

May 13, 2019

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 May 13, 2019**

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

- Approval of the audited standalone and consolidated Financial Results of the Company for the quarter and year ended March 31, 2019.
- Approval of the audited standalone and consolidated Financial Statements of the Company for the year ended March 31, 2019.
- Appointment of Mr. George Zacharias as an Additional Independent & Non-Executive Director of the Company with effect from May 13, 2019.
- Appointment of RSM Astute Consulting Pvt. Ltd as Internal Auditors of the Company for period ending March 31, 2020.
- Approval of Corporate Guarantee in favour of Axis Bank Ltd, for the Working Capital facility availed by its subsidiary, Subex Assurance LLP, to the extent of Rs. 45 Crores.

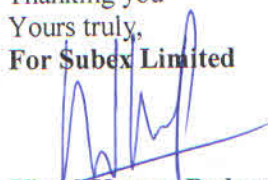
Pursuant to Regulation 33 (3) and Regulation 47 of the SEBI (LODR) Regulations, 2015, the Company has opted to publish the consolidated financial results. The standalone financial results, however, are being made available to the Stock Exchanges' and are also being posted on the Company's website.

Please find enclosed:

- The audited standalone and consolidated Financial Results of the Company for the quarter and year ended March 31, 2019.
- Declaration pursuant to Regulation 33 (3) (d) of the SEBI (LODR) Regulations, 2015
- A copy of the press release intended to be published to the media by the Company.
- Brief profiles of Mr. George Zacharias and RSM Astute Consulting Pvt. Ltd.

The meeting concluded at 5.30 p.m. We request you to take the aforesaid notification on record.

Thanking you  
Yours truly,  
For Subex Limited

  
**Vinod Kumar Padmanabhan**  
Managing Director & CEO  
DIN:06563872  
ENCL: As above.



**Subex Limited**

CIN - L85110KA1994PLC016663

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

**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To**  
**The Board of Directors of**  
**Subex Limited**

1. We have audited the accompanying statement of quarterly and year to date standalone Ind AS financial results of Subex Limited ('the Company') for the quarter and year ended March 31, 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The standalone Ind AS financial results for the quarter and year ended March 31, 2019 have been prepared on the basis of the standalone Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual standalone Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone Ind AS financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual standalone Ind AS financial statements as at and for the year ended March 31, 2019; and the relevant requirements of the Regulation and the Circular.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone Ind AS financial results as well as the year to date results:
  - i. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
  - ii. give a true and fair view of the standalone total comprehensive income (comprising of net loss and other comprehensive income) and other financial information for the quarter and year ended March 31, 2019.





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**ICAI Firm Registration Number: 101049W/E300004**

*Rajeev Kumar*  
per Rajeev Kumar

Partner

Membership No.: 213803



Bengaluru

May 13, 2019

**SUBEX LIMITED**

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

**Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2019**

(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Audited (Refer note 11)	Unaudited	Audited (Refer note 11)	Audited	Audited
<b>Income</b>					
1 Revenue from operations	514	276	452	1,916	17,993
2 Share of profit from Limited Liability Partnerships (Refer note 4)	492	20	176	165	635
3 Other income	7	1	1	10	66
<b>4 Total income (1+2+3)</b>	<b>1,013</b>	<b>297</b>	<b>629</b>	<b>2,091</b>	<b>18,694</b>
<b>5 Expenses</b>					
(a) Employee benefits expense	174	183	156	739	6,248
(b) Finance costs	2	1	7	4	547
(c) Depreciation and amortisation expense	153	158	154	625	703
(d) Marketing and allied service charges	130	130	120	513	6,712
(e) Exchange fluctuation loss/ (gain), net	175	36	(56)	39	311
(f) Share of loss from Limited Liability Partnerships (Refer note 4)	402	462	343	1,765	598
(g) Other expenses	125	128	94	861	3,775
<b>Total expenses</b>	<b>1,161</b>	<b>1,098</b>	<b>818</b>	<b>4,546</b>	<b>18,894</b>
<b>6 Loss before exceptional items and tax expense (4-5)</b>	<b>(148)</b>	<b>(801)</b>	<b>(189)</b>	<b>(2,455)</b>	<b>(200)</b>
7 Exceptional items (Refer note 5)	-	-	-	-	389
<b>8 Net (loss)/ profit before tax expense (6+7)</b>	<b>(148)</b>	<b>(801)</b>	<b>(189)</b>	<b>(2,455)</b>	<b>189</b>
<b>9 Tax expense, net</b>					
Current tax (credit)/ charge	-	-	-	-	(53)
Provision/ (reversal) - foreign withholding taxes (Refer note 7)	(3)	-	(7)	(2)	157
MAT charge/ (credit)	-	-	-	-	53
<b>Total tax expense</b>	<b>(3)</b>	<b>-</b>	<b>(7)</b>	<b>(2)</b>	<b>157</b>
<b>10 Net (loss)/ profit for the period/ year (8-9)</b>	<b>(145)</b>	<b>(801)</b>	<b>(182)</b>	<b>(2,453)</b>	<b>32</b>
<b>11 Other comprehensive income, net of tax expense</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Re-measurement gain/ (loss) on defined benefits plan	4	(2)	4	(3)	(8)
<b>12 Total comprehensive income for the period/ year (10+11)</b>	<b>(141)</b>	<b>(803)</b>	<b>(178)</b>	<b>(2,456)</b>	<b>24</b>
13 Paid up equity share capital [face value of ₹ 10 (March 31, 2018: ₹ 10)]	56,200	56,200	56,200	56,200	56,200
14 Other equity	-	-	-	14,949	18,034
15 (Loss)/ earnings per share (of ₹ 10/- each) (not annualised in case of the interim periods):					
(a) - Basic	(0.03)	(0.14)	(0.03)	(0.44)	0.01
(b) - Diluted	(0.03)	(0.14)	(0.03)	(0.44)	0.01



**SUBEX LIMITED**

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

**Statement of Standalone Assets and Liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
	Audited	Audited
<b>A ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment		
Intangible assets	18	29
Financial assets	4,987	5,595
Investments		
Loans	64,369	64,406
Other balances with banks	35	35
Other financial assets	418	-
Income tax asset (net)	234	234
Deferred tax asset (MAT credit entitlement)	2,730	2,494
Other non-current assets	425	425
	281	288
	<b>73,497</b>	<b>73,506</b>
<b>Current assets</b>		
Financial assets		
Loans		
Trade receivables	4	6
Cash and cash equivalents	842	1,364
Other financial assets	97	211
Other current assets	6	-
	33	61
	<b>982</b>	<b>1,642</b>
<b>Total assets</b>	<b>74,479</b>	<b>75,148</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital		
Other equity	56,200	56,200
<b>Total equity</b>	14,949	18,034
	<b>71,149</b>	<b>74,234</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Provisions	1	1
	<b>1</b>	<b>1</b>
<b>Current liabilities</b>		
Financial liabilities		
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	1	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	267	415
Other financial liabilities	2,658	49
Other current liabilities	17	51
Provisions	112	112
Income tax liabilities (net)	274	286
	<b>3,329</b>	<b>913</b>
<b>Total liabilities</b>	<b>3,330</b>	<b>914</b>
<b>Total equity and liabilities</b>	<b>74,479</b>	<b>75,148</b>





**Notes:**

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on May 13, 2019.
- 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 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 3 The Board of Directors of the Company in its meeting held on August 21, 2017 approved the restructuring of the Company's business by way of transfer of its Revenue Maximization Solutions and related businesses ("RMS business") and the Subex Secure and Analytics solutions and related businesses ("Digital business") to its subsidiaries, Subex Assurance LLP and Subex Digital LLP (together referred to as "LLPs"), respectively, hereinafter referred to as the "Restructuring", subject to shareholders and other requisite approvals, to achieve amongst other aspects, segregation of the Company's business into separate verticals to facilitate greater focus on each business vertical, higher operational efficiencies, and to enhance the Company's ability to enter into business specific partnerships and attract strategic investors at respective business levels, with an overall objective of enhancing shareholder value.
- The shareholders of the Company approved the Restructuring by way of special resolution passed through postal ballot on September 23, 2017 and subsequently, the Board of Directors of the Company in its meeting held on October 4, 2017 approved November 1, 2017 to be the effective date of Restructuring.
- Accordingly, effective November 1, 2017, the Company's RMS business and the Digital business have been transferred on a going concern basis for a consideration of ₹ 61,564 Lakhs and ₹ 1,869 Lakhs, respectively, in the form of Company's capital contribution in the aforesaid LLPs. Post such restructuring, the Company continues to directly hold 99.99% share in the capital of, and in the profits and losses of, each of these LLPs and the entire economic interest as well as control and ownership of the RMS Business and Digital Business remains with the Company post such Restructuring.

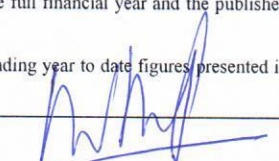
- 4 Share of profit/ (loss) from Limited Liability Partnerships are as follows:

Particulars	Quarter ended			Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Audited (Refer note 11)	Unaudited	Audited (Refer note 11)	Audited	Audited
Share of profit from Subex Assurance LLP	492	20	176	165	635
Share of loss from Subex Digital LLP	(402)	(462)	(343)	(1,765)	(598)
<b>Total</b>	<b>90</b>	<b>(442)</b>	<b>(167)</b>	<b>(1,600)</b>	<b>37</b>

The aforesaid share of profit/ (loss) from LLPs are after considering amortization of intangible assets and deferred tax liabilities/ assets, arising on account of business restructuring detailed in note 3 above.

- 5 Represents write back of provision for doubtful advances no longer required.
- 6 As at March 31, 2019, the Company assessed and concluded the carrying value of its investments in its subsidiaries, to be appropriate, basis the valuation carried out by an external valuer. Considering the aforesaid valuation, the management is of the view that, the carrying value of its investment in subsidiaries as at March 31, 2019 is appropriate.
- 7 Represents provision in respect of withholding taxes deducted/ deductible by the overseas customers of the Company.
- 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 Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.
- 10 The Board of Directors and the shareholders of the Company in their respective meetings held on July 31, 2018 approved "Subex Employees Stock Option Scheme – 2018" (hereinafter referred to as the "ESOP Scheme 2018") in accordance with all the applicable provisions of the Companies Act, 2013 and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI ESOP Regulations") to be administered through Subex Employee Welfare and ESOP Benefit Trust (hereinafter referred to as the "ESOP Trust"). The ESOP Trust was registered as per provisions of Indian Trust Act, 1882 on September 6, 2018 and is authorised to acquire shares of the Company through secondary market for providing such share-based payments to its employees. The ESOP Trust is consolidated in the standalone financial results of the Company and the shares reacquired and held by ESOP Trust are treated as treasury shares and recognised at cost and deducted from other equity. The Nomination and Remuneration Committee of the Company in their meeting held on January 29, 2019 granted 10,650,000 options effective from February 05, 2019 to the eligible employees.
- 11 The figures of last quarter of current year and previous year are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures for the nine months of the respective year.
- 12 Considering the Restructuring as detailed in note 3 above, the figures of year to date are not comparable to figures of the corresponding year to date figures presented in these financial results.

Place: Bengaluru  
Date: May 13, 2019

  
Vinod Kumar Padmanabhan  
Managing Director & CEO

For further details on the results, please visit our website: [www.subex.com](http://www.subex.com)





**Auditor's Report On Quarterly Consolidated Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
**The Board of Directors of  
Subex Limited**

1. We have audited the accompanying statement of quarterly and year to date consolidated Ind AS financial results of Subex Limited ('the Company') comprising its subsidiaries (together, 'the Group') for the quarter and year ended March 31, 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The consolidated Ind AS financial results for the quarter and year ended March 31, 2019 have been prepared on the basis of the consolidated Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated Ind AS financial results based on our review of the consolidated Ind AS financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019; and the relevant requirements of the Regulation and the Circular.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly consolidated Ind AS financial results as well as the year to date results:
  - i. includes the quarterly and year to date consolidated financial results of the Company and its following subsidiaries:
    - Subex Americas Inc.
    - Subex (UK) Limited
    - Subex Technologies Limited
    - Subex (Asia Pacific) Pte Ltd
    - Subex Inc.
    - Subex Azure Holding Inc.
    - Subex Middle East (FZE)
    - Subex Assurance LLP
    - Subex Digital LLP



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- ii. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
  - iii. give a true and fair view of the consolidated total comprehensive income (comprising of net profit and other comprehensive income) and other financial information for the quarter and year ended March 31, 2019.
4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**ICAI Firm Registration Number:** 101049W/E300004

*Rajeev Kumar*  
**per Rajeev Kumar**  
Partner  
Membership No.: 213803



Bengaluru  
May 13, 2019



**SUBEX LIMITED**

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

**Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2019**

(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Audited	Unaudited	Audited	Audited	Audited
	(Refer note 13)		(Refer note 13)		
<b>Income</b>					
1 Revenue from operations	10,187	8,228	8,065	34,812	32,432
2 Other income	40	27	37	101	140
<b>3 Total income (1+2)</b>	<b>10,227</b>	<b>8,255</b>	<b>8,102</b>	<b>34,913</b>	<b>32,572</b>
<b>4 Expenses</b>					
(a) Employee benefits expense (Refer note 5)	4,875	4,872	4,219	19,105	17,471
(b) Finance costs	54	54	58	216	775
(c) Depreciation and amortisation expense	138	116	103	483	517
(d) Exchange fluctuation (gain)/ loss, net	512	128	447	(171)	1,650
(e) Other expenses	2,618	2,599	2,580	10,572	9,884
<b>Total expenses</b>	<b>8,197</b>	<b>7,769</b>	<b>7,407</b>	<b>30,205</b>	<b>30,297</b>
<b>5 Profit before exceptional items and tax expense (3-4)</b>	<b>2,030</b>	<b>486</b>	<b>695</b>	<b>4,708</b>	<b>2,275</b>
6 Exceptional items (Refer note 6)	-	-	1,166	-	1,166
<b>7 Net profit before tax expense (5+6)</b>	<b>2,030</b>	<b>486</b>	<b>1,861</b>	<b>4,708</b>	<b>3,441</b>
<b>8 Tax expense, net</b>					
Current tax charge/ (credit)	98	68	(127)	274	(171)
Provision/ (reversal) - foreign withholding taxes (Refer note 8)	240	227	244	885	789
MAT charge	-	-	-	-	53
Deferred tax charge/ (credit) (Refer note 9)	402	(15)	240	1,027	702
<b>Total tax expense</b>	<b>740</b>	<b>280</b>	<b>357</b>	<b>2,186</b>	<b>1,373</b>
<b>9 Net profit for the period/ year (7-8)</b>	<b>1,290</b>	<b>206</b>	<b>1,504</b>	<b>2,522</b>	<b>2,068</b>
<b>10 Other comprehensive income, net of tax expense</b>					
<i>Items that will be reclassified subsequently to profit or loss:</i>					
Net exchange differences gain/ (loss) on translation of foreign operations	118	(298)	(786)	(390)	(210)
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Re-measurement gain/ (loss) on defined benefits plan	6	(15)	(25)	(38)	(30)
<b>Total other comprehensive income</b>	<b>124</b>	<b>(313)</b>	<b>(811)</b>	<b>(428)</b>	<b>(240)</b>
<b>11 Total comprehensive income for the period/ year (9+10)</b>	<b>1,414</b>	<b>(107)</b>	<b>693</b>	<b>2,094</b>	<b>1,828</b>
12 Paid up equity share capital [face value of ₹ 10 (March 31, 2018: ₹ 10)]	56,200	56,200	56,200	56,200	56,200
13 Other equity	-	-	-	23,210	21,745
14 Earnings per share (of ₹ 10/- each) (not annualised in case of the interim periods)					
(a) - Basic	0.23	0.04	0.27	0.45	0.37
(b) - Diluted	0.23	0.04	0.27	0.45	0.37



**SUBEX LIMITED**

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

**Statement of Consolidated Assets and Liabilities**

(₹ in Lakhs)

Particulars	As at	
	March 31, 2019	March 31, 2018
	Audited	Audited
<b>A ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment		656
Goodwill on consolidation	540	656
Other intangible assets	65,882	65,882
Financial assets	7	63
Loans		
Other balances with banks	503	439
Other financial assets	420	75
Income tax asset (net)	234	234
Deferred tax asset (including MAT credit entitlement)	3,039	2,810
Other non-current assets	624	552
	478	537
	<b>71,727</b>	<b>71,248</b>
<b>Current assets</b>		
Financial assets		
Loans		134
Trade receivables	121	134
Cash and cash equivalents	8,539	9,290
Other balances with banks	3,947	3,007
Other financial assets	252	295
Other current assets	4,537	5,250
	526	544
	<b>17,922</b>	<b>18,520</b>
<b>Total Assets</b>	<b>89,649</b>	<b>89,768</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital		56,200
Other equity	56,200	56,200
<b>Total equity</b>	<b>23,210</b>	<b>21,745</b>
	<b>79,410</b>	<b>77,945</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Provisions		280
Deferred tax liabilities(net)	305	280
	1,928	826
	<b>2,233</b>	<b>1,106</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings		3,215
Trade payable	-	3,215
- total outstanding dues of micro enterprises and small enterprises	7	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	827	1,331
Other financial liabilities	2,961	1,511
Other current liabilities	2,452	3,230
Provisions	729	712
Income tax liabilities (net)	1,030	718
	<b>8,006</b>	<b>10,717</b>
<b>Total liabilities</b>	<b>10,239</b>	<b>11,823</b>
<b>Total equity and liabilities</b>	<b>89,649</b>	<b>89,768</b>





**Notes:**

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on May 13, 2019.
- 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 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 3 The financial results of Subex Limited (Standalone information):

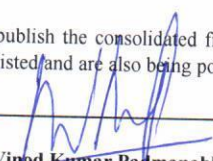
(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Audited	Unaudited	Audited	Audited	Audited
Total income	(Refer note 13)		(Refer note 13)		
Net (loss)/ profit before tax expense	1,013	297	629	2,091	18,694
Net (loss)/ profit for the period/ year	(148)	(801)	(189)	(2,455)	189
Total comprehensive income for the period/ year	(145)	(801)	(182)	(2,453)	32
	(141)	(803)	(178)	(2,456)	24

- 4 The Board of Directors of the Company in its meeting held on August 21, 2017 approved the restructuring of the Company's business by way of transfer of its Revenue Maximization Solutions and related businesses ("RMS business") and the Subex Secure and Analytics solutions and related businesses ("Digital business") to its subsidiaries, Subex Assurance LLP and Subex Digital LLP (together referred to as "LLPs"), respectively, hereinafter referred to as the "Restructuring", subject to shareholders and other requisite approvals, to achieve amongst other aspects, segregation of the Company's business into separate verticals to facilitate greater focus on each business vertical, higher operational efficiencies, and to enhance the Company's ability to enter into business specific partnerships and attract strategic investors at respective business levels, with an overall objective of enhancing shareholder value.  
The shareholders of the Company approved the Restructuring by way of special resolution passed through postal ballot on September 23, 2017 and subsequently, the Board of Directors of the Company in its meeting held on October 4, 2017 approved November 1, 2017 to be the effective date of Restructuring. Accordingly, effective November 1, 2017, the Company's RMS business and the Digital business have been transferred on a going concern basis for a consideration of ₹ 61,564 Lakhs and ₹ 1,869 Lakhs, respectively, in the form of Company's capital contribution in the aforesaid LLPs. Post such Restructuring, the Company continues to directly hold 99.99% share in the capital of, and in the profits and losses of, each of these LLPs and the entire economic interest as well as control and ownership of the RMS Business and Digital Business remains with the Company post such Restructuring.
- 5 Employee benefits expenses for the quarters ended March 31, 2019, December 31, 2018, and March 31, 2018 are net of reversal of provision no longer required, in respect of employee incentives relating to sales and delivery commissions, amounting to ₹ 5 Lakhs, Nil and ₹ 342 Lakhs, respectively, and that for the year ended March 31, 2019 and March 31, 2018 amounting to ₹ 40 Lakhs and ₹ 725 Lakhs, respectively.
- 6 Represents foreign currency translation reserve gain recognised on account of liquidation of foreign subsidiary.
- 7 As at March 31, 2019, the Group assessed the carrying value of its goodwill along with carrying value of related Cash Generating Units (CGUs) basis the valuation carried out by an external valuer. Basis the aforesaid valuation, the management is of the view that, the carrying value of its goodwill as at March 31, 2019 is appropriate.
- 8 Represents provision in respect of withholding taxes deducted/ deductible by the overseas customers of the Group.
- 9 Deferred tax charge/ (credit), comprises of deferred tax liability arising on account of tax benefits from amortisation of intangible assets 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 as detailed in note 4 above.
- 10 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.
- 11 Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.
- 12 The Board of Directors and the shareholders of the Company in their respective meetings held on July 31, 2018 approved "Subex Employees Stock Option Scheme - 2018" (hereinafter referred to as the "ESOP Scheme 2018") in accordance with all the applicable provisions of the Companies Act, 2013 and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI ESOP Regulations") to be administered through Subex Employee Welfare and ESOP Benefit Trust (hereinafter referred to as the "ESOP Trust"). The ESOP Trust was registered as per provisions of Indian Trust Act, 1882 on September 6, 2018 and is authorised to acquire shares of the Company through secondary market for providing such share-based payments to its employees. The ESOP Trust is consolidated in the standalone financial results of the Company and the shares reacquired and held by ESOP Trust are treated as treasury shares and recognised at cost and deducted from other equity. The Nomination and Remuneration Committee of the Company in their meeting held on January 29, 2019 granted 10,650,000 options effective from February 05, 2019 to the eligible employees.
- 13 The figures of last quarter of current year and previous year are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures for the nine months of the respective year.
- 14 Pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) 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 where the securities of the Company are listed and are also being posted on the Company's website www.subex.com.

Place: Bengaluru

Date: May 13, 2019

  
**Vinod Kumar Padmanabhan**  
 Managing Director & CEO
For further details on the results, please visit our website: [www.subex.com](http://www.subex.com)





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May 13, 2019

To  
BSE Limited  
The National Stock Exchange of India Limited

Dear Sir/Madam,

**Sub: Subex Limited "The Company"-Declaration pursuant to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015**

I, Venkatraman G S, Chief Financial Officer of Subex Limited (CIN : L85110KA1994PLC016663 ), having its Registered Office at RMZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bengaluru-560103, hereby declare that the Statutory Auditors of the Company, S.R. Batliboi & Associates, LLP (FRN: 101049W/E300004) have issued an Audit Report with unmodified opinion on the annual audited Financial Results of the Company (Standalone & Consolidated) for the year ended March 31, 2019.

This Declaration is provided pursuant to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015, including any statutory modifications or amendments thereof.

We request you to take the aforesaid declaration on record.

Thanking you

**Yours truly,  
For Subex Limited**

**Venkatraman G S  
Chief Financial Officer**



**Subex Limited**

CIN - L85110KA1994PLC016663

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



## Subex announces FY19 Results with Consolidated Revenue of ₹ 3,481 million and EBITDA\* of ₹ 514 million

13<sup>TH</sup> MAY 2019, BENGALURU, INDIA – Subex, a leading telecom analytics solution provider, today announced its consolidated financial results for the year ended March 31, 2019.

### Performance Highlights for the year ended March 31, 2019:

- Revenue for the year at ₹ 3,481 million as against ₹ 3,243 million in FY18, up by 7.3%.
- EBITDA\* for the year at ₹ 514 million as against ₹ 508 million in FY18, up by 1.1%.
- Profit after Tax (PAT) for the year at ₹ 252 million as against ₹ 207 million in FY18, up by 21.7%.

### Performance Highlights for the quarter ended March 31, 2019:

- Revenue for the quarter at ₹ 1,019 million as against ₹ 823 million in FY19 Q3, up by 23.8%
- EBITDA\* for the quarter at ₹ 269 million as against ₹ 76 million in FY19 Q3, up by 254%.
- Profit after Tax (PAT) for the quarter at ₹ 129 million as against ₹ 21 million in FY19 Q3, up by 514%.

### Highlights of the Year

- Announced the launch of multi-vertical anomaly detection solution, CrunchMetrics with a market potential of \$2.25B
- Won multi-million-dollar contract from Optus to deploy its ROC Network Asset Management solution
- Announced a multi-year partnership with Econet Wireless Zimbabwe to deploy Analytics Centre of Trust
- Announced a 5-Year multi-million-dollar partnership with BTC to implement Integrated Revenue Assurance & Fraud Management, Partner Settlement, and Route Optimization solutions
- Partnered with Telefonica on a new Cybersecurity Venture
- Announced partnership with Town of Florence, Arizona to cyber-secure critical infrastructure
- Awarded IoT Security Platform of the Year by Compass Intelligence
- Awarded three Pipeline Awards for the Big Data & Analytics, Managed Services and Security & Assurance categories
- Launched next-gen digital fraud prevention solution to help telcos proactively deal with existing and emerging fraud types

### Appointments

- Appointment of Mr. George Zacharias as an Independent & Non-Executive Director of the Company with effect from May 13, 2019

**Vinod Kumar, Managing Director & CEO, Subex** said, "This has been a year of moving from stability to growth phase for Subex. FY19 has been a successful year both from a strategy and execution perspective where we met expectations.

We started off the year by defining a 3-Horizon strategy with an objective to be the pioneers in Digital Trust across multiple verticals. We have reinvigorated our core offerings in Horizon 1 with the infusion of AI/ML, empowering our customers to embrace digital disruption. This has enabled us to significantly improve our competitive advantage and perform well on our core areas, thereby providing us the necessary platform to pursue newer growth areas. We have also successfully achieved targets that we had set for ourselves in the new offerings in Horizon II like IoT Security and Analytics, and the demand in these areas continues to grow. Further in line with our Horizon III plans, we launched CrunchMetrics, which has opened a huge addressable market for us. Both Horizon II and III offerings allow us to adopt subscription-based revenue models that presents us with exponential growth opportunities.



I am happy to state that all these efforts have resulted in us securing a 30% increase in new business acquisition over last year and thereby providing the necessary impetus for a stronger FY 20. Digital trust is emerging as a key pillar of digital economy and being a major player in this space will help in significant value creation for all our stake holders in the coming years

Mr. Anil Singhvi, Chairman, said "it gives me great pleasure to welcome Mr. George Zacharias as an Independent & Non-Executive Director. George is a very experienced business leader and we are extremely pleased to have someone of his caliber and expertise join our Board. On behalf of the board and everyone at Subex, I would like to welcome George to the Subex family."

#### **About Subex**

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

Founded in 1992, 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-

Sandeep Banga  
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**\*EBITDA excludes forex**

**-END-**





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### Profile of Mr. Zacharias

Mr. George Zacharias has over 30 years of diverse and successful work experience.

He is a graduate from Nagpur University with a B.Tech in Chemical Engineering in 1980. He has a Post Graduate Diploma in Business Management from XLRI Jamshedpur in 1982.

He has worked at Grindwell Norton, Madura Coats Threads, Madura Garments, Sify Ltd and Yahoo! India. He is also the co-founder and CEO of 7Strata Inc and Chief Strategy Officer, Mindtree.

He has been on the Board of Internet companies including CricInfo and Refco-Sify Securities. He is presently an Independent Director on the Board of Matrimony.com.

We affirm that Mr. George Zacharias is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

### Profile of RSM Astute Consulting Pvt. Ltd, Internal Auditors

RSM is a powerful network of audit, tax and consulting experts with offices all over the world.

RSM in India consistently ranks amongst India's top six accounting and consulting groups offering a wide range of specialized services to meet the immediate as well as long-term need of business, that include internal audit and risk advisory, tax and consulting. The services of RSM are specifically designed to meet and assist an organisation in all its decision making processes ranging from undertaking corporate advisory and structuring, managing compliances with dynamic and evolving service areas in India vis-à-vis Ind AS / GST / Companies Act 2013, information technology systems audit and assurance, legal and secretarial services, tax advisory covering both Indian and international regulations, transfer pricing consulting and study report, due diligence review, internal control review and audit, assistance in winding up, etc.

It has a national presence through offices in 11 key cities in India viz. Ahmedabad, Bengaluru, Chennai, Gandhidham, Hyderabad, Jaipur, Kolkata, Mumbai, New Delhi-NCR, Pune, and Surat.

RSM in India has a multi-disciplinary team of over 1,400 professionals comprising of:

- Chartered Accountants
- Management Graduates
- Engineers, CISA / ISA professionals and Information Technology professionals
- Cost Accountants
- Company Secretaries and Law Graduates
- Doctorates and social scientists



**Subex Limited**

CIN - L85110KA1994PLC016663

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