



Date: September 07, 2016.

To,

Bombay Stock Exchange Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.	National Stock Exchange of India Ltd Exchange Plaza, Plot No.C/1, Block – G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.
---	--

Dear Sir/Madam,

Sub: Announcement on Restructuring of Subsidiaries

With reference to the subject cited above, please find enclosed the letter on restructuring of the Subsidiaries of Tanla Solutions Limited.

Request you to take the same on record and oblige.

Thanking you,

Yours faithfully,

For TANLA SOLUTIONS LIMITED

Seshanuradha Chava
ACS - 15519
AVP – Legal & Secretarial
Email: investorhelp@tanla.com
CIN: L72200AP1995PLC021262





Restructuring of subsidiaries

The market for enterprise communications is fast evolving towards Cloud based communications driven by its cost, quality of service, technology and scalability advantages. Enterprises today demand a single platform for all their communication needs including Messaging, Voice, Payments and authentication, which can provide services around the world and can be accessed through a single connection using a common Application Programmers Interface (API).

Due to restrictions in technology and regulations in international geographies, Tanla had over the years built up technology assets in its various subsidiaries and was offering different services through different subsidiaries. For example, the payments and authentication business was primarily offered through subsidiaries in Finland and the UK. This was creating a challenge for management as well as hindering our evolution to a complete Cloud Communication service provider.

As a result of an evolved regulatory environment in key markets and changing technology, it is now possible to offer services through a single platform accessed through a common interface. In view of the above, the management has taken the decision to consolidate all technology and infrastructure assets into the parent company, Tanla Solutions Ltd, in order to provide a single platform & API to our customers worldwide. This will result in moving the technology, assets, business and teams from the subsidiaries, including that of Tanla's fast growing Singapore hub, to the parent company's branch office.

To this effect we have obtained a no objection letter from Reserve Bank of India dated April 18th 2016 for disinvestment by way of buy back of equity shares in Tanla Mobile Asia Pacific Pte Ltd against transfer of technology assets to branch of Tanla Solutions Limited. In pursuance to RBI's approval, Tanla Mobile Asia Pacific Pte Ltd, Singapore preferred an application to Accounting and Corporate Regulatory Authority, Singapore (ACRA) for permission for reduction in share capital which has been granted on 6th September 2016.

Post the proposed restructure, total business will be conducted by Tanla Solutions Limited, India and its branch which will start conducting business from October 2016. As the group consists of 100% wholly owned subsidiaries, the impact of restructuring shall be nil in the financial statements.

Overall the restructuring will further reinforce our competitiveness and drive sustainable growth by enabling customers to have one single contract and one single technology interface to access the complete range of communication services. In addition, consolidating assets and technology into the parent company will enable better management control and operational efficiency and result in increased corporate value.

Thanking you,
Yours faithfully,

For TANLA SOLUTIONS LIMITED


Seshanuradha Chava
ACS - 15519
AVP – Legal & Secretarial
Email: investorhelp@tanla.com
CIN: L72200AP1995PLC021262

