

Tanla Platform Ltd.

BUY

Sector: IT Software

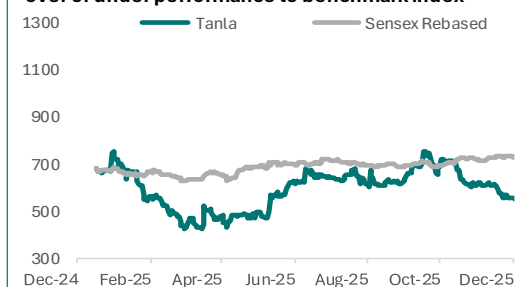
19th December, 2025

Key Changes	Target	Rating	Earnings	Target	Rs. 641
Stock Type	Bloomberg Code	Sensex	NSE Code	BSE Code	Time Frame
Small Cap	TANLA:IN	84,929	TANLA	532790	12 Months
				CMP	Rs. 536
				Return	+20%

Data as of: 19-12-2025, 18:00 hrs

Company Data			
Market Cap (Rs. cr)	7,112		
52 Week High — Low (Rs.)	794 - 409		
Enterprise Value (Rs. cr)	6,231		
Outstanding Shares (Rs cr)	13.2		
Free Float (%)	51.0		
Dividend Yield (%)	3.4		
6m average volume (cr)	0.1		
Beta	1.5		
Face value (Rs)	1.0		
Shareholding (%)	Q4FY25	Q1FY26	Q2FY26
Promoters	44.1	45.5	46.2
FII's	10.4	7.3	9.1
MFs/Institutions	0.8	0.9	0.8
Public	44.7	46.3	44.0
Total	100.0	100.0	100.0
Promoter Pledge	Nil	Nil	Nil
Price Performance	3 Month	6 Month	1 Year
Absolute Return	-19%	-14%	-17%
Absolute Sensex	2%	3%	7%
Relative Return	-21%	-16%	-24%

*over or under performance to benchmark index



Consolidated (Rs cr)	FY25A	FY26E	FY27E
Sales	4,028	4,384	4,818
Growth (%)	3	9	10
EBITDA	691	735	838
Margin (%)	17	17	17
PAT Adj.	507	524	598
Growth (%)	-7	3	14
Adjusted EPS	38	40	45
Growth (%)	-7	5	14
P/E	12	14	12
P/B	3	3	2
EV/EBITDA	8	8	7
ROE (%)	24	22	23
Adj. D/E	0.0	0.0	0.0

Driving Growth Through AI Platforms

Tanla Platforms Ltd. is the largest Communication Platform as a Service (CPaaS) player in India. Tanla has two major businesses: Enterprise (91%) and Platform (9%), both using blockchain technology to reduce spam and fraud activities and make it easy to integrate with enterprise applications.

- In Q2FY26, the company's consolidated revenue rose 8% YoY to Rs.1,078 cr, driven by growth in both Digital Platforms (12% YoY) and Enterprise Communications (8.5% YoY).
- In the Enterprise Communications segment, OTT contributed 29.9% to revenue in Q2FY26, up from 20.3% YoY, despite a sequential dip after IPL-driven Q1 promotions.
- EBITDA rose 1.2% YoY to Rs.177cr, while the margin slipped 107 bps to 16.5% in Q2FY26, mainly due to a Rs.41mn increase in employee costs from net additions and higher Restricted Stock Units (RSU) expenses.
- PAT stood at Rs.125cr in Q2FY26, down 4% YoY, impacted by continued investments in people and technology. The quarter also saw a Rs.2cr forex loss, compared with a Rs.6cr gain in Q1FY26.

Outlook & Valuation

Tanla expects an EBITDA shortfall of around Rs.50cr in FY26 due to weakness in the gaming segment and reduced Meta incentives. However, strong traction in its AI-led platform, The Wisely.ai, including a multi-year SaaS deal with Indosat, is driving higher-margin growth. The company plans to scale this telecom partnership model globally to expand its platform business. Stable SMS volumes with slower price erosion are supporting enterprise margins, while OTT channels such as WhatsApp and RCS continue to post strong YoY growth despite seasonal softness after the IPL. With this strategic shift toward scalable, AI-driven platforms, Tanla is well placed for long-term growth. **We therefore upgrade our rating to BUY, valuing it at 14x FY27E adjusted EPS, with a target price of Rs.641.**

Quarterly Financials Consol.

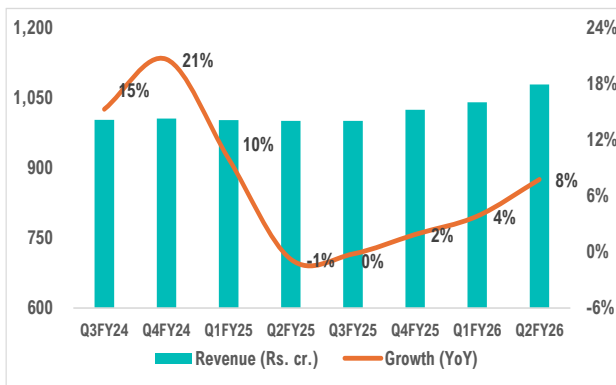
Rs. cr	Q2FY26	Q2FY25	YoY Growth (%)	Q1FY26	QoQ Growth (%)	H1FY26	H1FY25	YoY (%)
Sales	1,078	1,001	8	1,041	4	2,119	2,003	6
EBITDA	177	175	1	164	8	341	364	-6
Margin (%)	16	18	-107bps	16	70bps	16	18	-206bps
EBIT	148	152	-3	137	8	285	318	-10
PBT	155	162	-4	147	5	303	336	-10
Rep. PAT	125	130	-4	118	6	243	271	-10
Adj. PAT	125	130	-4	118	6	243	271	-10
Adj. EPS (Rs)	9	10	-2	9	7	18	20	-10



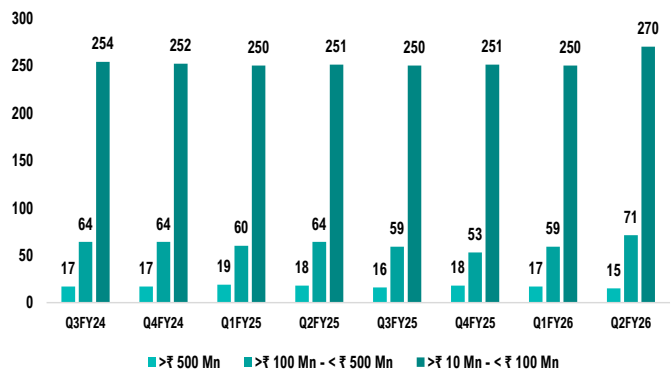
Key concall highlights

- Tanla anticipates a ~Rs.50cr EBITDA shortfall amid gaming industry weakness and lower Meta incentives, though it remains focused on advancing its AI initiatives.
- Tanla deployed its AI-native Wisely.ai platform with Indosat Ooredoo Hutchison under a multi-year SaaS agreement, safeguarding subscribers from spam and scams and contributing to this quarter's revenue. The company now aims to replicate this telco partnership model globally, targeting international markets to expand its higher-margin platform business.
- SMS volumes remain stable with slower price erosion, supporting stronger gross margins in enterprise communications, while higher-margin platform offerings like Wisely.ai further enhance overall profitability.
- OTT messaging channels, including WhatsApp and RCS, continue to deliver strong YoY growth, with the Q2 sequential dip driven by the normalization of volumes after Q1's heavy promotional campaigns (particularly IPL-related), signaling seasonal variation rather than a structural decline.

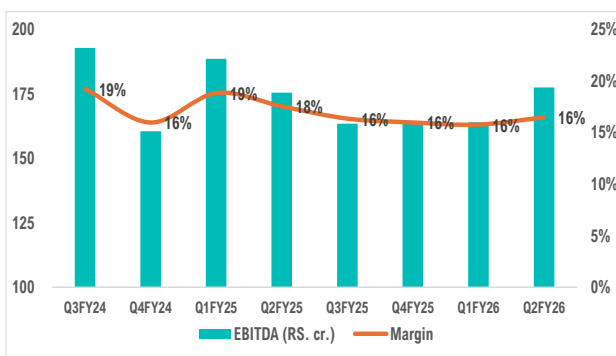
Revenue



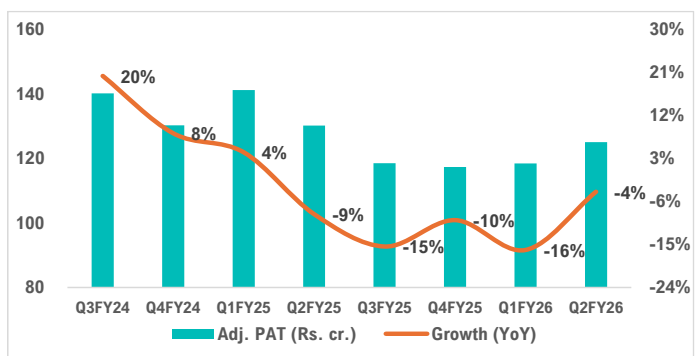
Customer Cohorts



EBITDA



PAT



Change in Estimates

Year / Rs cr	Old estimates		New estimates		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Revenue	4,425	5,008	4,384	4,818	-0.9	-3.8
EBITDA	776	855	735	838	-5.3	-2.0
Margins (%)	17.5	17.1	16.8	17.4	-74bps	30bps
Adj. PAT	564	623	524	598	-7.0	-4.1
EPS	42	46	40	45	-5.7	-1.8



Consolidated Financials

Profit & Loss

Y.E March (Rs. cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Sales	3,355	3,928	4,028	4,384	4,818
% change	5	17	3	9	10
EBITDA	588	732	691	735	838
% change	-16	25	-6	6	14
Depreciation	46	85	98	108	120
EBIT	542	647	593	626	718
Interest	1	6	6	8	8
Other Income	26	43	40	42	41
PBT	567	683	627	660	751
% change	-16	21	-8	5	14
Tax	119	135	120	136	153
Tax Rate (%)	21	20	19	21	20
Reported PAT	448	548	507	524	598
Adj.*	0	0	0	0	0
Adj. PAT	448	548	507	524	598
% change	-17	22	-7	3	14
No. of shares (cr)	13.4	13.4	13.4	13.2	13.2
Adj EPS (Rs)	33	41	38	40	45
% change	-17	23	-7	5	14
DPS (Rs)	10	12	12	13	14

Cash Flow

Y.E March (Rs. cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Net inc. + Depn.	613	769	725	769	871
Non-cash adj.	11	-22	-31	-20	-16
Changes in W.C	-378	-163	-58	-15	-144
C.F. Operation	247	590	642	734	711
Capital exp.	0	-371	0	0	0
Change in inv.	26	15	-99	0	0
Other invest.CF	-156	-159	-49	-100	-200
C.F - Investment	-70	-528	-220	-124	-225
Issue of equity	0	0	0	0	0
Issue/repay debt	0	-11	-6	-8	-8
Dividends paid	-109	-134	-161	-172	-185
Other finance.CF	-7	-5	-11	-5	-4
C.F - Finance	-328	-151	-208	-359	-197
Chg. in cash	-151	-89	214	250	288
Closing cash	712	667	881	1,131	1,419

Balance Sheet

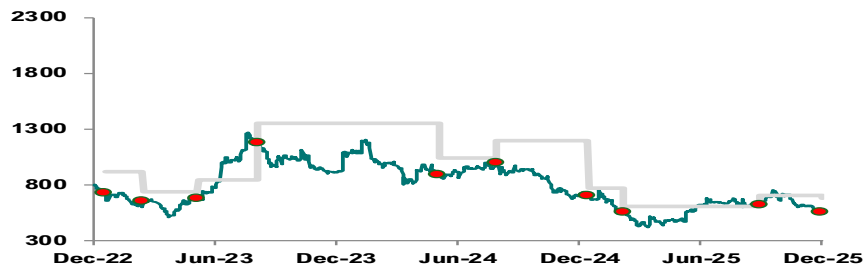
Y.E March (Rs. cr)	FY23A	FY24A	FY25A	FY26E	FY27E
Cash	712	667	881	1,131	1,419
Account Receivable	570	842	838	865	924
Inventories	-	-	-	-	-
Other Cur. Assets	446	528	515	498	483
Investments	0	2	122	121	121
Gross Fixed Assets	681	342	404	504	704
Net Fixed Assets	166	206	229	284	435
CWIP	8	23	5	5	6
Intangible Assets	374	573	593	604	602
Other Assets	137	167	156	150	145
Total Assets	2,413	3,009	3,338	3,659	4,135
Current Liabilities	818	998	1,003	1,149	1,215
Provisions	3	10	17	19	22
Debt Funds	0	0	0	0	0
Other Liabilities	74	60	49	45	41
Equity Capital	13	13	13	13	13
Reserves & Surplus	1,504	1,928	2,255	2,432	2,845
Shareholder's Fund	1,517	1,942	2,268	2,446	2,858
Minority Interest	-	-	-	-	-
Total Liabilities	2,413	3,009	3,338	3,659	4,135
BVPS	113	144	168	184	216

Ratios

Y.E March	FY23A	FY24A	FY25A	FY26E	FY27E
Profitab & Return					
EBITDA margin (%)	17.5	18.6	17.2	16.8	17.4
EBIT margin (%)	16.2	16.5	14.7	14.3	14.9
Net profit mgn.(%)	13.3	14.0	12.6	12.0	12.4
ROE (%)	43.5	31.7	24.1	22.2	22.5
ROCE (%)	41.6	29.9	22.8	21.1	21.5
W.C & Liquidity					
Receivables (days)	31.0	65.6	76.1	70.9	67.8
Inventory (days)	-	-	-	-	-
Payables (days)	30.5	59.8	60.7	55.6	56.4
Current ratio (x)	2.1	2.0	2.3	2.2	2.4
Quick ratio (x)	2.1	2.0	2.2	2.1	2.3
Turnover & Leverage					
Gross asset T.O (x)	9.9	7.7	10.8	9.7	8.0
Total asset T.O (x)	2.8	1.4	1.3	1.3	1.2
Int. covge. ratio (x)	396.6	104.3	99.2	81.9	91.4
Adj. debt/equity (x)	0.0	0.0	0.0	0.0	0.0
Valuation					
EV/Sales (x)	1.9	2.6	1.3	1.4	1.2
EV/EBITDA (x)	10.7	14.1	7.8	8.1	6.8
P/E (x)	15.7	20.1	12.4	13.5	11.9
P/BV (x)	4.6	5.7	2.8	2.9	2.5



Recommendation Summary (last 3 years)



Dates	Rating	Target
16.Feb.23	Buy	740
09.May.23	Buy	848
08.Aug.23	Accumulate	1349
06.May.24	Accumulate	1,046
31.Jul.24	Buy	1,198
17.Dec.24	Hold	774
07.Feb.25	Hold	609
01.Sep.25	Accumulate	705
19.Dec.25	Buy	641

Investment Rating Criteria

Ratings	Large caps	Midcaps	Small Caps
Buy	Upside is above 10%	Upside is above 15%	Upside is above 20%
Accumulate	-	Upside is between 10%-15%	Upside is between 10%-20%
Hold	Upside is between 0% - 10%	Upside is between 0%-10%	Upside is between 0%-10%
Reduce/sell	Downside is more than 0%	Downside is more than 0%	Downside is more than 0%

Not rated/Neutral

Definition:

Buy: Acquire at Current Market Price (CMP), with the target mentioned in the research note; **Accumulate:** Partial buying or to accumulate as CMP dips in the future; **Hold:** Hold the stock with the expected target mentioned in the note.; **Reduce:** Reduce your exposure to the stock due to limited upside.; **Sell:** Exit from the stock; **Not rated/Neutral:** The analyst has no investment opinion on the stock.

Symbols definition:



Upgrade



No Change



Downgrade

To satisfy regulatory requirements, we attribute 'Accumulate' as Buy and 'Reduce' as Sell.

The recommendations are based on 12 month horizon, unless otherwise specified. The investment ratings are on absolute positive/negative return basis. It is possible that due to volatile price fluctuation in the near to medium term, there could be a temporary mismatch to rating. For reasons of valuations/ return/lack of clarity/event we may revisit rating at appropriate time. Please note that the stock always carries the risk of being upgraded to BUY or downgraded to a HOLD, REDUCE or SELL.

Not rated/Neutral- The analyst has no investment opinion on the stock under review.

DISCLAIMER & DISCLOSURES

Certification: I, Arun Kailasan, author of this Report, hereby certify that all the views expressed in this research report reflect our personal views about any or all of the subject issuer or securities. This report has been prepared by the Research Team of Geojit Investments Limited, hereinafter referred to as GIL.

For general disclosures and disclaimer: Please [Click here](#).

Regulatory Disclosures:

Group companies/ Fellow subsidiaries of Geojit Investments Ltd (GIL) are Geojit Financial Services Limited (GFSL), Geojit Technologies Private Limited (Software Solutions provider), Geojit Credits Private Limited (NBFC), Geojit Fintech Private Ltd, Geojit IFSC Ltd (a company incorporated under IFSC Regulations), Qurum Business Group Geojit Securities LLC (a subsidiary of holding company in Oman engaged in Financial Services), Barjeel Geojit Financial Services LLC (a joint venture of holding company in UAE engaged in Financial Services), and BBK Geojit Consultancy and Information KSC (C) (a joint venture in Kuwait-engaged in Financial services). In the context of the SEBI Regulations on Research Analysts (2014), GIL affirms that we are a SEBI registered Research Entity and in the course of our business as a stock market intermediary, we issue research reports /research analysis etc. that are prepared by our Research Analysts. We also affirm and undertake that no disciplinary action has been taken against us or our Analysts in connection with our business activities.

In compliance with the above-mentioned SEBI Regulations, the following additional disclosures are also provided which may be considered by the reader before making an investment decision:

1. Disclosures regarding Ownership:

GIL confirms that:

- (i)It/its associates have no financial interest or any other material conflict in relation to the subject company (ies) covered herein, at the time of publication of the research report.
- (ii)It/its associates have no actual beneficial ownership of 1% or more in relation to the subject company (ies) covered herein, at the end of the month immediately preceding the date of publication of the research report.

Further, the Analyst confirms that:

- (i) he/his associates/his relatives have no other financial interest in the subject company other than holding shares in very small quantity in the subject company, at the end of the month immediately preceding the date of publication of the research report.
- (ii) He, his associates and his relatives have no actual/beneficial ownership of 1% or more in the subject company covered, at the end of the month immediately preceding the date of publication of the research report.

2. Disclosures regarding Compensation:

During the past 12 months, GIL or its Associates:

- (a) Have not received any compensation from the subject company; (b) Have not managed or co-managed public offering of securities for the subject company (c) Have not received any compensation for investment banking or merchant banking or brokerage services from the subject company. However, we have a B2B arrangement with the subject company (d) Have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company. e) Have not received any compensation or other benefits from the subject company or third party in connection with the research report (f) The subject company is / was not a client during twelve months preceding the date of distribution of the research report.

3. Disclosure by GIL regarding the compensation paid to its Research Analysts:

GIL hereby confirms that no part of the compensation paid to the persons employed by it as Research Analysts is based on any specific brokerage services or transactions pertaining to trading in securities of companies contained in the Research Reports.

4. Disclosure regarding the Research Analyst's connection with the subject company:

It is affirmed that I, Arun Kailasan, Research Analyst (s) of GIL have not served as an officer, director or employee of the subject company.

5. Disclosure regarding Market Making activity:

Neither GIL/its Analysts have engaged in market making activities for the subject company.

6. Disclosure regarding conflict of interests:

GIL shall abide by the applicable regulations/ circulars/ directions specified by SEBI and Research Analyst Administration and Supervisory Body (RAASB) from time to time in relation to disclosure and mitigation of any actual or potential conflict of interest. GIL will endeavour to promptly inform the client of any conflict of interest that may affect the services being rendered to the client.

7. "Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors."

8. Clients are required to keep contact details, including email id and mobile number/s updated with the GIL at all times.

9. In the course of providing research services by GIL, GIL cannot execute/carry out any trade (purchase/sell transaction) on behalf of, the client. Thus, the clients are advised not to permit GIL to execute any trade on their behalf.

10. GIL will never ask for the client's login credentials and OTPs for the client's Trading Account Demat Account and Bank Account. The Clients are advised not to share such information with anyone including GIL.

11. Standard Warning: "Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

12. Disclosures regarding Artificial Intelligence tools.

Neither Geojit Investments Limited nor its Analysts have utilized any AI tools in the preparation of the research reports.

Please ensure that you have read the "Risk Disclosure Documents for Capital Market and Derivatives Segments" as prescribed by the Securities and Exchange Board of India before investing.

Geojit Investments Ltd. Registered Office: 7th Floor 34/659-P, Civil Line Road, Padivattom, Kochi-682024, Kerala, India. Phone: +91 484-2901000, Website : www.geojit.com/GIL . For investor queries: customer@geojit.com

GRIEVANCES

Step 1: The client should first contact the RA using the details on its website or following

contact details: Compliance officer: Ms. Indu K. Address: 7th Floor, 34/659-P, Civil Line Road, Padivattom, Ernakulam,; Phone: +91 484-2901367; Email: compliance@geojit.com. For Grievances: grievances@geojit.com. **Step 2:** If the resolution is unsatisfactory, the client can also lodge grievances through SEBI's SCORES platform at www.scores.sebi.gov.in **Step 3:** The client may also consider the Online Dispute Resolution (ODR) through the Smart ODR portal at <https://smartodr.in>

Corporate Identity Number: U66110KL2023PLC080586, Research Entity SEBI Reg No: INH000019567 ; Depository Participant : IN-DP-781-2024.

