over Q1 FY2014 | Quarter ended March 31 | % Change over Q4 FY2014 |
|---|---|---|---|---|---|
| | 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 % |

Figures in Rs. Lakhs

| 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

| | Quarter Ended | | |
|---|---|---|---|
| Particulars | 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

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

## Currency Variance

| | Quarter Ended | | |
|---|---|---|---|
| Particulars | 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.



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