

TANLA SOLUTIONS LIMITED
TANLA TECHNOLOGY CENTRE, HITECH CITY ROAD, HYDERABAD - 500 081
AUDITED FINANCIAL RESULTS FOR QUARTER AND YEAR ENDED MARCH 31, 2007

(Rupees in Lakhs)

Particulars	Consolidated Results for the				Tanla Solutions Limited - Results for the			
	Quarter ended March 31		Year ended March 31		Quarter ended March 31		Year ended March 31	
	2007	2006	2007	2006	2007	2006	2007	2006
Sale of software products and services								
- Overseas	7804.37	2175.15	22140.32	6192.51	2384.22	1330.23	8156.98	4029.99
- India	0.00	86.52	44.46	109.57	0.00	86.52	44.46	109.57
Other Income	728.88	4.51	736.67	10.14	861.44	50.39	912.20	55.37
Total	8533.24	2266.18	22921.44	6312.22	3245.66	1467.14	9113.64	4194.93
Expenditure:								
- Cost of sales	3843.41	738.31	9864.25	2142.78	593.23	360.51	2090.57	1069.05
- Selling & marketing expenses	184.02	153.64	720.72	361.14	76.81	114.93	290.30	136.58
- General & administrative expenses	154.41	168.41	550.64	289.12	73.26	83.19	225.89	168.15
- Depreciation & Amortisation	568.69	54.65	803.62	79.18	507.05	18.56	586.01	42.79
Total	4750.53	1115.01	11939.23	2872.22	1250.35	577.19	3192.77	1416.57
Profit before Tax	3782.71	1151.17	10982.21	3440.00	1995.31	889.95	5920.87	2778.36
Provision for Income Tax	253.19	265.02	1547.58	351.92	-36.37	138.60	203.36	141.55
Provision for Fringe Benefit Tax	0.26	4.52	4.55	4.52	0.26	4.52	4.55	4.52
Provision for Deferred Tax	125.06	58.90	151.01	58.90	-75.70	58.90	-49.75	58.90
Net Profit	3404.20	822.73	9279.07	3024.66	2107.12	687.93	5762.71	2573.39
Paid-up Equity Share Capital	1000.00	682.30	1000.00	682.30	1000.00	682.30	1000.00	682.30
Reserves and Surplus (excluding								
Revaluation Reserves including Share Premium)	-	-	53619.84	3668.81	-	-	49427.02	3221.50
Basic / Diluted EPS (Rs.)	7.09	2.41	24.31	8.87	4.39	2.02	15.10	7.54
(Par Value Rs.2)								
Aggregate of non-promoter shareholding:								
No. of Shares	32513450	18276750	32513450	18276750	32513450	18276750	32513450	18276750
(Par Value Rs.2)								
Percentage	65.03	53.57	65.03	53.57	65.03	53.57	65.03	53.57

Notes:

- The above financial results for the quarter and year ended March 31, 2007 have been reviewed by the Audit Committee and approved by the Board at its Meeting held on April 19, 2007.
- Consolidated results include Tanla Solutions (UK) Ltd., a wholly owned subsidiary and Tanla Mobile Ltd., a wholly owned subsidiary of Tanla Solutions (UK) Ltd.

3. During the fiscal 2007 the company allotted 1,58,85,000 equity shares of Rs.2/- each at a premium of Rs.263/- on 28th December 2006 in Follow on Public Offer. Consequently, the paid-up equity share capital has been increased from 3,41,15,000 to 5,00,00,000 equity shares.

4. Details of utilisation of funds received from Follow on Public Offer of equity shares, as per Clause 43 of Listing Agreement are as follows:

		In Rs. Lakhs
Funds raised on Follow on Public Offer of equity shares		42095.25
Less: Utilised during the quarter		
Expansion & upgradation of existing Research & Product Development Facilities	16.83	
For working capital requirements	341.93	
For Issue expenses	1933.49	
General Corporate purposes	5360.73	
		7652.98
Funds unutilised as on March 31, 2007		34442.27

5. Other income consists of Interest & Dividend earned from investments in deposits and mutual funds from out of follow on public offer proceeds and internal accruals.

6. Depreciation and amortisation include amortisation of issue expenses of Rs.480.21 lakhs i.e. 1/5 of the total issue expenses.

7. The Company is mainly engaged in the area of Software Development and related services.

Hence Accounting Standard (AS 17) "Segment Reporting", is not applicable to the Company and to the nature of its business.

8. Earnings per share has been calculated on the basis of weighted average number of Equity Shares as on March 31, 2007 after considering the shares allotted in Follow on Public Offer.

9. Non-promoter shareholding has been increased during the year because of further issue of shares through prospectus in Follow on Public Offer.

10. The company continues to comply with Accounting Standard 15 (revised) on 'Employee Benefits' .

11. In terms of amended Clause 41 of the Listing Agreement, the Investor Grievances received and dispensed of during the quarter ended March 31, 2007 are as under:

Complaints pending at the beginning of the quarter	Nil
Complaints received during the quarter	2125
Complaints disposed during the quarter	2125
Complaints pending at the end of the quarter	Nil

12. Previous period / year figures have been regrouped wherever necessary.

Place: Hyderabad
Date : April 19, 2007

For and on behalf of the Board of Directors

(D.Uday Kumar Reddy)
Chairman & Managing Director