

TANLA SOLUTIONS LIMITED
TANLA TECHNOLOGY CENTRE, HITECH CITY ROAD, HYDERABAD - 500 081
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2008

(Rupees in Lakhs)

Particulars	Consolidated Results for the				Tanla Solutions Limited - Results for the			
	Quarter ended		Year ended		Quarter ended		Year ended	
	March 31		March 31		March 31		March 31	
	2008	2007	2008	2007	2008	2007	2008	2007
Gross Revenue:								
- Overseas	14339.55	7804.37	45938.63	22140.32	3773.75	2384.22	12866.57	8156.98
- Domestic- India	24.11	0.00	36.87	44.46	24.11	0.00	36.87	44.46
Other Income	323.93	728.88	1708.55	736.67	518.32	861.44	2296.68	912.20
Total	14687.59	8533.24	47684.05	22921.44	4316.18	3245.66	15200.12	9113.64
Expenditure:								
- Cost of sales	5832.40	3843.41	20121.75	9864.25	891.28	593.23	3087.14	2090.57
- Selling & marketing expenses	928.94	184.02	2729.14	720.72	218.32	76.81	710.33	290.30
- Operating & administrative expenses	649.99	154.41	1592.51	550.64	166.22	73.26	561.83	225.89
- Depreciation	880.94	568.69	2160.48	803.62	193.84	507.05	741.83	586.01
Total	8292.27	4750.53	26603.88	11939.23	1469.66	1250.35	5101.13	3192.77
Profit before Tax	6395.33	3782.71	21080.18	10982.21	2846.52	1995.31	10098.99	5920.87
Provision for Income Tax	737.34	253.19	3941.61	1547.58	211.97	-36.37	1144.20	203.36
Provision for Fringe Benefit Tax	14.60	0.26	19.95	4.55	14.60	0.26	19.95	4.55
Provision for Deferred Tax	300.65	125.06	465.09	151.01	148.22	-75.70	200.32	-49.75
Net Profit	5342.74	3404.20	16653.53	9279.07	2471.73	2107.12	8734.52	5762.71
Paid-up Equity Share Capital	1000.00	1000.00	1000.00	1000.00	1000.00	1000.00	1000.00	1000.00
Reserves and Surplus (excluding revaluation reserves including share premium)	-	-	69053.40	53619.84	-	-	56757.60	49427.02
Basic / Diluted EPS in Rs.	10.69	7.09	33.31	24.31	4.94	4.39	17.47	15.10
(adjusted to par value Rs.2)								
Aggregate of non-promoter shareholding:								
No.of Shares	32,076,450	32,513,450	32,076,450	32,513,450	32,076,450	32,513,450	32,076,450	32,513,450
(adjusted to par value Rs.2)								
Percentage of shareholding	64.15	65.03	64.15	65.03	64.15	65.03	64.15	65.03

Notes:

1. The above audited financial results for the quarter and year ended March 31, 2008 have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on September 4, 2008.
2. Consolidated financial results include Tanla Solutions (UK) Ltd., a wholly owned subsidiary, Tanla Mobile Ltd. U.K, a wholly owned subsidiary of Tanla Solutions (UK) Ltd, Tanla Mobile Asia Pacific Pte. Ltd, (Singapore), a wholly owned subsidiary, Tanla Mobile Ireland Private Limited, (Ireland), Tanla Mobile Inc., (USA) and Tanla Mobile Middle East FZ-LLC, (UAE), wholly owned subsidiaries of Tanla Mobile Asia Pacific Pte. Ltd.
3. 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.
4. Consolidated depreciation and provision for tax has been reduced by Rs.186.63 lakhs and Rs.189.45 lakhs respectively and consolidated other income decreased by Rs.33.20 lakhs basing on actual calculations in subsidiary companies as compared to the declared un-audited financial results for the year ended March 31, 2008.
5. The consolidated net profit after tax has been increased by Rs.342.89 lakhs and reserves and surplus has been decreased by Rs.1403.95 lakhs due declaration of final dividend for the financial year 2007-08.
6. 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.
7. The company continues to comply with Accounting Standard 15 (revised) on ' Employee Benefits' .
8. During the fiscal year 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 the Follow on Public Offer. Consequently, the paid-up equity shares has been increased from 3,41,15,000 to 5,00,00,000 equity shares.
9. 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 upto 31.12.2007		24742.20
Funds available as on 01.01.2008		17353.05
Less: Utilised during the quarter		
Expansion & upgradation of existing Research & Product Development Facilities	450.45	
General Corporate purposes	8230.52	
		8680.96
Funds un-utilised as on March 31, 2008		8672.09

10. In terms of amended Clause 41 of the Listing Agreement, Investor correspondence / compliants received and dispensed off during the quarter ended March 31, 2008 is as under:

Correspondence / compliants pending at the beginning of the quarter	Nil
Correspondence / compliants received during the quarter	57
Correspondence / compliants disposed during the quarter	57
Correspondence / compliants pending at the end of the quarter	Nil

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

Place: Hyderabad

Date : September 4, 2008

For and on behalf of the Board of Directors

(D.Uday Kumar Reddy)
Chairman & Managing Director