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November 09, 2020

To
BSE Limited
The National Stock Exchange of India Limited

Dear Sir/Madam,

Sub: Subex Limited "The Company"-Outcome of the Board Meeting held on November 09, 2020

Please be informed that the agenda items summarized hereunder were discussed and approved at the Board Meeting held today at Bengaluru:

Financial Results:

1. The Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half-year ended September 30, 2020.

Other Matters:

2. Reduction in Capital of Subex (UK) Limited, a subsidiary of the Company and approval of the same by the Companies House, UK.

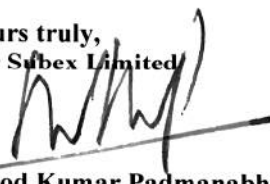
Pursuant to Regulation 33 (3) and Regulation 47 of the SEBI (LODR) Regulations, 2015, the Company has opted to publish the Consolidated Financial Results. The Standalone Financial Results, however, are being made available to the Stock Exchanges' and are also being posted on the Company's website.

Please find enclosed:

- a) The Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half-year ended September 30, 2020.
- b) A copy of the Press Release intended to be published to the media by the Company.

The meeting concluded at 1.30 p.m. We request you to take the aforesaid notification on record.

Yours truly,
For Subex Limited


Vinod Kumar Padmanabhan
Managing Director & CEO
DIN:06563872



Subex Limited

CIN - L85110KA1994PLC016663

Registered Address: RMZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bangalore - 560103, India

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

12th Floor
"UB City" Canberra Block
No. 24, Vittal Mallya Road
Bengaluru - 560 001, India
Tel : +91 80 6648 9000

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Ind AS Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Subex Limited

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Subex Limited (the "Company") for the quarter ended September 30, 2020 and year to date from April 01, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004


per Rajeev Kumar
Partner
Membership No.: 213803

UDIN: 20213803AAAAENG596

Place: Bengaluru
Date: November 9, 2020

SUBEX LIMITED

Registered office: RNIZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bangalore - 560 103
Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2020

(₹ in Lakhs)

Particulars	Quarter ended			Year to date figures for the six months ended		Year ended March 31, 2020 Audited
	September 30, 2020 Unaudited	June 30, 2020 Unaudited	September 30, 2019 Unaudited	September 30, 2020 Unaudited	September 30, 2019 Unaudited	
Income						
1 Revenue from operations	428	575	187	1,003	406	1,079
2 Share of profit from Limited Liability Partnerships before exceptional items (net) (Refer note 3)	665	754	118	1,419	-	1,889
3 Other income	2	3	26	5	36	202
Total income (1+2+3)	1,095	1,332	331	2,427	442	3,170
Expenses						
Employee benefits expense	154	155	148	309	321	616
Finance costs	6	6	7	12	15	28
Depreciation and amortization expense	50	49	172	99	342	562
Marketing and allied service charges	127	131	133	258	267	530
Exchange fluctuation loss/ (gain), net	10	(14)	(10)	(4)	(35)	(34)
Share of loss from Limited Liability Partnerships before exceptional items (net) (Refer note 3)	-	-	-	-	40	-
Other expenses	77	105	143	182	266	577
Total expenses	424	432	593	856	1,216	2,279
Profit/ (loss) before exceptional items and tax (4-5)	671	900	(262)	1,571	(774)	891
Exceptional items						
Gain on termination of lease agreement (Refer note 9)	36	-	-	36	-	-
Provision for service tax receivable (Refer note 6)	(267)	-	-	(267)	-	-
Provision no longer required written back	-	-	-	-	-	100
Impairment of intangible asset (Refer note 4 (i))	-	-	-	-	-	(3,599)
Provision for claim settlement (Refer note 4 (ii))	-	-	-	-	-	(1,054)
Share of loss from Subex Assurance LLP (Refer note 3 and 4 (i))	-	-	-	-	-	(16,808)
Impairment of intangible assets and investment in subsidiary	-	-	-	-	-	-
Total exceptional items	(231)	-	-	(231)	-	(21,261)
Net profit/ (loss) before tax (6-7)	440	900	(262)	1,340	(774)	(20,470)
Tax expense, net						
Current tax charge	6	-	-	6	-	-
Provision for MAT credit (Refer note 5(i))	-	-	-	-	-	425
Reversal - foreign withholding taxes (Refer note 5(ii))	(2)	-	-	(2)	-	(307)
Total tax expense	4	-	-	4	-	118
Net profit/ (loss) for the period/ year (8-9)	436	900	(262)	1,336	(774)	(20,588)
Other comprehensive income/ (loss), net of tax						
Items that will not be reclassified subsequently to profit or loss						
Re-measurement (loss)/ gain on defined benefits plan	(2)	(1)	(1)	(3)	(2)	(21)
Total comprehensive income/ (loss) for the period/ year (10+11)	434	899	(263)	1,333	(776)	(20,609)
12 Paid up equity share capital (Refer note 7)	28,100	56,200	56,200	28,100	56,200	56,200
13 [face value of ₹ 5 each w.e.f. September 29, 2020 and ₹ 10 upto September 28, 2020]						
14 Other equity	-	-	-	-	-	(6,176)
15 Earnings/ (loss) per share (of ₹ 5/- each w.e.f. September 29, 2020 and ₹ 10 upto September 28, 2020) (not annualised in case of the interim periods) (Refer note 7):						
- Basic	0.08	0.17	(0.05)	0.25	(0.14)	(3.78)
- Diluted	0.08	0.17	(0.05)	0.25	(0.14)	(3.78)



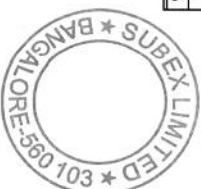
SUBEX LIMITED
Registered office: RMZ Ecoworld, Outer Ring Road, Devanahisahalalli, Bangalore - 560103
Statement of Standalone Assets and Liabilities

Particulars	As at		(₹ in Lakhs)
	September 30, 2020	March 31, 2020	
	Unaudited	Audited	
A ASSETS			
Non-current assets			
Property, plant and equipment	10	12	
Right-of-use assets	17	245	
Intangible assets	838	900	
Financial assets			
Investments	47,561	47,561	
Loans	8	38	
Income tax asset (net)	2,900	2,900	
Other non-current assets	-	267	
	51,334	51,923	
Current assets			
Financial assets			
Loans	49	7	
Trade receivables	1,142	915	
Cash and cash equivalents	302	392	
Other financial assets	4,393	1,871	
Other current assets	14	20	
	5,900	3,205	
Total assets	57,234	55,128	
B EQUITY AND LIABILITIES			
Equity			
Equity share capital	28,100	56,200	
Other equity	23,340	(6,176)	
Total equity	51,440	50,024	
Liabilities			
Non-current liabilities			
Financial liabilities	-	190	
Lease liabilities	-	3	
Provisions	-	193	
Current liabilities			
Financial liabilities			
Lease liabilities	20	82	
Trade payables	2	5	
- total outstanding dues of micro enterprises and small enterprises	148	281	
Other financial liabilities	5,487	4,401	
Other current liabilities	11	22	
Provisions	15	12	
Income tax liabilities (net)	111	108	
	5,794	4,911	
	5,794	5,104	
Total liabilities			
Total equity and liabilities	57,234	55,128	



SUBEX LIMITED
Statement of cash flows for the six months ended September 30, 2020


Particulars	Six months ended		(₹ in Lakhs)
	September 30, 2020	September 30, 2019	
	Unaudited	Unaudited	
(A) Operating activities			
Profit/ (loss) before tax	1,340	(774)	
<i>Adjustments to reconcile profit/ (loss) before tax to net cash flows:</i>			
Depreciation of property, plant and equipment and right-of-use assets	36	38	
Amortization of intangible assets	63	304	
Expense on employee share based payments	4	4	
Interest income (including fair value changes)	(6)	(18)	
Finance costs (including fair value changes)	12	15	
Allowance for expected credit losses	(7)	7	
Gain on termination of lease agreement	(36)	-	
Provision for service tax receivable	267	-	
Share of (profit)/ loss (net) from Limited Liability Partnerships	(1,419)	40	
Net foreign exchange differences	15	(18)	
Operating profit/ (loss) before working capital changes	269	(402)	
<i>Working capital adjustments:</i>			
(Increase)/ decrease in loans	(10)	3	
(Increase)/ decrease in trade receivables	(175)	147	
(Increase)/ decrease in other assets	6	(17)	
Increase/ (decrease) in trade payables	(119)	242	
Increase/ (decrease) in other financial liabilities	(17)	(11)	
Increase/ (decrease) in other current liabilities	(11)	(5)	
Increase/ (decrease) in provisions	(3)	-	
	(60)	(43)	
Income tax paid (including TDS, net of refund)	(1)	(20)	
Net cash flows used in operating activities	(61)	(63)	
(B) Investing activities			
Purchase of property, plant and equipment	(2)	(1)	
Drawings from limited liability partnerships	-	580	
Purchase of treasury shares by ESOP trust	(22)	(378)	
Interest received	4	2	
Net cash flows (used in)/ from investing activities	(20)	203	
(C) Financing activities			
Proceeds from exercise of ESOP	31	-	
Interest paid	(12)	(15)	
Repayment of Lease liability	(28)	(26)	
Net cash flows used in financing activities	(9)	(41)	
(D) Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(90)	99	
Cash and cash equivalents at the beginning of the period	392	97	
(E) Cash and cash equivalents at the end of the period	302	196	

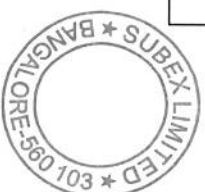


Notes:							
1	The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 9, 2020.						
2	The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.						
3	Share of profit/ (loss) from Limited Liability Partnerships are as follows:						
		(₹ in Lakhs)					
Particulars		Quarter ended			Year to date figures for the six months ended		
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
Share of profit from Subex Assurance LLP before exceptional items		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Share of loss from Subex Digital LLP		1,225	1,296	742	2,522	1,029	3,878
		(560)	(542)	(624)	(1,103)	(1,069)	(1,989)
Total		665	754	118	1,419	(40)	1,889
Share of loss from Subex Assurance LLP (Exceptional items)		(i)					
Impairment of intangible asset and investment in subsidiary		(ii)	-	-	-	-	(16,808)
Total [(i)+(ii)]		665	754	118	1,419	(40)	(14,919)
The Company has presented share of profit and share of loss from Limited Liability Partnerships ("LLP") on net basis as the management considers the net income/expense to be its return on investment in LLP.							
4	(i) During the previous year ended March 31, 2020, considering the challenges and significant investment requirements of telecom operators which has resulted in longer opportunity conversion cycle and lower spends towards IT solutions, the management had carried out the annual impairment exercise as at December 31, 2019 in respect of its intangible assets and investment in subsidiaries and basis valuation carried out by an external expert, had made an impairment provision of ₹ 3,599 Lakhs towards carrying value of intangible asset and ₹ 16,808 Lakhs towards the carrying value of investment in subsidiary. In view of the COVID -19 pandemic, the management has reassessed its projections and assumptions and has concluded that, the carrying value of its intangible asset and investments in its subsidiaries as at September 30, 2020 is appropriate.						
	(ii) During the previous year ended March 31, 2020, the Company had entered into settlement agreement with former MD & CEO and former COO of the company in respect of long drawn litigation wherein certain claims were made against the Company. In terms of the settlement agreement, the Company has paid an amount of ₹ 820 Lakhs (net of ₹ 234 Lakhs recoverable from such ex-employees). Accordingly, the aforesaid litigation is amicably settled.						
5	(i) During the previous year ended March 31, 2020, the MAT credit entitlement of ₹ 425 Lakhs has been provided for considering the uncertainty as regards to its utilisation.						
	(ii) Represents provision in respect of withholding taxes deducted/ deductible by the overseas customers of the Company. During the previous year ended March 31, 2020, the Company has reversed an amount of ₹ 308 Lakhs considering it is no longer necessary on account of favourable assessment order received allowing foreign tax credit in respect of AY 2016-17.						
6	During the quarter ended September 30, 2020, service tax receivable of ₹ 267 Lakhs has been provided for considering the uncertainty as regards to its realisation.						
7	The Board of Directors in its meeting held on February 07, 2020, has approved a scheme of Capital Reduction in accordance with Section 52 of the Companies Act, 2013 and Section 66 of the Companies Act, 2013 read with National Company Law Tribunal ("NCLT") (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013. The Hon'ble NCLT has approved the said Scheme vide its order dated September 23, 2020. Consequently, the Company has filed a certified copy of Order with Registrar of Companies ("ROC") on September 29, 2020 and has utilized an amount of ₹ 28,100 Lakhs from paid-up share capital of the Company by reducing the face value of the equity shares from ₹ 10/- to ₹ 5/- each and ₹ 10,301 Lakhs from securities premium to write-off its accumulated losses of ₹ 38,401 Lakhs.						
8	The Company is engaged in the business of software products and related services, which are monitored as a single segment by the Chief Operating Decision Maker, accordingly, these, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute one segment and hence the Company has not made any additional segment disclosures.						
9	Represents gain arising on termination of the lease agreement of existing office premises in India, accounted in accordance with Ind AS 116 – Leases.						
10	The full impact of COVID - 19 still remains uncertain and could be different from the estimates considered while preparing these standalone financial results. The Company shall continue to closely monitor any material changes to future economic conditions.						

Place: Bengaluru
Date: November 9, 2020

For further details on the results, please visit our website: www.subex.com


Vinod Kumar Padmanabhan
Managing Director & CEO



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Ind AS Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Subex Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Ind AS Financial Results of Subex Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended September 30, 2020 and year to date from April 01, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the Holding Company and its following subsidiaries:
 - a. Subex America Inc.
 - b. Subex Inc.
 - c. Subex (Asia Pacific) Pte Limited
 - d. Subex (UK) Limited
 - e. Subex Middle East, FZE
 - f. Subex Technologies Limited
 - g. Subex Azure Holdings Inc.
 - h. Subex Assurance LLP
 - i. Subex Digital LLP
 - j. Subex Bangladesh Private Limited



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


per Rajeev Kumar
Partner

Membership No.: 213803

UDIN: 20213803AAAAE02384

Place: Bengaluru

Date: November 9, 2020



SUBEX LIMITED

Registered office: RMZ Ecoworld, Outer Ring Road, Devabhisnalahalli, Bangalore - 560 103

Statement of Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2020

(₹ in Lakhs)

Particulars	Quarter ended				Year to date figures for the six months ended		Year ended March 31, 2020 Audited
	September 30, 2020 Unaudited	June 30, 2020 Unaudited	September 30, 2019 Unaudited	September 30, 2020 Unaudited	September 30, 2019 Unaudited	September 30, 2019 Unaudited	
Income							
1 Revenue from operations	9,329	8,870	8,567	18,199	16,462	36,498	
2 Other income	100	96	140	196	176	563	
Total income (1+2)	9,429	8,966	8,707	18,395	16,638	37,061	
Expenses							
Employee benefits expense (Refer note 4)	4,890	4,557	4,437	9,447	8,746	17,454	
Finance costs	103	110	121	213	243	477	
Depreciation and amortization expense	365	366	378	731	749	1,508	
Exchange fluctuation loss/(gain), net	438	(189)	(292)	249	(551)	(887)	
Other expenses	1,461	1,542	2,352	3,003	4,448	10,513	
Total expenses	7,257	6,386	6,996	13,643	13,635	29,065	
Profit before exceptional items and tax (3-4)	2,172	2,580	1,711	4,752	3,003	7,996	
Exceptional items							
Gain on termination of lease agreement (Refer note 11)	554	-	-	554	-	-	
Provision for service tax receivable (Refer note 8)	(267)	-	-	(267)	-	-	
Impairment of goodwill [Refer note 5(i)]	-	-	-	-	-	(31,473)	
Provision no longer required written back	-	-	-	-	-	761	
Provision for claim settlement [Refer note 5(ii)]	-	-	-	-	-	(1,054)	
Total exceptional items	287	-	-	287	-	(31,766)	
Net profit/(loss) before tax (5-6)	2,459	2,580	1,711	5,039	3,003	(23,770)	
Tax expense, net							
Current tax charge	7	1	1	8	2	117	
Provision for MAT credit [Refer note 6 (i)]	-	-	-	-	-	425	
Provision - foreign withholding taxes [Refer note 6 (iii)]	386	346	263	732	486	754	
Deferred tax charge (Refer note 7)	841	717	817	1,558	1,357	1,849	
Total tax expense	1,234	1,064	1,081	2,298	1,845	3,145	
Net profit/(loss) for the period/ year (7-8)	1,225	1,516	630	2,741	1,158	(26,915)	
Other comprehensive income/ (loss) net of tax expense							
<i>Items that will be reclassified subsequently to profit or loss:</i>							
Net exchange differences gain/ (loss) on translation of foreign operations	158	(38)	(124)	120	(390)	5	
<i>Items that will not be reclassified subsequently to profit or loss:</i>							
Re-measurement (loss)/ gain on defined benefits plan	(20)	(4)	(25)	(24)	(35)	(34)	
Total other comprehensive income/ (loss)	138	(42)	(149)	96	(425)	(29)	
Total comprehensive income/ (loss) for the period/ year (9+10)	1,363	1,474	481	2,837	733	(26,944)	
11 Total comprehensive income/ (loss) for the period/ year (9+10)	1,363	1,474	481	2,837	733	(26,944)	
12 Paid up equity share capital (Refer note 9) [face value of ₹ 5 each w.e.f September 29, 2020 and ₹ 10 upto September 28, 2020]	28,100	56,200	56,200	28,100	56,200	56,200	
13 Other equity	-	-	-	-	-	(4,661)	
14 Earnings/(loss) per share (of ₹ 5/- each w.e.f September 29, 2020 and ₹ 10 upto September 28, 2020) (not annualised in case of the interim periods) (Refer note 9):							
- Basic	0.23	0.28	0.12	0.51	0.21	(4.94)	
- Diluted	0.23	0.28	0.12	0.51	0.21	(4.94)	



SUBEX LIMITED
Registered office: RMZ Ecoworld, Outer Ring Road, Devrabaisanahalli, Bangalore - 560 103
Statement of Consolidated Assets and Liabilities

Particulars	As at	
	September 30, 2020	March 31, 2020
	Unaudited	Audited
A ASSETS		
Non-current assets		
Property, plant and equipment	498	434
Right-of-use assets	869	4,424
Goodwill on consolidation	34,409	34,409
Other intangible assets	1	3
Financial assets		
Loans	64	533
Other balances with banks	79	189
Income tax asset (net)	3,225	3,305
Deferred tax asset	198	262
Other non-current assets	58	267
	39,401	43,826
Current assets		
Financial assets		
Loans	833	104
Trade receivables	8,630	9,206
Cash and cash equivalents	13,765	9,043
Other balances with banks	246	67
Other financial assets	5,628	5,264
Other current assets	638	588
	29,760	24,272
Total Assets	69,161	68,098
B EQUITY AND LIABILITIES		
Equity		
Equity share capital	28,100	56,200
Other equity	26,359	(4,661)
	54,459	51,539
Liabilities		
Non-current liabilities		
Financial liabilities	478	3,458
Lease Liabilities	335	335
Provisions	5,262	3,774
Deferred tax liabilities(net)	6,095	7,587
Current liabilities		
Financial liabilities	590	-
Borrowings	469	1,409
Lease Liabilities		
Trade payable	8	41
- total outstanding dues of micro enterprises and small enterprises	1,038	1,605
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,865	2,212
Other financial liabilities	3,094	2,342
Provisions	771	649
Income tax liabilities (net)	772	714
	8,607	8,972
Total liabilities	14,702	16,559
Total equity and liabilities	69,161	68,098



SUBEX LIMITED
Statement of cash flows for the six months ended September 30, 2020

Particulars	Six months ended		(₹ in Lakhs)
	September 30, 2020	September 30, 2019	
	Unaudited	Unaudited	
(A) Operating activities			
Profit before tax	5,039	3,003	
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation of property, plant and equipment and right-of-use assets	729	746	
Amortization of intangible assets	2	3	
Interest income (including fair value changes)	(189)	(64)	
Finance costs (including fair value changes)	213	243	
Allowance for expected credit losses	(171)	16	
Expense on share based payment	74	48	
Gain on termination of lease agreement	(554)	-	
Provision for service tax receivable	267	(520)	
Net foreign exchange differences	314		
Operating profit before working capital changes	5,724	3,475	
<i>Working capital adjustments:</i>			
(Increase)/ decrease in loans	(22)	(7)	
(Increase)/ decrease in trade receivables	355	89	
(Increase)/ decrease in other financial assets	(279)	586	
(Increase)/ decrease in other assets	(151)	(219)	
(Increase)/ (decrease) in trade payables	(697)	(1)	
Increase/ (decrease) in other financial liabilities	(347)	(697)	
Increase/ (decrease) in other current liabilities	874	645	
Increase/ (decrease) in provisions	89	62	
Income tax paid (including TDS, net of refund)	5,546	3,933	
Net cash flows from operating activities	4,938	3,223	
(B) Investing activities			
Purchase of property, plant and equipment	(210)	(288)	
Movement in margin money deposit (net)	(69)	131	
Purchase of treasury shares by ESOP trust	(22)	(378)	
Interest received	121	25	
Net cash flows used in investing activities	(180)	(510)	
(C) Financing activities			
Proceeds from exercise of ESOP	31	-	
Proceeds from borrowings	600	-	
Interest paid	(201)	(230)	
Repayment of lease liability	(508)	(425)	
Net cash flows used in financing activities	(78)	(655)	
(D) Net increase in cash and cash equivalents (A+B+C)	4,680	2,058	
Net foreign exchange difference on cash and cash equivalents	42	101	
Cash and cash equivalents at the beginning of the period	9,043	3,947	
(E) Cash and cash equivalents at the end of the period	13,765	6,106	



- Notes:**
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 9, 2020
 - The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
 - The financial results of Subex Limited (Standalone information).

Particulars	Quarter ended			Year to date figures for the six months ended		Year ended
	September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total income	1,095	1,332	331	2,427	442	3,170
Net profit/ (loss) before tax	440	900	(262)	1,340	(774)	(20,470)
Net profit/ (loss) for the period/ year	436	900	(262)	1,336	(774)	(20,588)
Total comprehensive income / (loss) for the period/ year	434	899	(263)	1,333	(776)	(20,609)

(₹ in Lakhs)

- Employee benefits expenses for the quarters ended September 30, 2020, June 30, 2020, and September 30, 2019 are net of reversal of provision no longer required, in respect of employee incentives relating to sales and delivery commissions, amounting to ₹ 62 Lakhs, ₹ 333 Lakhs and ₹ 221 Lakhs, respectively, and that for the six months ended September 30, 2020 and September 30, 2019 amounting to ₹ 333 Lakhs and ₹ 450 Lakhs, respectively and for that year ended March 31, 2020 amounting to ₹ 692 lakhs.
- (i) During the previous year ended March 31, 2020, considering the challenges and significant investment requirements of telecom operators which has resulted in longer opportunity conversion cycle and lower spends towards IT solutions, the management had carried out the annual impairment exercise as at December 31, 2019 in respect of carrying value of goodwill and basis valuation carried out by an external valuation expert, had made an impairment provision of ₹ 31,473 Lakhs towards carrying value of goodwill. In view of the COVID-19 pandemic, the management has reassessed its projections and assumptions and has concluded that, the carrying value of its goodwill as at September 30, 2020 is appropriate.
(ii) During the previous year ended March 31, 2020, the Company had entered into settlement agreement with former MD & CEO and former COO of the company in respect of long drawn litigation wherein certain claims were made against the Company. In terms of the settlement agreement, the Company has paid an amount of ₹ 820 Lakhs (net of ₹ 234 Lakhs recoverable from such ex-employees). Accordingly, the aforesaid litigation is amicably settled.
- (i) During the previous year ended March 31, 2020, the MAT credit entitlement of ₹ 425 Lakhs has been provided for considering the uncertainty as regards to its utilisation.
(ii) Represents provision in respect of withholding taxes deducted/ deductible by the overseas customers of the Group. During the previous year ended March 31, 2020, the Group has reversed an amount of ₹ 308 Lakhs considering it is no longer necessary on account of favourable assessment order received allowing foreign tax credit in respect of AY 2016-17.
- Deferred tax charge, comprises of liability arising on account of tax benefits from amortisation of Subex Assurance LLP, net of deferred tax assets arising on account of carry forward losses and other taxable temporary differences, which arose mainly on account of business restructuring effected from November 1, 2017, wherein, the Company's RMS business and the Digital business was transferred on going concern basis to Subex Assurance LLP and Subex Digital LLP respectively. The liability for the year ended March 31, 2020 in respect of tax benefits from amortisation of intangibles is net of provision no longer considered necessary amounting to ₹ 1,014 Lakhs considering the favourable assessment order in respect of AY 2016-17 with respect to foreign tax credit allowance.
- During the quarter ended September 30, 2020, service tax receivable of ₹ 267 Lakhs has been provided for considering the uncertainty as regards to its realisation.
- The Board of Directors in its meeting held on February 07, 2020, has approved a scheme of Capital Reduction in accordance with Section 52 of the Companies Act, 2013 and Section 66 of the Companies Act, 2013 read with National Company Law Tribunal ("NCLT") (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013. The Hon'ble NCLT has approved the said Scheme vide its order dated September 23, 2020. Consequently, the Company has filed a certified copy of the Order with Registrar of Companies ("ROC") on September 29, 2020 and has utilized an amount of ₹ 28,100 Lakhs from paid-up share capital of the Company by reducing the face value of the equity shares from ₹ 10/- to ₹ 5/- each and ₹ 10,301 Lakhs from securities premium to write-off its accumulated losses of ₹ 38,401 Lakhs.
- The Group is engaged in the business of software products and related services, which are monitored as a single segment by the Chief Operating Decision Maker, accordingly, these, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute one segment and hence the Group has not made any additional segment disclosures.
- Represents gain arising on termination of the lease agreement of existing office premises in India, accounted in accordance with Ind AS 116 - Leases.
- The full impact of COVID - 19 still remains uncertain and could be different from the estimates considered while preparing these consolidated financial results. The Group shall continue to closely monitor any material changes to future economic conditions.

Place: Bengaluru

Date: November 9, 2020

For further details on the results, please visit our website: www.subex.com

Vijay Kumar Padmanabhan
Managing Director & CEO



Revenue Growth and Increased Profitability mark Subex's Q2FY21

9TH NOVEMBER 2020, BENGALURU, INDIA – Subex, a pioneer in the space of Digital Trust, today announced its consolidated financial results for the quarter ended September 30, 2020.

Performance Highlights for the quarter ended September 30, 2020:

- Revenue for the quarter at INR 933 million as against INR 857 million in Q2FY20
- EBITDA for the quarter at INR 254 million as against INR 207 million in Q2FY20
 - EBITDA excluding Forex gains/losses for the quarter at INR 298 million as against INR 178 million in Q2FY20
- Profit after Tax (PAT) for the quarter at INR 123 million as against INR 63 million in Q2FY20

Vinod Kumar, Managing Director & CEO, Subex, said, "During a period where the industry as a whole is continuing to come to grips with the 'new normal', we are very pleased to report both revenue and profit growth for the second quarter of FY21. Market traction, along with our singular focus on Digital Trust, is slowly building the growth momentum."

Despite the challenges of remote working, we are performing well on delivery and operations. With the recent appointment of our new CTO, we have augmented the management bandwidth required to drive an exciting product roadmap intended to expand our digital trust portfolio. We will also be strengthening our engagement with global strategic partners around our new solutions and technology areas such as blockchain, AI/ML to drive wider market adoption."

Commenting on the results, **Anil Singhvi, Chairman** of the board, said, "Despite business challenges globally due to Pandemic, Subex has done very well. Continued good performance on all fronts, cleaned up balance sheet and improved free cash flows, are enabling us to invest in newer businesses and service our reduced capital base well"

Highlights of the Quarter

- Launched Partner Ecosystem Management which will allow CSPs to accelerate their digital services portfolio expansion
- Listed as a Sample Provider for Augmented Analytics in Gartner's Emerging Technologies and Trends Impact Radar for Artificial Intelligence in Telecom report
- Selected by a Tier-I Middle East operator for ROC Revenue Assurance and ROC Fraud Management
- Secured a new deal with a regulatory body in Africa to validate the revenues reported by operators in the region and the associated license fees

Update on Capital Reduction

- Completed the capital reduction process
- Trading of new Subex shares commenced w.e.f. 5th November, 2020

About Subex

Subex is a pioneer in enabling Digital Trust for businesses across the globe.

Founded in 1994, Subex has spent over 25 years in helping global Communications Service Providers maximize their revenues and profitability. With a legacy of having served the market through its world-class solutions for business optimization and analytics, Subex is now leading the way by enabling all-round Digital Trust in the business ecosystems of its customers. Focusing on privacy, security, risk mitigation,



predictability, and confidence in data, Subex helps businesses embrace the disruptive changes in the business landscape and succeed with Digital Trust.

Subex leverages its award-winning product portfolio in areas such as Revenue Assurance, Fraud Management, Network Analytics, and Partner Management, and complements them through its digital solutions such as IoT Security and Insights. Subex also offers scalable Managed Services and Business Consulting services. Subex has more than 300 installations across 90+ countries.

In case of any queries, please reach out to;

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