



**Tanla Platforms Limited**  
(formerly Tanla Solutions Limited)  
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July 22, 2021

To,

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: <b>532790</b>	National Stock Exchange of India Ltd. “Exchange Plaza” Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: <b>TANLA</b>
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Dear Madam/Sir,

**Sub: Investors Updates for the quarter ended June 30, 2021**

With reference to the subject cited, we are enclosing herewith Investors Updates for the quarter ended June 30, 2021.

Yours faithfully,

For **Tanla Platforms Limited**  
(Formerly known as Tanla Solutions Limited)


Seshanuradha Chava  
General Counsel and Chief Regulatory Officer  
ACS-15519

# The world's leading brands trust Tanla

**Q1 21-22**

Investor Update

July 22, 2021



# Safe Harbor

The CPaaS business is evolving at a fast pace in India with very little information available in the public domain on the overall market. The financial community has always sought a response on the total market size, key drivers of the industry and the competitive landscape in this space. In order to provide more transparency and to help understand our business better, we are providing indicative data around the market size and our relative share (assuming the indicative data). This indicative data has been arrived at basis our detailed internal analysis. This is being done with an intent to provide an indicative picture of the industry and address queries about the CPaaS space. This must not be seen as a positioning statement of the company, and one should not rely on the company's disclosure for their assessment of the market size.

This presentation contains statements that include information concerning our possible or assumed strategy, future operations, financing plans, operating model, financial position, future revenues, projected costs, competitive position, industry environment, potential growth opportunities, potential market opportunities, plans and objectives of management, as well as assumptions relating to the foregoing that involve substantial risks and uncertainties. All statements other than statements of historical fact could be deemed forward-looking in nature. Such statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, although not all forward-looking statements contain these identifying words, you can identify forward-looking statements by terminology such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "plan," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," "shall," and variations of these terms or the negative of these terms and similar expressions. The forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements, expressed or implied by the forward-looking statements. It is advisable not to place excessive reliance on any of the forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all. Additionally, these forward-looking statements, involve risk, uncertainties and assumptions based on information available to us as of 20/06/21, including those related to the continued impacts of COVID-19 on our business, future financial performance and global economic conditions. Many of these assumptions relate to matters that are beyond our control and changing rapidly, including, but not limited to, the timeframes for and severity of social distancing and other mitigation requirements, the timing of headwinds from COVID-19, the availability of vaccinations, the continued impact of COVID-19 on new or existing customers, business decisions and the length of our sales cycles, renewal timing or billings terms, particularly for customers in certain industries highly affected by COVID-19.

If the risks or uncertainties ever materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. We assume no obligation and do not intend to update these forward-looking statements or to conform these statements to actual results or to changes in our expectations, except as required by law.

This presentation contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information wherever possible, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to place excessive weightage to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information, wherever referred. Certain statements that might or might not be forward-looking statements represent our management's beliefs and assumptions only as of the date of this presentation. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation.

By receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business. Any logos or trademarks other than Tanla, Karix, Gamooga, Trubloq & Wisely included herein are the property of the owners thereof and are used for reference purposes only.



# State of the business: leading innovation, growth and value creation

## High Growth Best in Class margins and free cash flow profile

**4x**

Revenues

**8x**

EBITDA

**9x**

PAT

**1004**

Gross Margin%  
Basis points increase

**883**

EBITDA%  
Basis points increase

**815**

PAT%  
Basis points increase

in 5 years from FY2017-21

## Accelerated Innovation

**wisely**

- 3 patents awarded
- Co-sell partnership with Microsoft

**TRUBLOQ**

- World's first block chain enabled CPaaS stack
- Trusted by over 44,000 enterprises
- 62% volume market share

## CPaaS Market leader in India

**800B**

Interactions/year

**42%**

Revenue  
market share

**62%**

DLT volume  
market share

**41%**

NLD volume  
market share

**75%**

ILD volume  
market share

## Enterprise segment market leader

**30%+**

Market share in India



## Choice of leaders across industry

**9/10**

Banking  
E-commerce  
Government

**8/10**

Financial services  
Information  
Technology

**7/10**

Healthcare  
Consumer goods  
Social Media Retail

**1300**

Customers across  
segments

**60%+**

of total revenues contributed  
by 50 of our top 100 customers,  
retained for more than 5 years

Powering digital communications for the world's largest vaccination drive for covid-19 on CoWin platform through NIC & NHP, India with record-breaking performance of 30,000 TPS

## Listed in Indices



FTSE  
Russell

**dun & bradstreet**

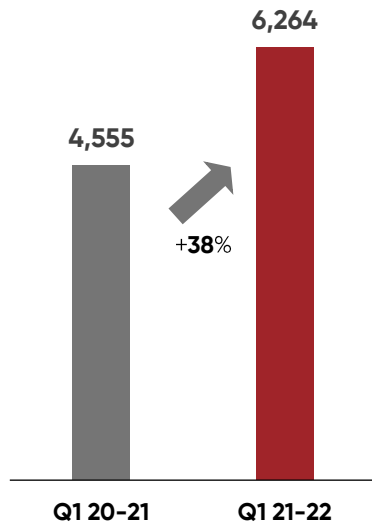
featured in Next top 100  
companies in India

# Stellar start into the year

## Key financial metrics

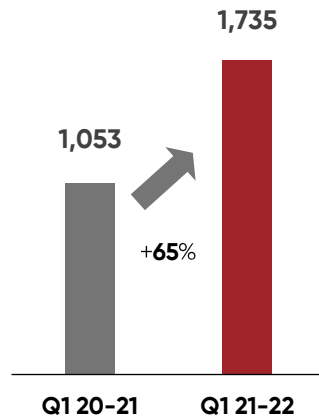
### Revenue

(₹ Million)



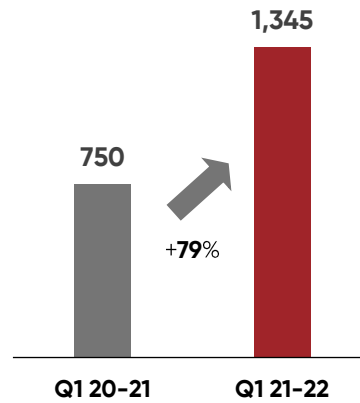
### Gross Margin

(₹ Million)



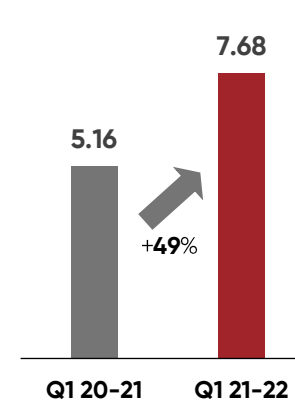
### EBITDA

(₹ Million)



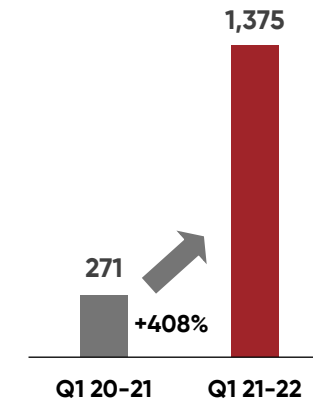
### EPS

(₹)



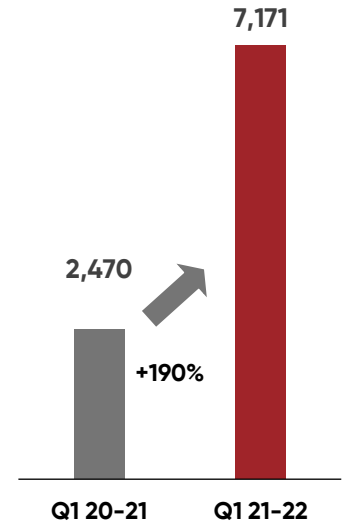
### Cash conversion

(₹ Million)

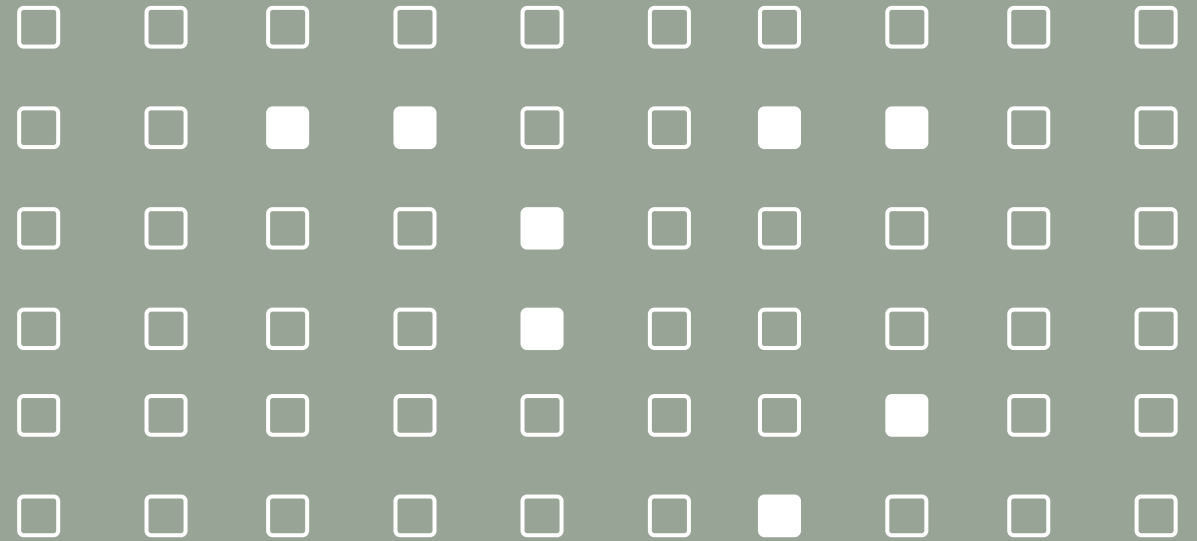


### Cash

(₹ Million)



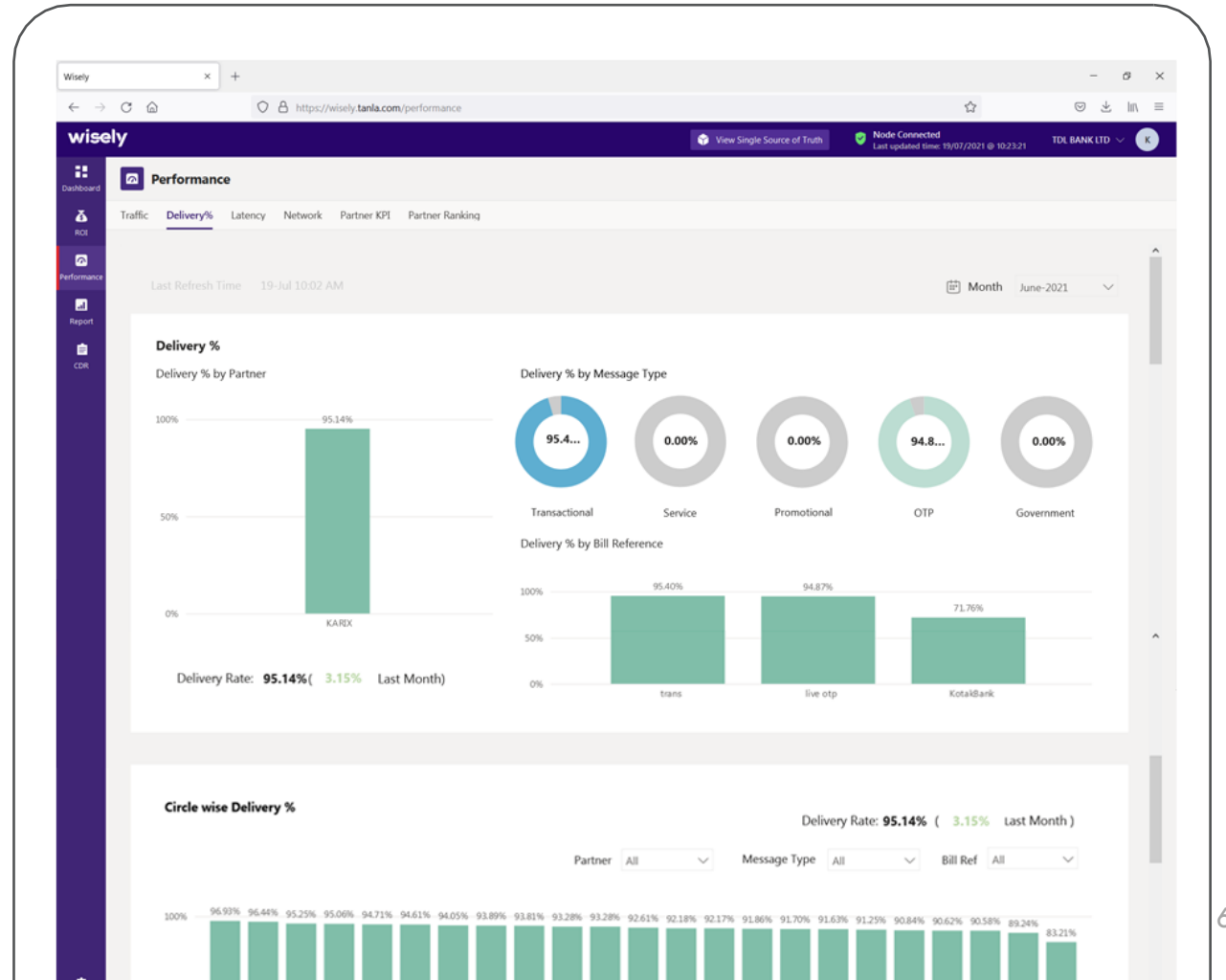
# CUSTOMER UPDATES



# Wisely platform helps Axis Bank pave the way for true customer data privacy and security



- Blockchain based end-to-end secured messaging platform
- Customer trust & confidence. My bank My Message.
- Transparent – Verified, Zero dispute reports
- As-a-Service model – Scalable and reliable





# One of the largest life science company unlocks SMS communication for millions of farmers with Tanla

Right crop information and products using interactive SMS links in multiple languages

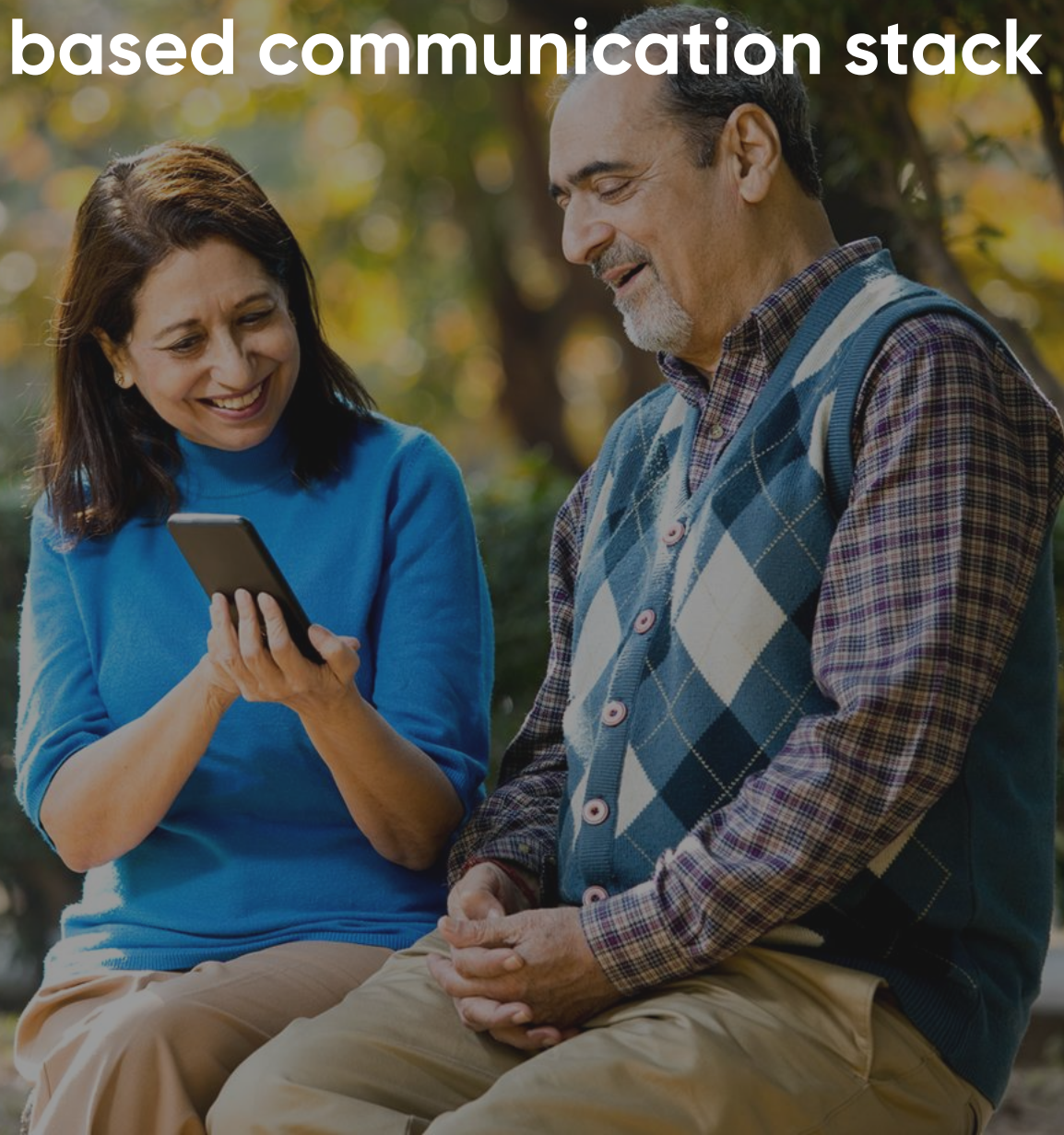




# Ground-breaking innovation for the telecom industry, powered by blockchain based communication stack

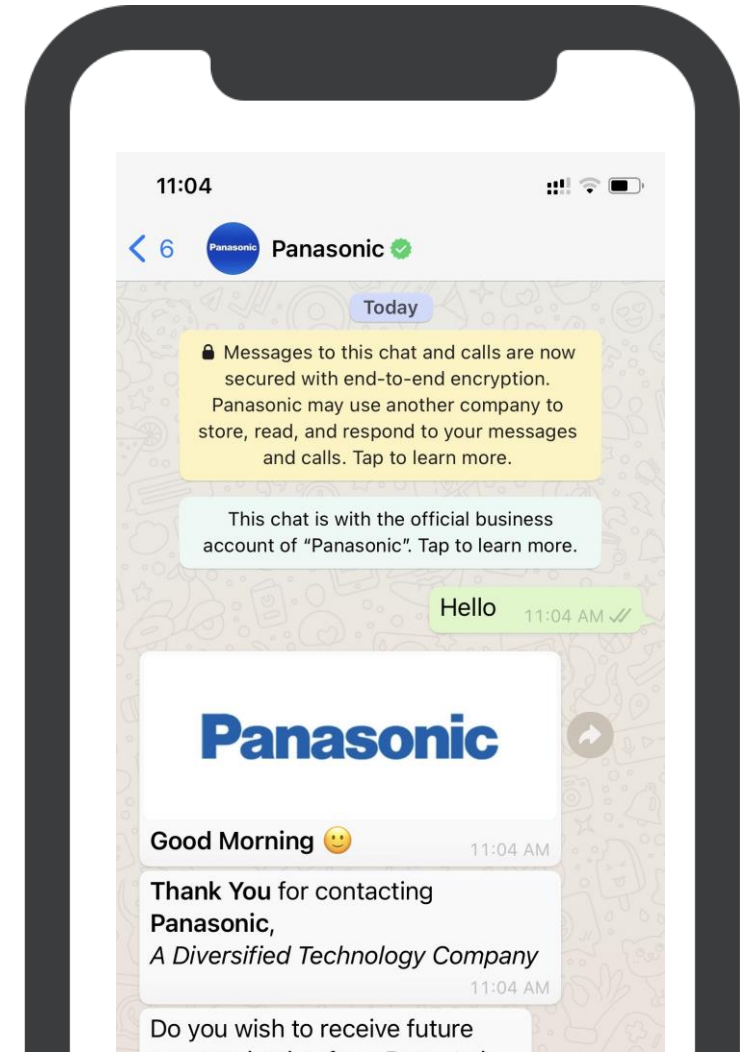
## *TRUBLOQ*

- Over 44,000 enterprises are now using Trubloq solution; 2 million content templates registered
- Enabled 5 out of 7 telecom operators in India with 62% market share of all scrubbed messages
- Reduced subscriber complaints by 60%



# “A better life, A better World” – How Panasonic improves customer care with Karix and WhatsApp

- Automated conversational solution for product and service-related inquiries
- 2-way communication between brand and the user, in language of choice
- Solution helped Panasonic deflect 10% inquiries to WhatsApp from their call centre
- Helped the brand increase overall NPS by providing info and service on demand





# IFFCO Tokio deployed Karix smart messaging analytics to promote their policies to 3 Mn farmers across India

Resulted in 8x increase  
in farmer engagement



# Paisa Bazaar uses Gamooga Omni channel marketing platform with 8X increased conversions

paisabazaar.com | #PaisaSeBadhkar

Login With QR Code



Open the Paisabazaar app on android, tap the Hamburger menu on the top left & tap on Scan  
[See How](#)

Login with Google  
Login with Facebook

or

Login with Mobile Number

Mobile Number  
You will get the OTP on this number

Send OTP

By logging in, you agree to the following [Credit Report Terms of Use](#) and [Terms of Use](#)

CIN No. U74900HR2011PTC044581 © Copyright 2010-2020 Paisabazaar.com. All Rights Reserved.

[Disclaimer](#) | [Privacy Policy](#) | [Terms of Use](#)

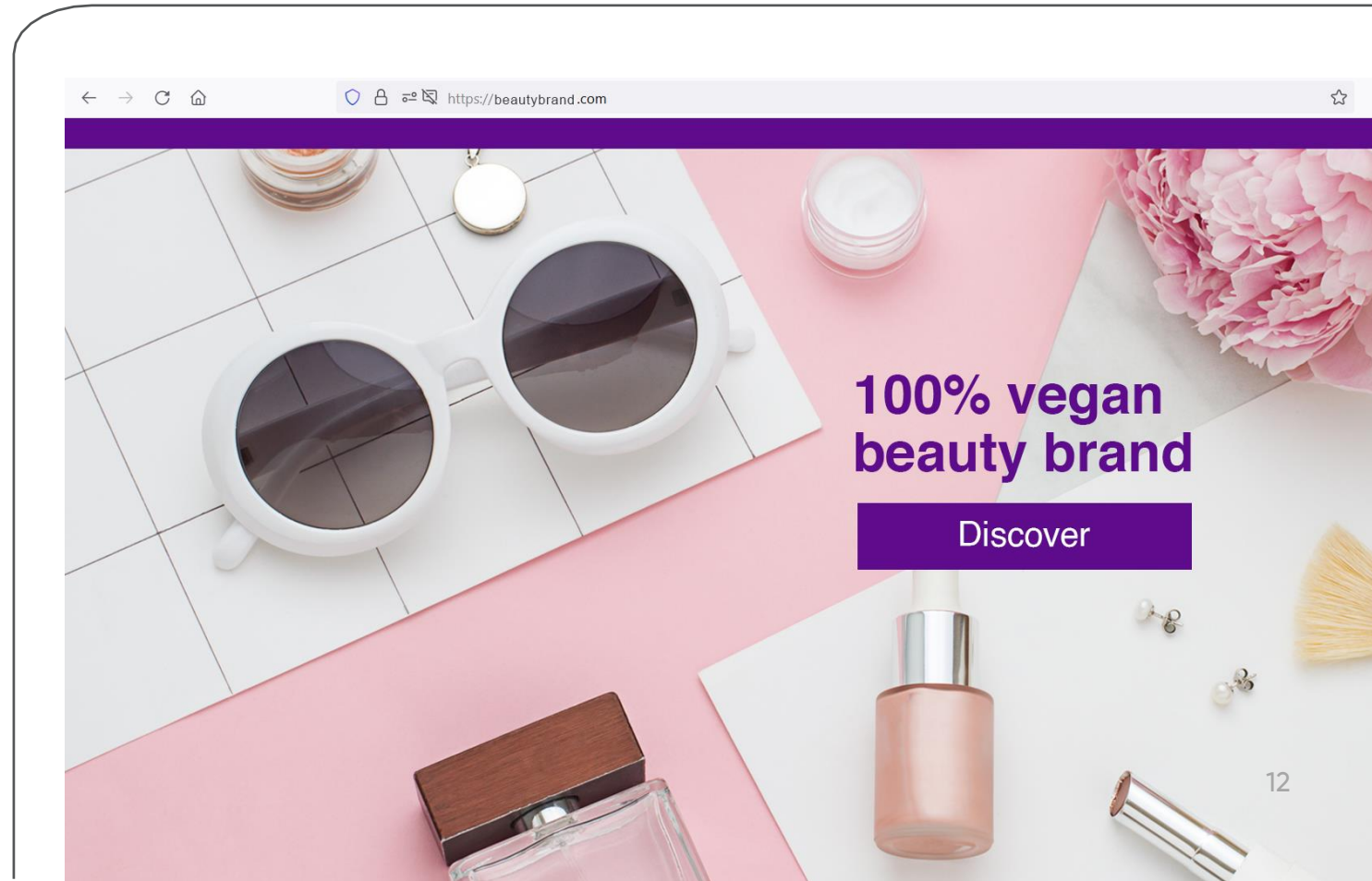
The screenshot shows the Paisabazaar website home page. At the top, there is a navigation bar with the Paisabazaar logo, the hashtag #PaisaSeBadhkar, and links for All Products, Learn & Resources, and Contact. The main banner features a large illustration of a man holding a sign that says "ASSURED ₹500 CASHBACK on every card". To the right of the illustration, the text reads "CASHBACK CARDIVAL A Carnival of Cards and Cashback" and "Compare, Apply & Get Assured ₹500 Cashback on every credit card issued". Below this is a prominent "Apply Now" button. Underneath the banner is a section titled "OUR PRODUCTS" which lists various financial services: CREDIT CARDS (From 50+ options, choose a card matching your lifestyle & needs), PERSONAL LOAN (Select the best offer curated just for you from a wide choice of lenders), MICRO LOANS (UNDER ₹50K) (Instant small ticket loans to meet your immediate cash needs), BUSINESS LOAN (Expand your business with loans at lowest interest rates), TRANSFER PERSONAL LOAN (Get better interest rates on your existing personal loan), and NEW HOME LOAN (Choose from low interest rates available for your dream home). Each product card includes a brief description and a "CASHBACK" badge.





# Large online beauty brand uses Gamooga Re-targeting solution to convert anonymous visitors to registered users

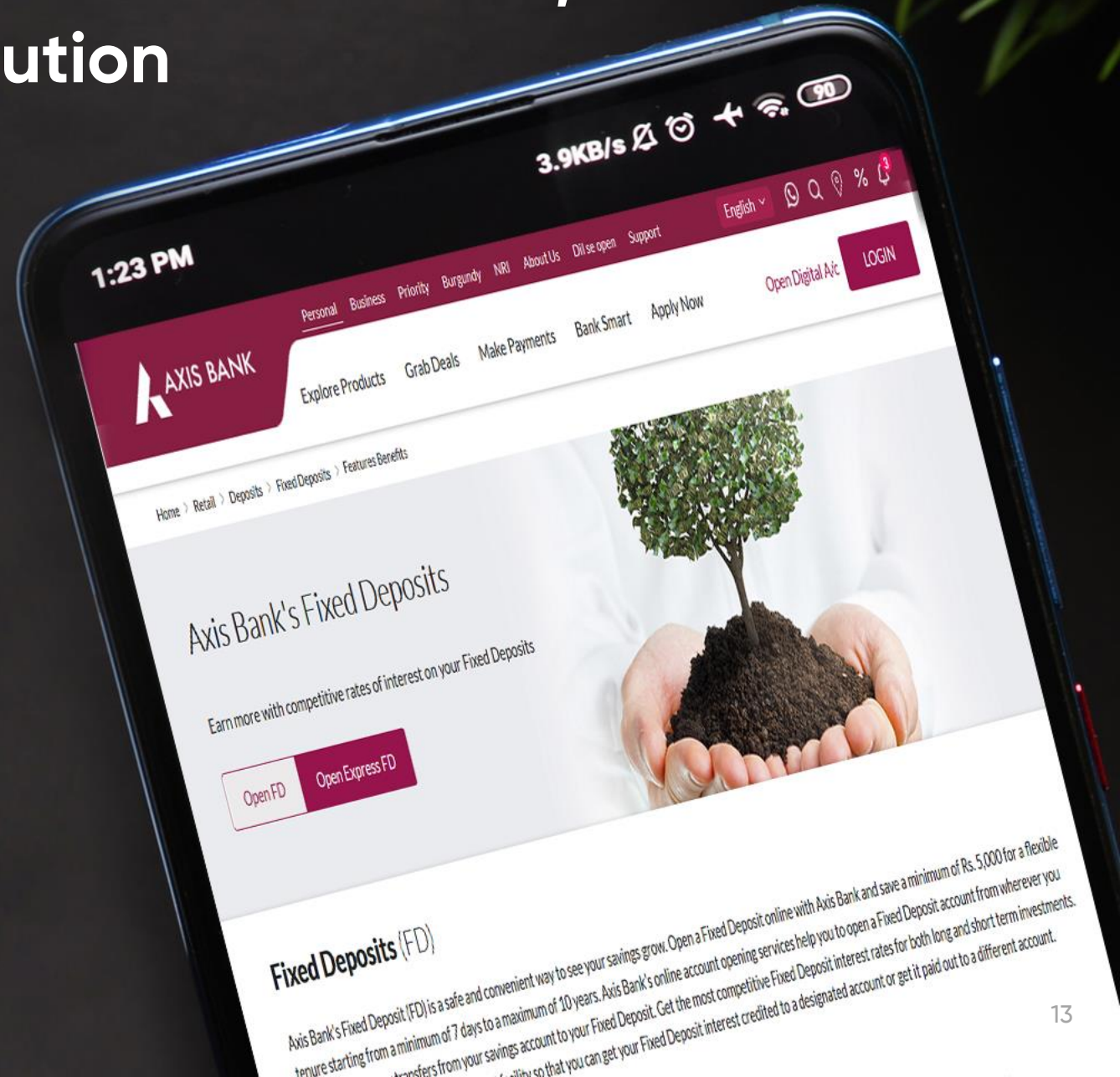
- Personalized sign-up forms enabled for capturing details of site visitors based on their product browsing history
- Displayed personalized banners to these users with targeted offers
- Re-targeting these visitors with these specific offers resulted in 2x conversion rate





# Karix enabled Axis Bank with conversational, branchless banking SMS solution

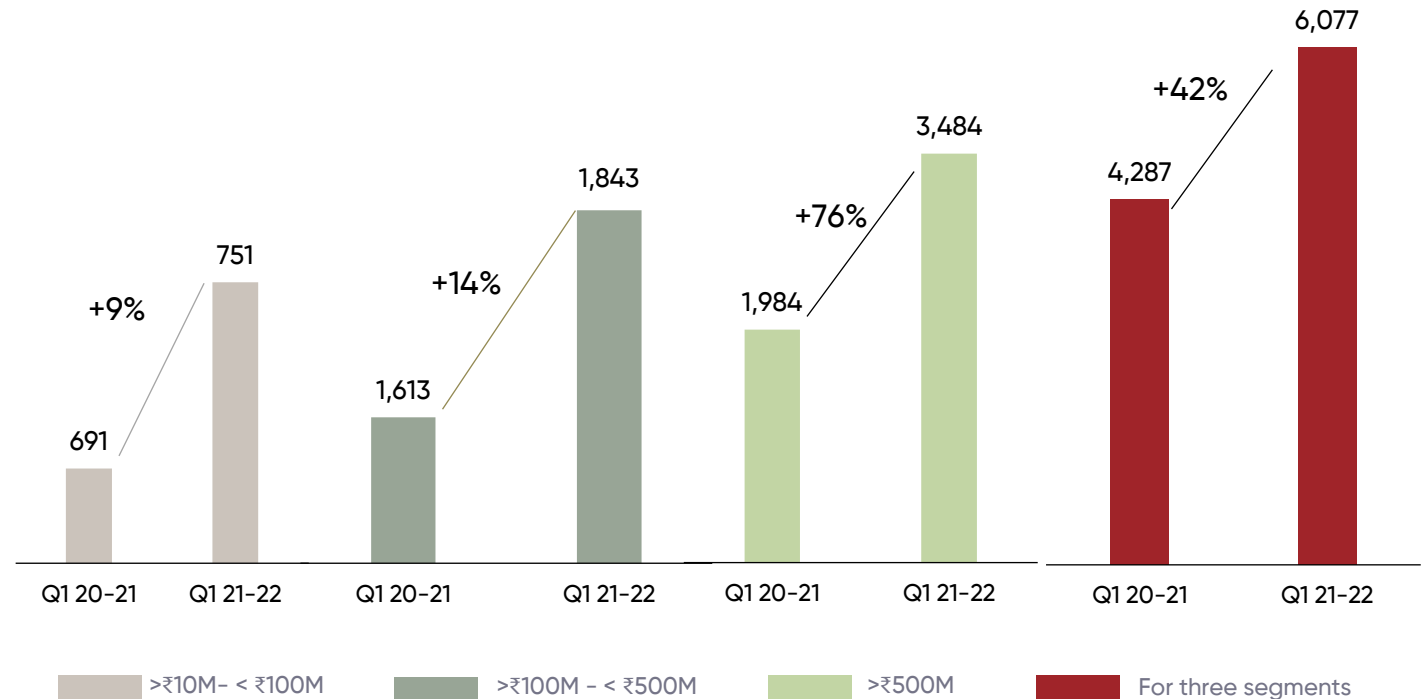
- Eliminated need for visiting branch or filling a form to renew term deposits
- Simple solution offered over interactive SMS, removing the need for senior citizens to download any app
- Increased Axis Bank's term deposit conversion by 18%



# Revenue grew across all customer segments

(₹ Million)

Customers with revenue > ₹500 million contributed 56% in Q1 21-22 as against 44% in Q1 20-21



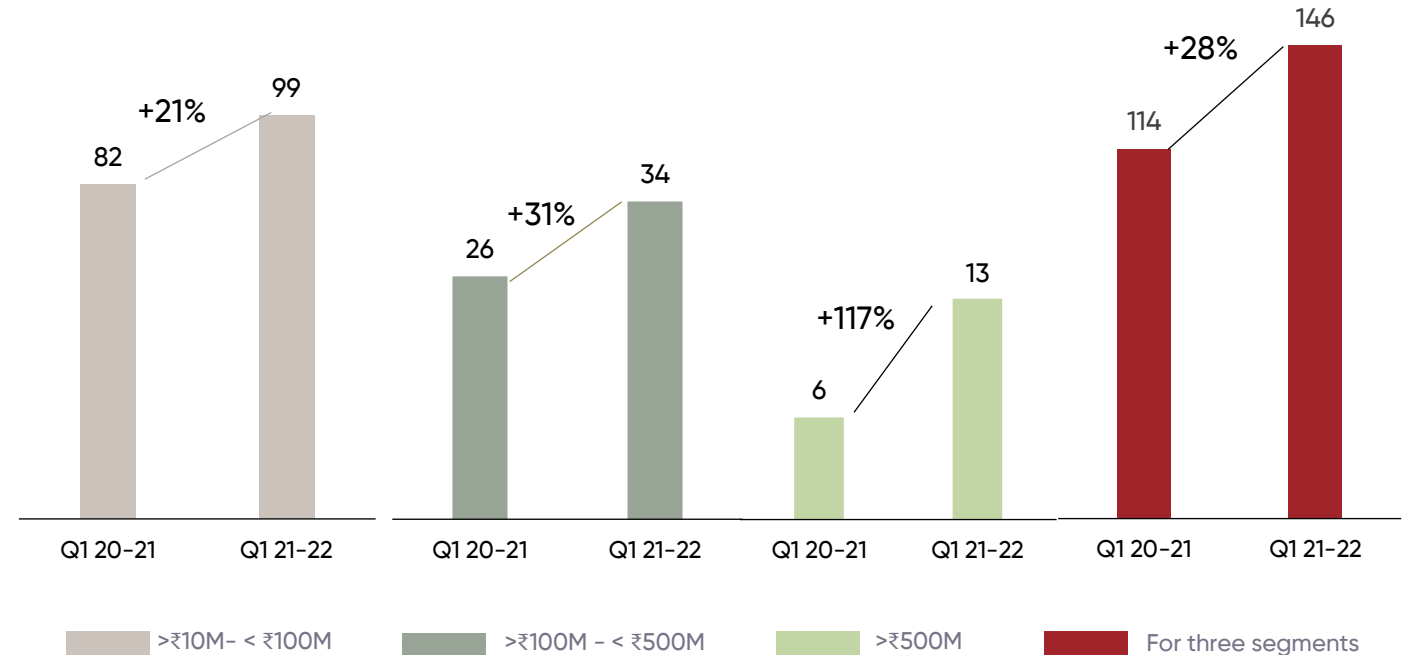
Customer segments are arrived at on a quarterly annualized basis (quarter revenue multiplied by four)



# Customer addition in all segments

(No of customers)

- 146 customers with revenue of > ₹10M+ up from 114 customers in Q1 20-21
- 13 customers with revenue > ₹500M up from 6 in Q1 20-21



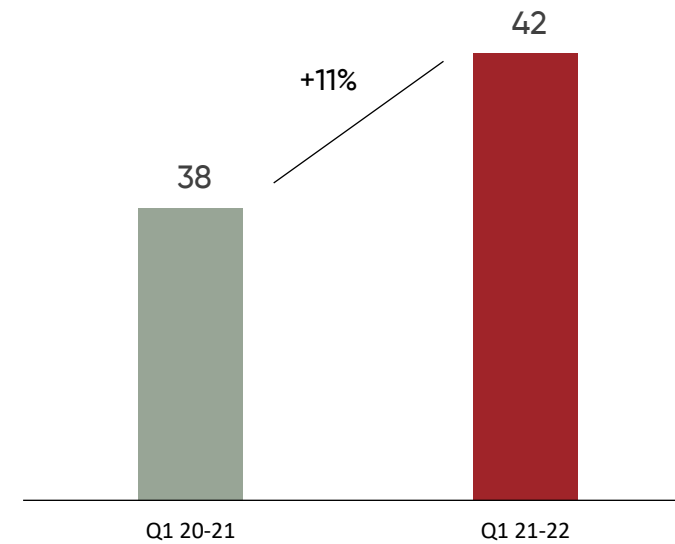
Customer segments are arrived at on a quarterly annualized basis (quarter revenue multiplied by four)



# Average revenue for > ₹10M customers is increasing

(₹ Million)

**Average revenue per customer contributing >₹10 million is at ₹ 42 million for the quarter, up 11% from Q1 20-21**



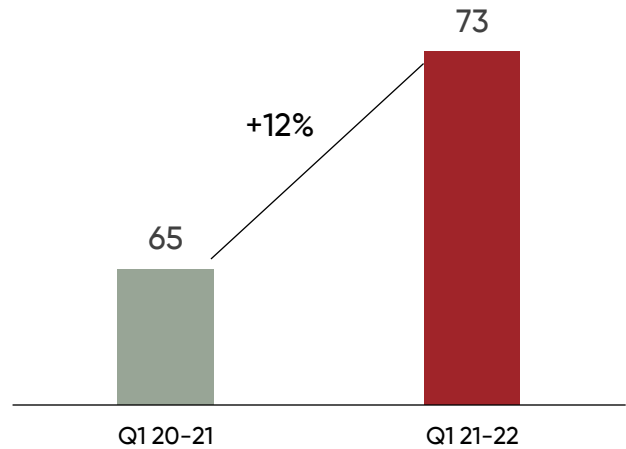
Customer segments are arrived at on a quarterly annualized basis (quarter revenue multiplied by four)



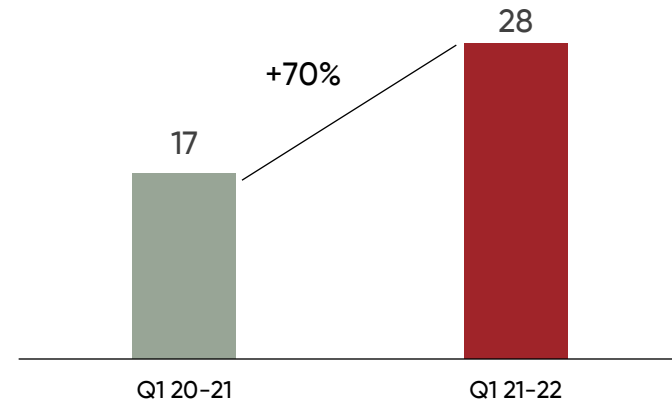
# Continue to expand our customer base

(₹ Million)

In Q1 21-22, we added 73 new customers as against 65 additions in Q1 20-21



In Q1 21-22, revenue from new customers is ₹ 28 million as against ₹ 17 million in Q1 20-21



New customers include every unique new contracting entity added during the quarter

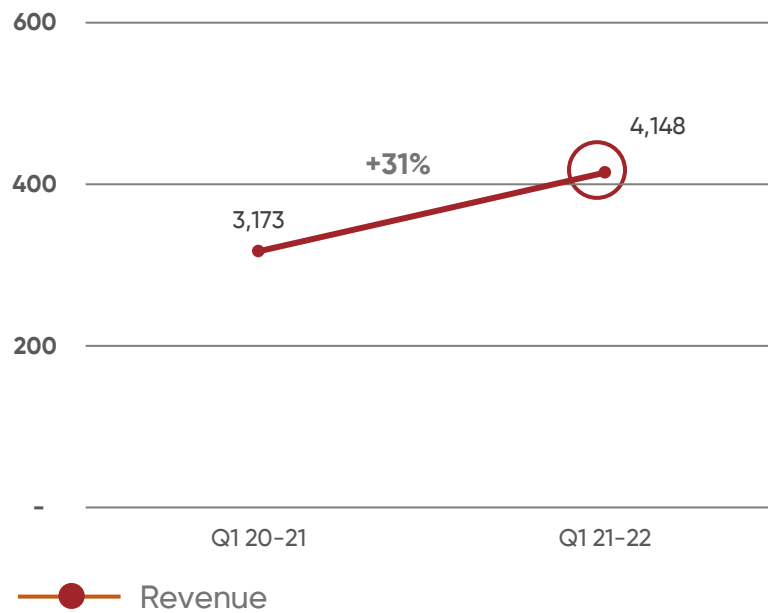




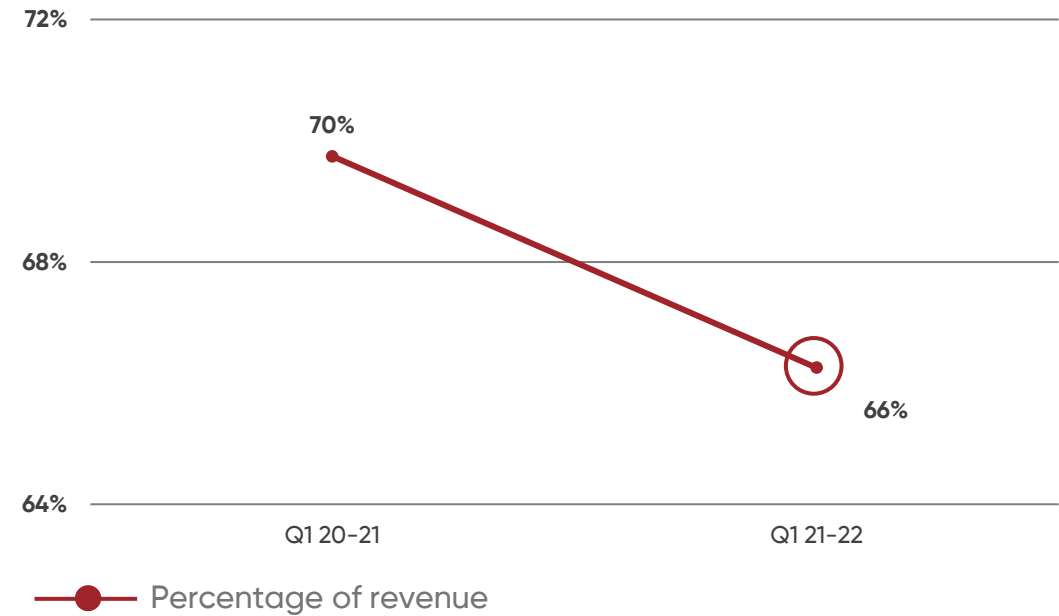
# Reducing client concentration

(₹ Million)

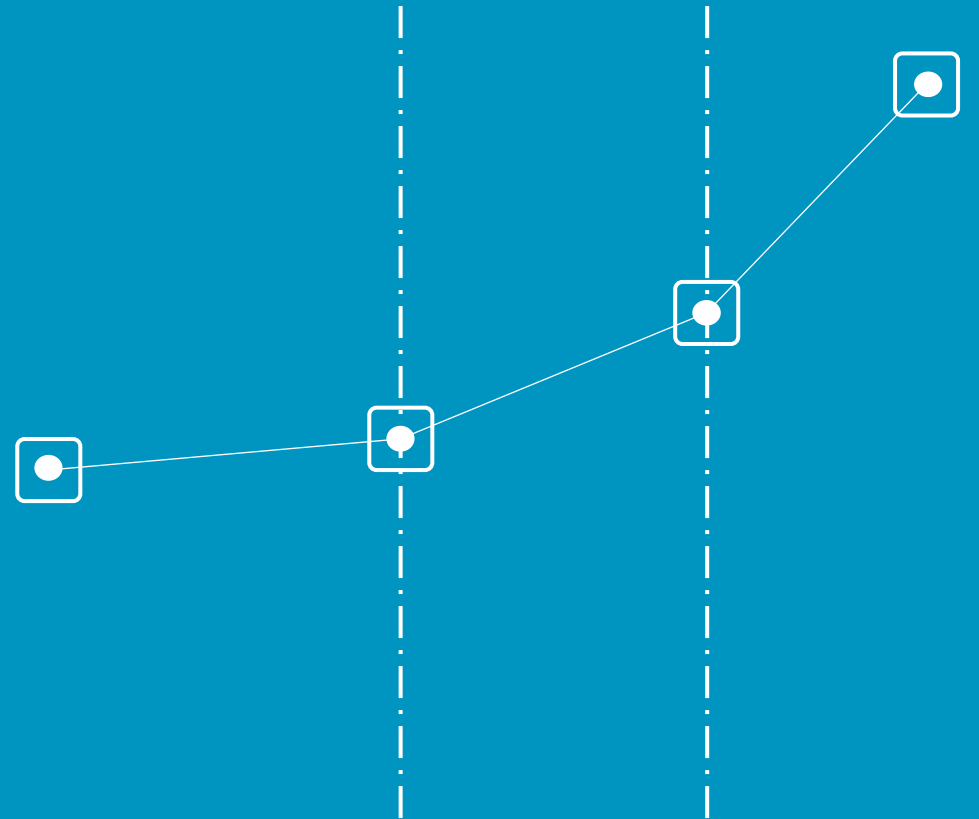
Revenue from our top 20 customers is increasing



Customer concentration of our top 20 customers as a % of total revenue is decreasing

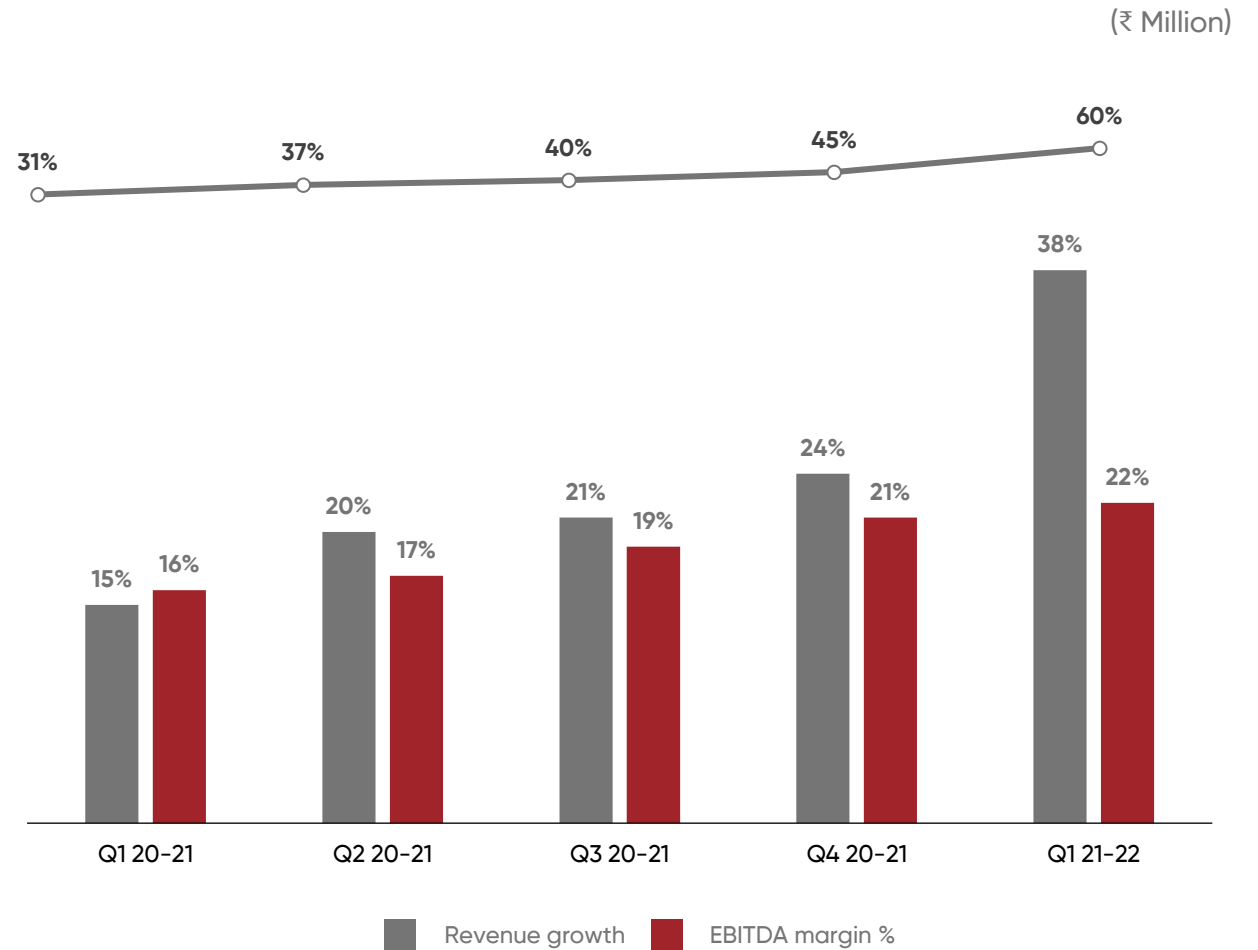


# FINANCIAL UPDATE



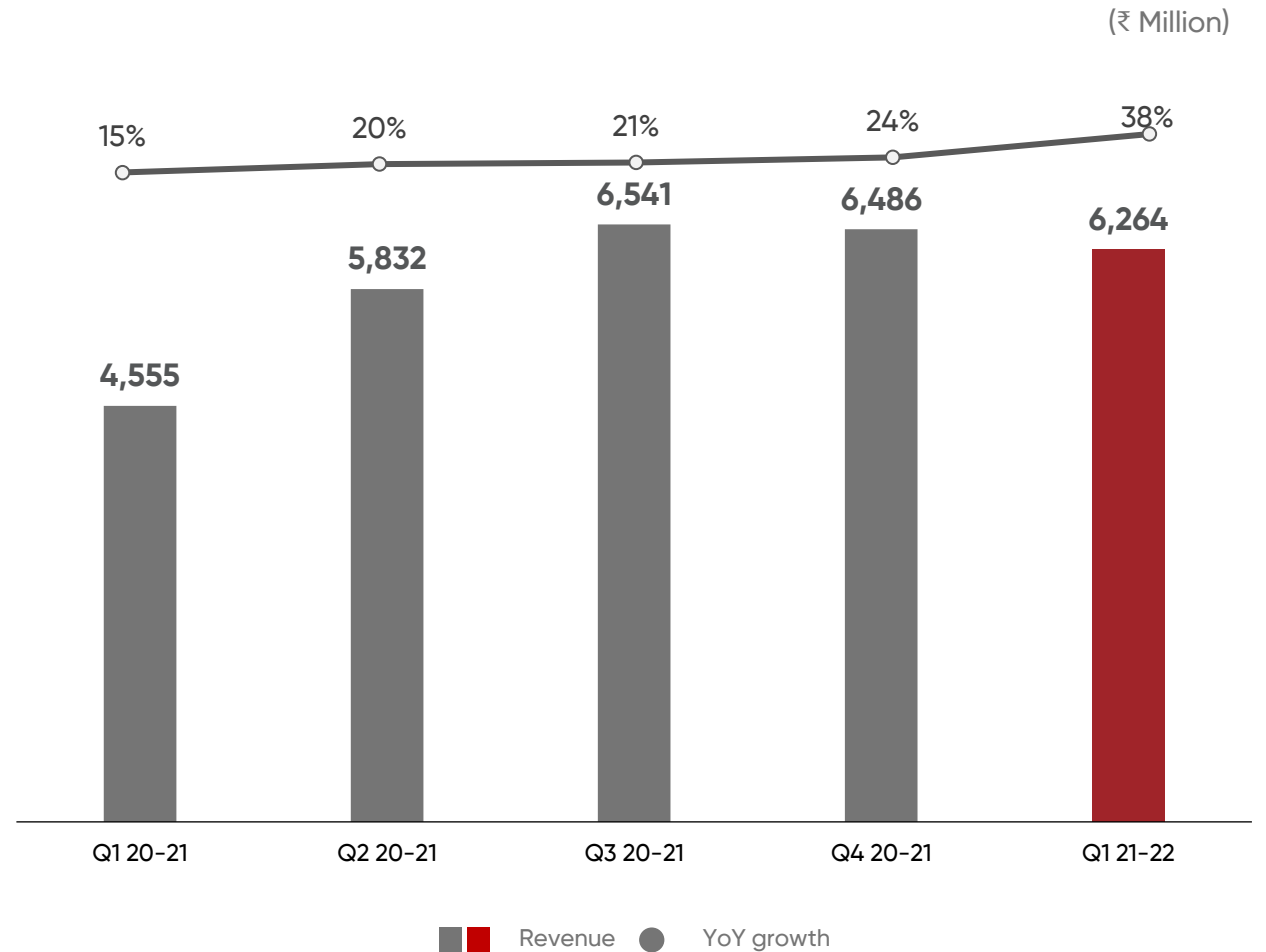
# Operating above Rule of 40

- SaaS companies target to operate at Rule of 40 (revenue growth + EBITDA%)
- Operated at Rule of 40 in Q3 20-21 and moved to Rule of 60 in Q1 21-22 organically
- Innovation led strategy helping accelerate revenue growth as well as enhancing profitability



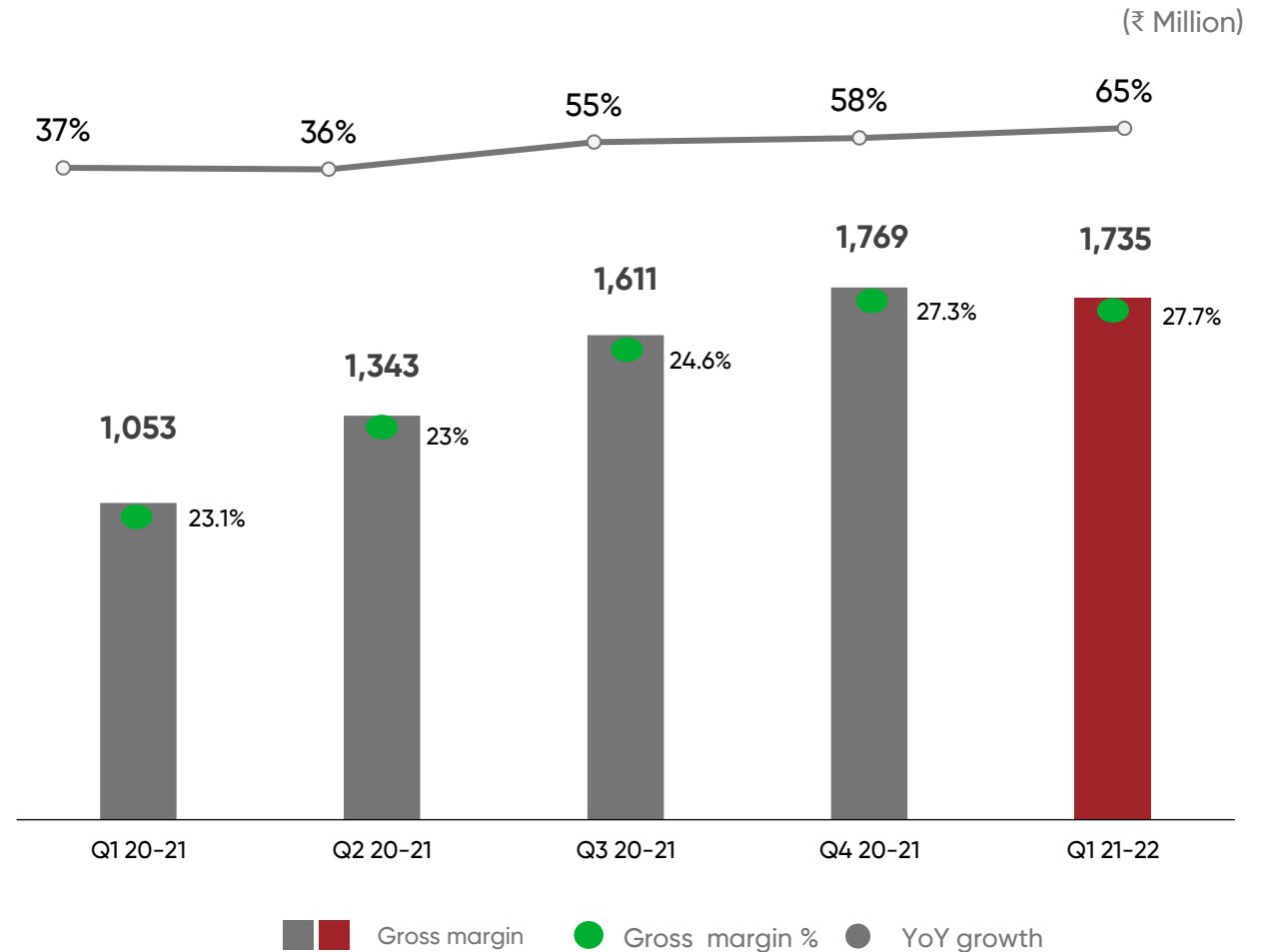
# Accelerated revenue metrics reflecting industry leadership

- Improving growth trajectory every quarter over the past five quarters from 15% in Q1 20-21 to 38% in Q1 21-22
- Growth driven from one geography – India. Maintaining leadership in a competitive geography



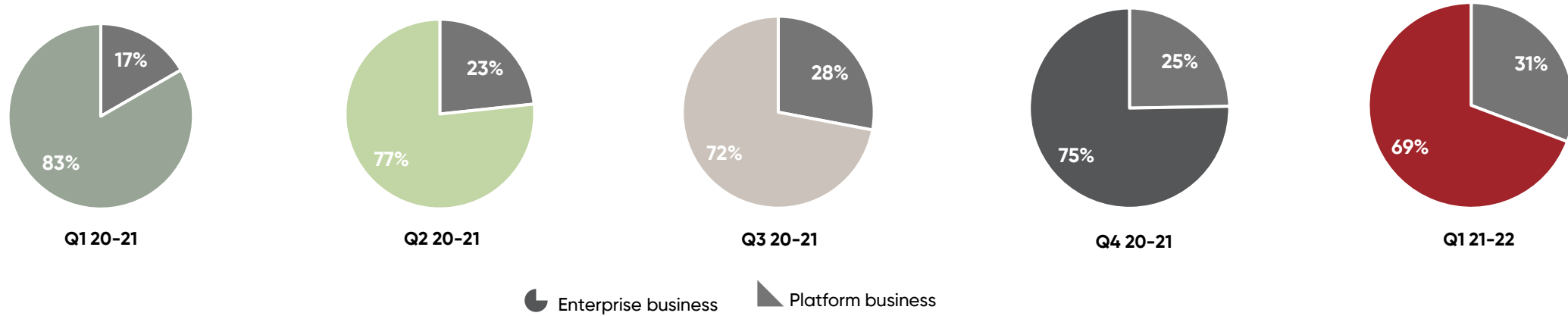
# Gross Margin Development – at 27.7%

- Gross Margin growth at 65% YoY
- Gross margin has improved 460 bps YoY in Q1 21-22
- Platform business gross margin contribution to total at 31% in Q1 21-22 as against 17% in Q1 20-21
- Ability to operate at scale and handle large volumes increased gross margin





# Gross margin profile shift towards platform



- Platform business gross margin at ₹ 533 million in Q1 21-22, up 204% from Q1 20-21
- Enterprise business gross margin at ₹ 1201 million in Q1 21-22, up 37% from Q1 20-21
- Platform business gross margin contribution to total at 31%, improved by 1400 bps YoY

**Note:**

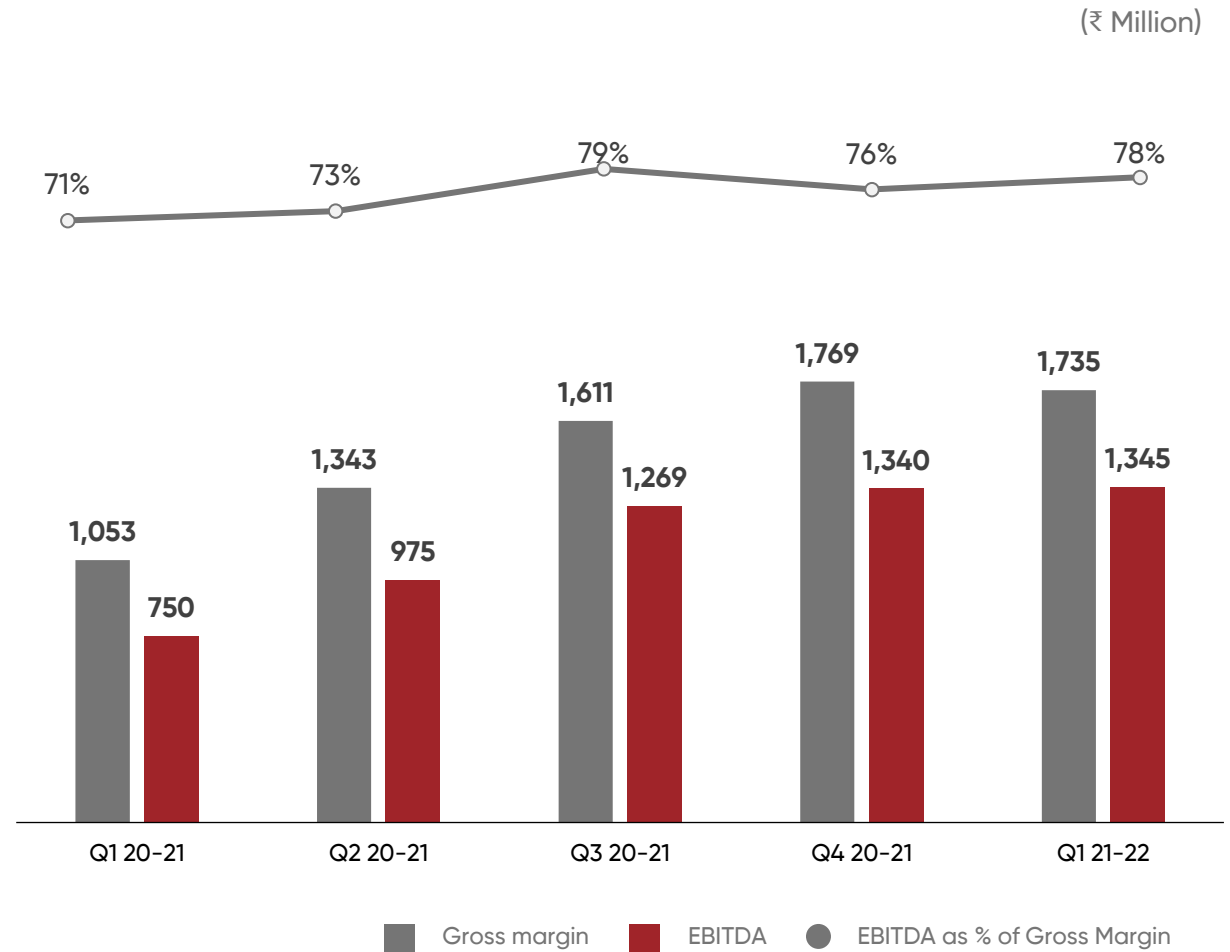
Platform business: Revenue from Platform as a service offering where revenue is earned from our IP (Platforms) and no cost of services is incurred

Enterprise business: Revenue from services where cost of services is incurred towards fee paid to Service Providers such as carriers and other network providers (e.g. SendGrid)



# Increased conversion of Gross Margins into EBITDA

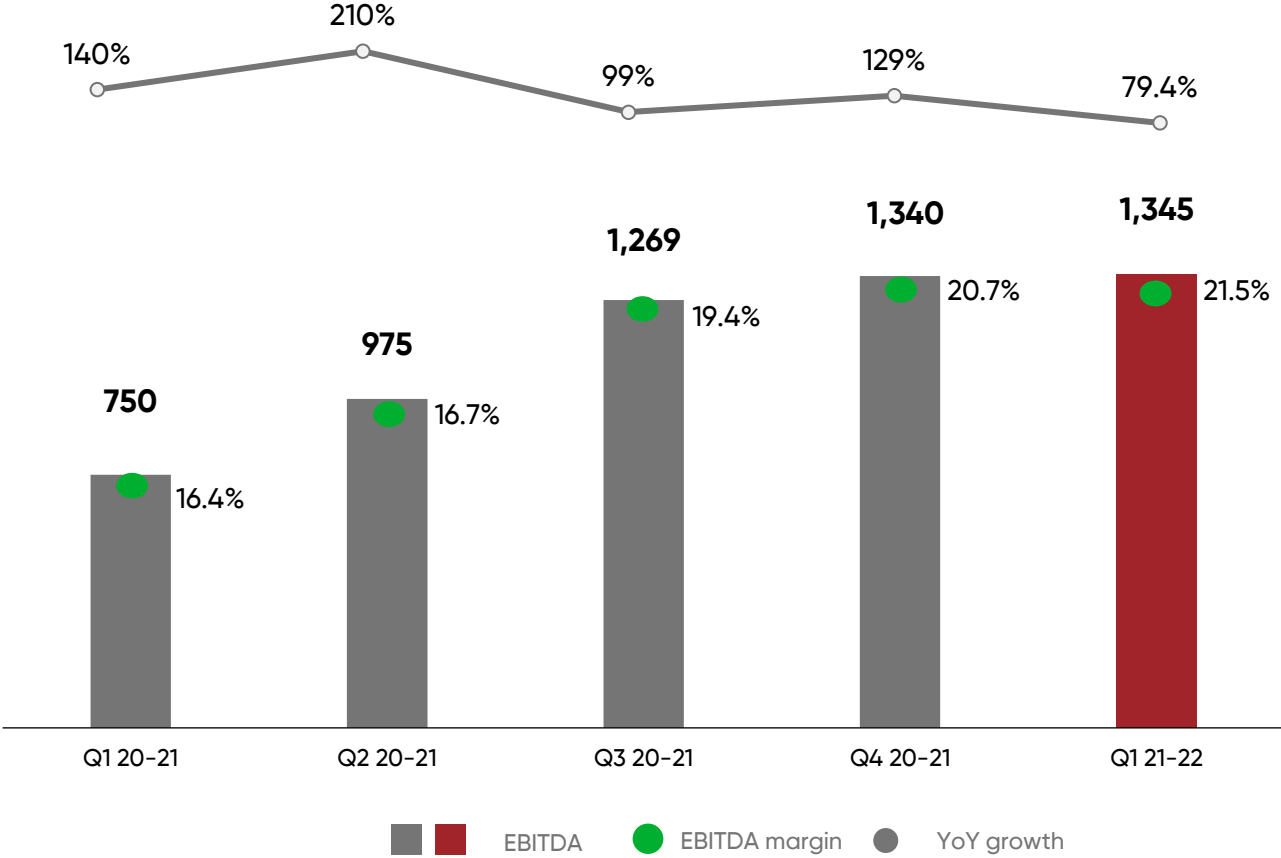
- Driving strong operating leverage on indirect cost- reduction of 630 bps YoY
- Employee cost at 15% of gross margin in Q1 21-22, as against 19% in Q1 20-21
- Other expense at 8% of gross margin in Q1 21-22, as against 10% in Q1 20-21



# EBITDA levels at all time high

(₹ Million)

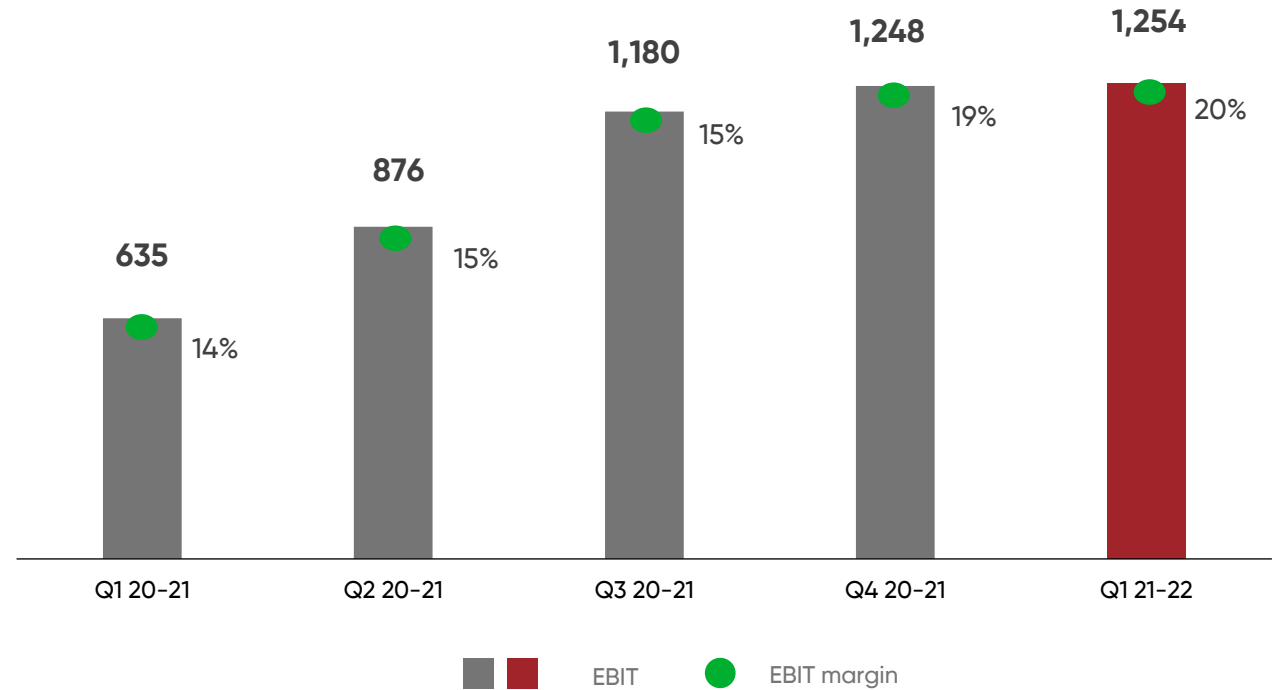
- EBITDA growth of 79% YoY



# EBIT doubled in a year

(₹ Million)

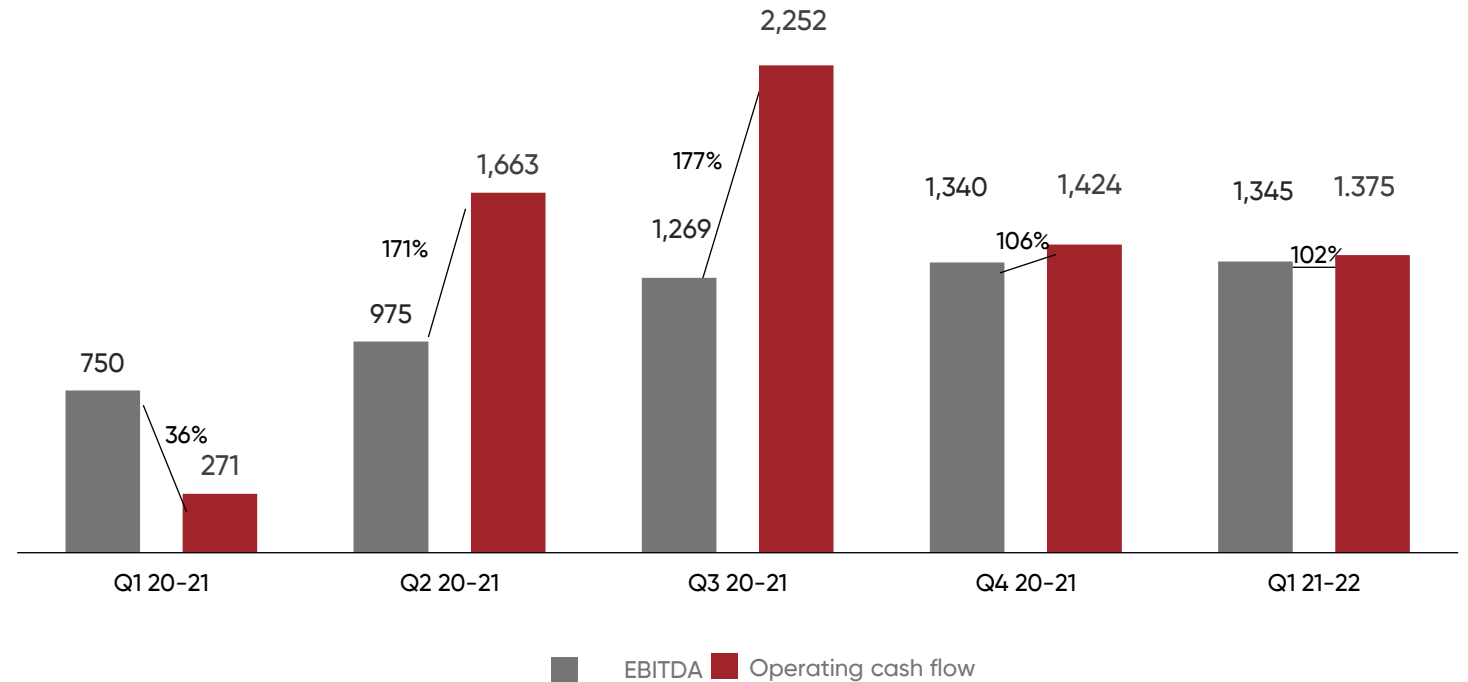
- EBIT has improved 610 bps YoY in Q1 21-22
- EBIT growth of 97% YoY
- Cloud focused strategy resulting in lower depreciation. Depreciation at ₹ 91 million in Q1 21-22, as against ₹ 115 million in Q1 20-21



# 100% + cash conversion for four quarters in a row

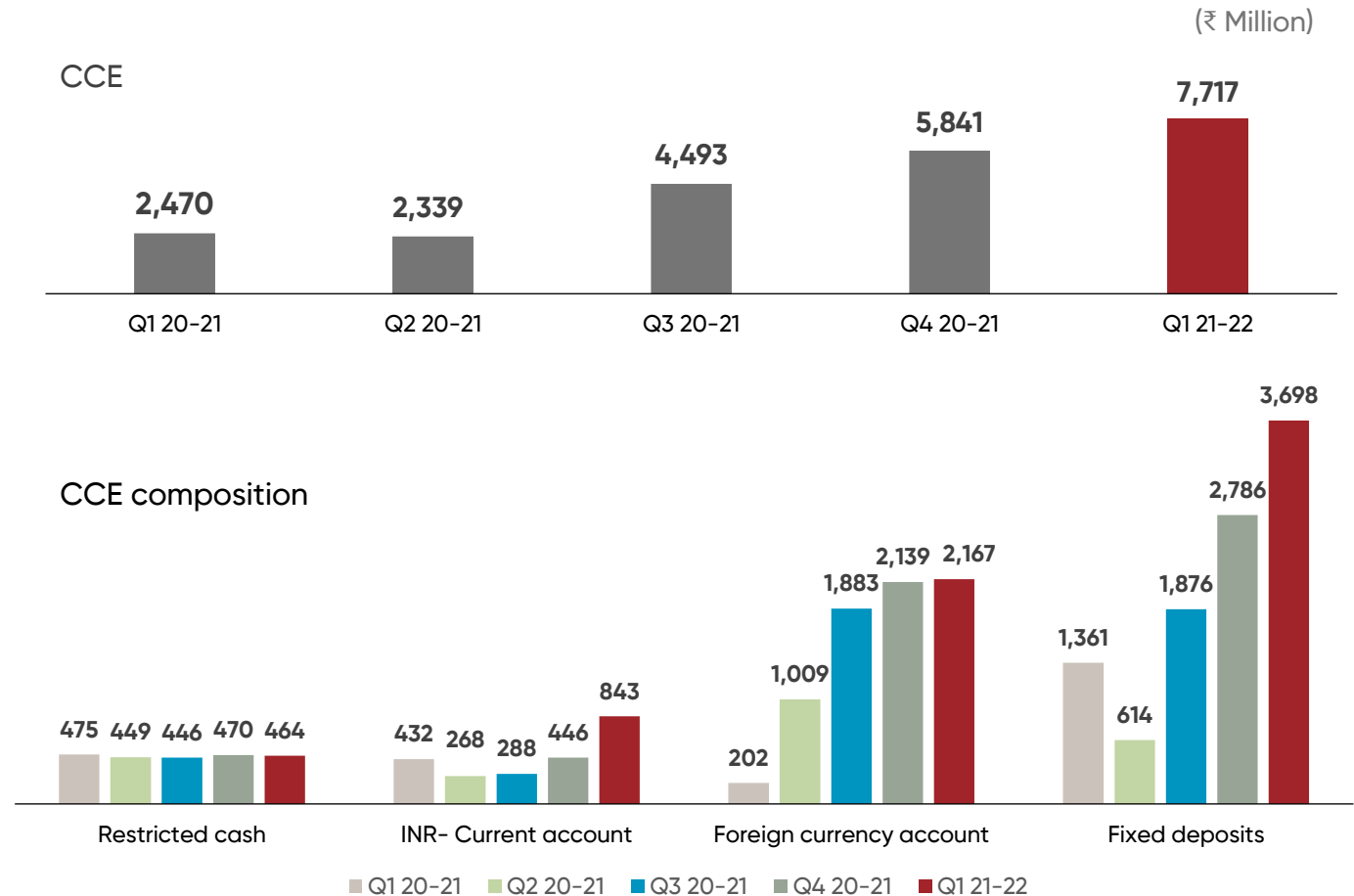
(₹ Million)

- Operating cash flow ₹ 1375 million in Q1 21-22, up 408% from Q1 20-21
- Cash conversion at 102% for Q1 21-22



# Cash balance at all time high

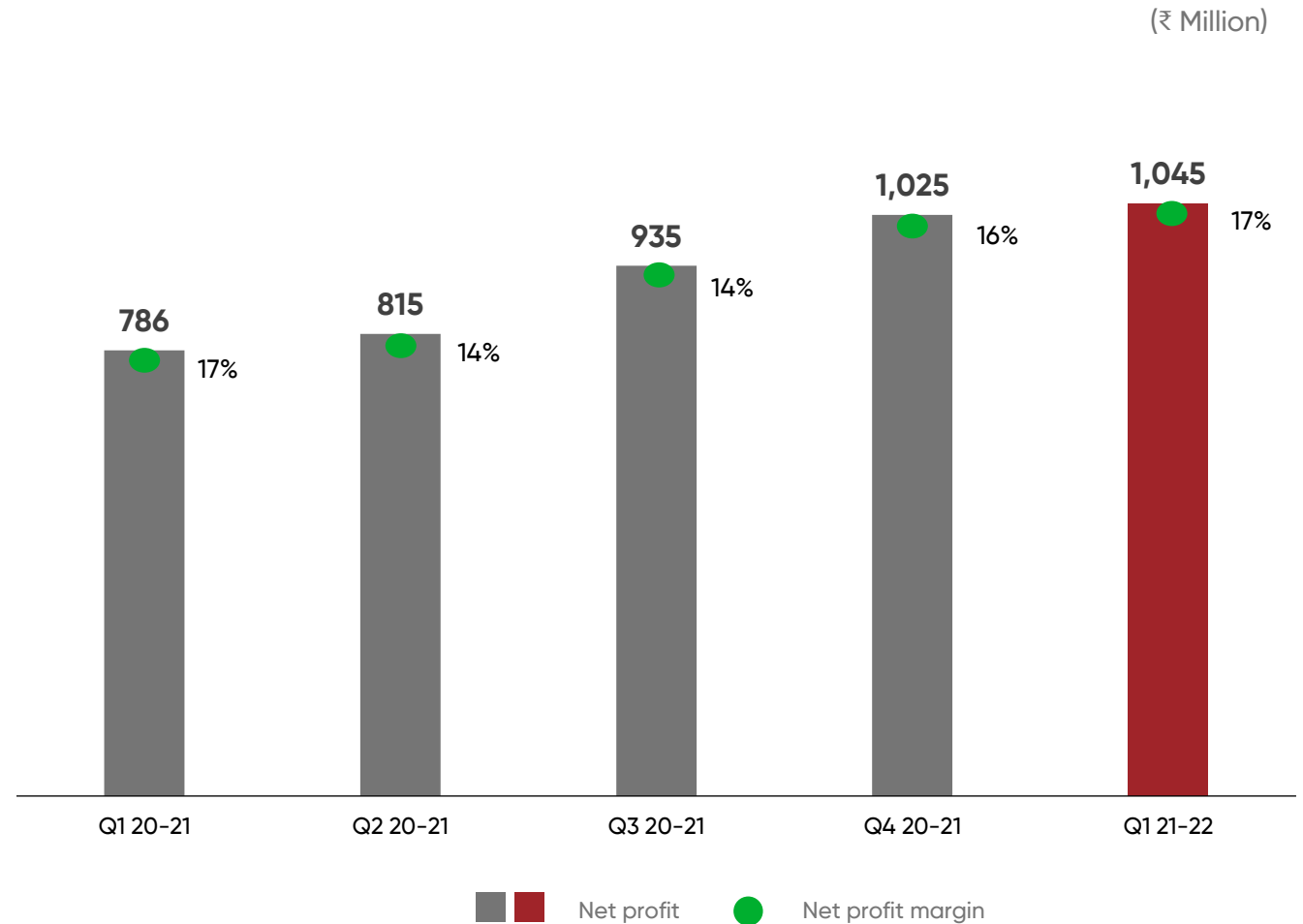
Cash & cash equivalents at ₹ 7,171 million in Q1 21-22 as against ₹ 2,470 million, up 190% from Q1 20-21



Restricted cash held as margin money for bank guarantees  
Foreign currency balances are held with overseas subsidiary/branch

# Net profit at all time high

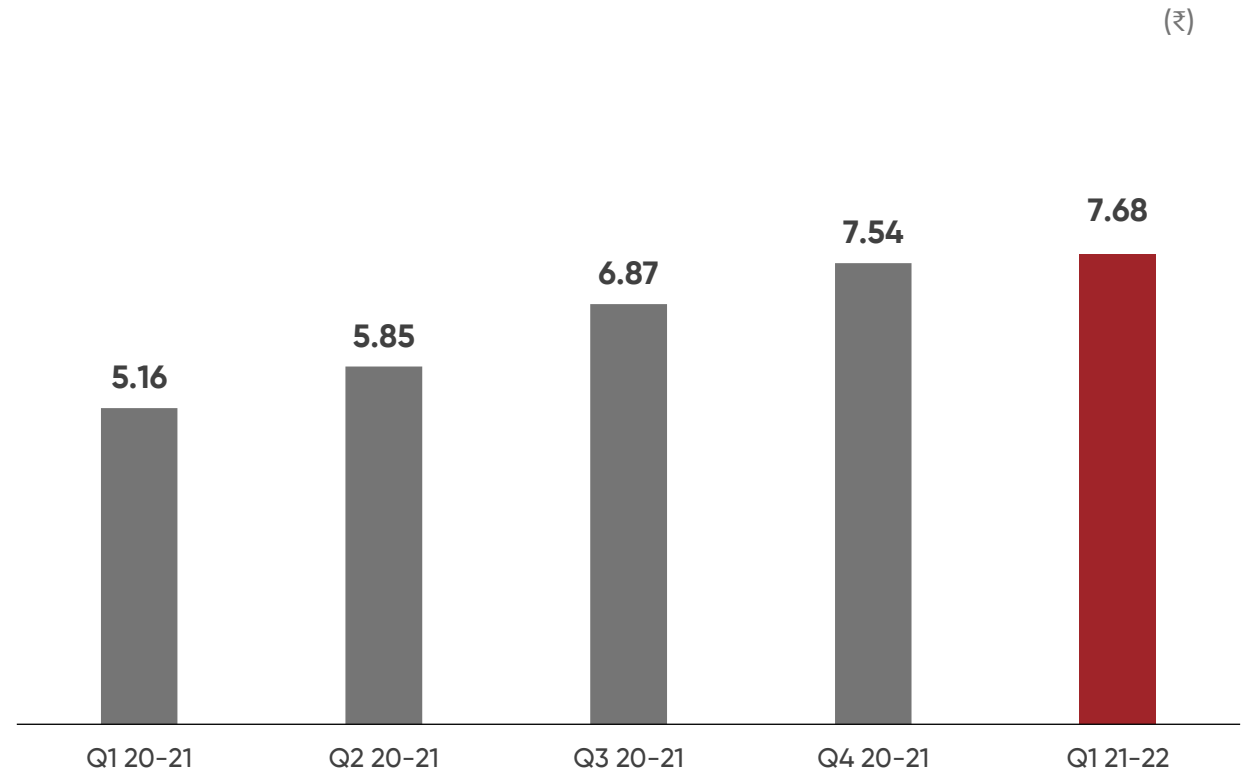
- Second consecutive quarter of ₹ 1000 million+ Net profit
- Net profit at ₹ 1,045 million in Q1 21-22, up 33% from Q1 20-21





# EPS at all time high

- Earnings per share at ₹ 7.68 in Q1 21-22, up 49% from Q1 20-21

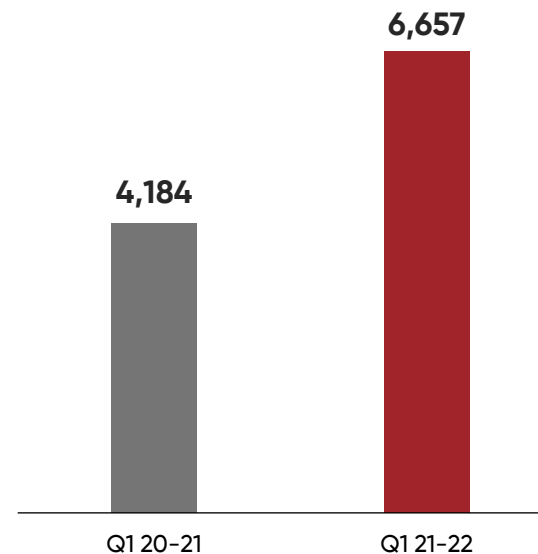


# Efficient working capital management

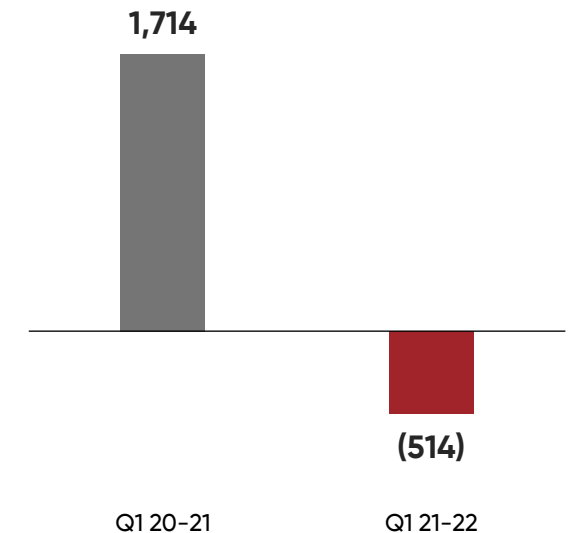
(₹ Million)

- Debtor days at 58 in Q1 21-22 as against 59 days in Q1 20-21
- Operating at negative working capital for two consecutive quarters

Net working capital including CCE



Net working capital excluding CCE



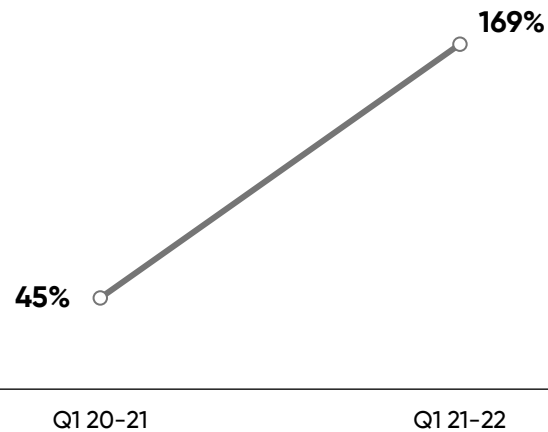
CCE- Cash & cash equivalents



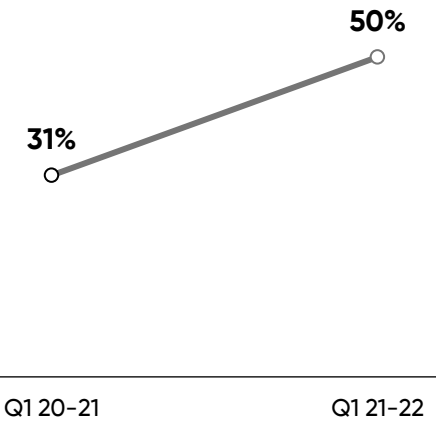
# ROCE at 169%, all time high

- ROCE at 169% excluding cash
- Reflects cloud focused innovation led business model

ROCE (excluding CCE)



ROCE( including CCE)



ROCE- Return on capital employed  
CCE- Cash & cash equivalents



# Capital allocation of FY'20 & FY'21

**₹ 3,885 Million**

Karix and Gamooga acquisition

**₹ 1,661 Million**

Buy back of shares

**₹ 692 Million**

Capex largely on Trubloq & Wisely platforms

**₹ 136 Million**

Dividend

**₹ 7,171 Million**

Cash & cash equivalents



Capex includes spend for Q1 21-22 and CCE balance is as of Q1 21-22

# Strong balance sheet

**₹ 9,996 Million**

Strong reserves & surplus

**₹ 7,171 Million**

Robust build up of cash & cash equivalents

**169%**

ROCE (excluding cash & cash equivalents)

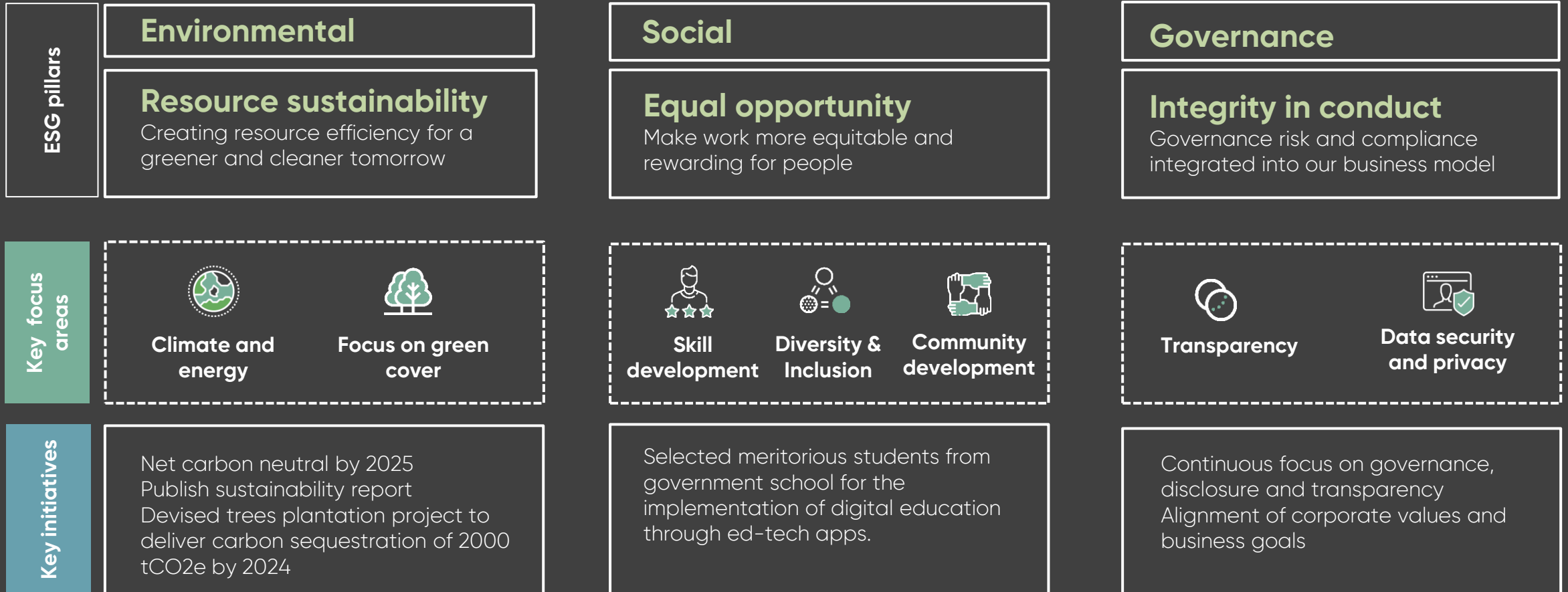
**Debt free**

**Asset lite**

Net block of ₹ 1,278 Million



# Environmental Social and Governance



**The world's leading  
brands trust Tanla**

**Appendix**





# Profit and Loss account: First Quarter 21-22

In millions, unless otherwise stated	Q1 20-21	Q1 21-22	Δ %
Revenue from operations	4,555	6,264	38
Cost of Services	(3,502)	(4,529)	29
Gross Margin	1,053	1,735	65
Operating expenses	(303)	(389)	28
EBITDA	750	1,345	79
Depreciation & amortization	(115)	(91)	(20)
EBIT	635	1,254	97
Finance cost	(7)	(2)	(77)
Other income	132	43	(67)
Profit before taxes	760	1,295	70
Tax expense (including deferred tax)	(26)	(250)	-
Net profit	786	1,045	33
Earning per share (INR)	5.16	7.68	49
Weighted average shares outstanding	152	136	-

# Free cash flow up 414% YoY

In millions, unless otherwise stated	Q1 20-21	Q1 21-22	Δ %
Operating cash flow	271	1,375	+408%
Capital expenditure	(21)	(91)	+339%
Free cash flow	250	1,284	+414%
Free cash flow in percent of total revenue	5%	20%	+1501bps
Free cash flow conversion rate	33%	95%	+6215bps

# Key metrics: First quarter 21-22

Gross Margin

**+460bps**

**27.7%**

Q1 20-21 Q1 21-22

EBITDA

**+501 bps**

**21.5%**

Q1 20-21 Q1 21-22

PAT

**-60bps**

**17%**

Q1 20-21 Q1 21-22

EBITDA to cash  
conversion

**+6610 bps**

**102%**

Q1 20-21 Q1 21-22

Gross margin to  
EBITDA conversion

**+630 bps**

**78%**

Q1 20-21 Q1 21-22

ROCE

**+12500 bps**

**169%**

Q1 20-21 Q1 21-22



