

November 08, 2019

To  
BSE Limited  
The National Stock Exchange of India Limited

Dear Sir/Madam,

**Sub: Outcome of the Board Meeting of Subex Limited "The Company" held on November 08, 2019**

Please be informed that the agenda item summarized hereunder was discussed and approved at the Board Meeting of the Company held today at Bengaluru:

1. Unaudited standalone and consolidated financial results of the Company for the quarter and half-year ended September 30, 2019.

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:

1. The unaudited standalone and consolidated financial results of the Company for the quarter and half-year ended September 30, 2019.
2. A copy of the press release intended to be published to the media by the Company.

The meeting concluded at 4.25 p.m. We request you to take the aforesaid notification on record.

Thanking you

Yours truly,  
For Subex Limited

  
**Anil Singhvi**  
**Chairman & Independent Director**  
**DIN:00239589**  
ENCL: As above



**Subex Limited**

CIN - L85110KA1994PLC016663

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

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone 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 financial results of Subex Limited (the "Company") for the quarter ended September 30, 2019 and year to date from April 01, 2019 to September 30, 2019 (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"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
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



Unique Document Identification Number: 19213803AAAAEJ1686

Place: Bengaluru  
Date : November 08, 2019

**SUBEX LIMITED**

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

**Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2019**

Particulars	Year to date figures for the six months ended						Year ended March 31, 2019 Audited
	Quarter ended		September 30, 2018		September 30, 2019		
	September 30, 2019 Unaudited	June 30, 2019 Unaudited	September 30, 2018 Unaudited	September 30, 2018 Unaudited	September 30, 2019 Unaudited	September 30, 2018 Unaudited	
<b>Income</b>							
1 Revenue from operations	187	219	480		406		1,916
2 Share of profit from Limited Liability Partnerships(net) (Refer note 3)	118	-	-		-		-
3 Other income	26	10	1		36		10
<b>4 Total income (1+2+3)</b>	<b>331</b>	<b>229</b>	<b>481</b>		<b>442</b>		<b>1,926</b>
<b>Expenses</b>							
(a) Employee benefits expense	148	173	199		321		739
(b) Finance costs	8	8	-		16		4
(c) Depreciation and amortisation expense	172	170	158		342		625
(d) Marketing and allied service charges	133	134	133		267		513
(e) Exchange fluctuation loss/(gain), net	(10)	(25)	(57)		(35)		39
(f) Share of loss from Limited Liability Partnerships (net) (Refer note 3)	-	158	317		40		1,600
(g) Other expenses	142	123	264		265		861
<b>Total expenses</b>	<b>593</b>	<b>741</b>	<b>1,014</b>		<b>1,216</b>		<b>4,381</b>
<b>6 Net loss before tax expense (4-5)</b>	<b>(262)</b>	<b>(512)</b>	<b>(533)</b>		<b>(774)</b>		<b>(2,455)</b>
<b>7 Tax expense, net</b>							
Provision/(reversal) - foreign withholding taxes (Refer note 5)	-	-	1		-		(2)
<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>1</b>		<b>-</b>		<b>(2)</b>
<b>8 Net loss for the period/ year (6-7)</b>	<b>(262)</b>	<b>(512)</b>	<b>(534)</b>		<b>(774)</b>		<b>(2,453)</b>
<b>9 Other comprehensive income, net of tax expense</b>							
Items that will not be reclassified subsequently to profit or loss							
Re-measurement loss on defined benefits plan	(1)	(1)	(4)		(2)		(3)
<b>Total comprehensive income for the period/ year (8+9)</b>	<b>(263)</b>	<b>(513)</b>	<b>(538)</b>		<b>(776)</b>		<b>(2,456)</b>
11 Paid up equity share capital [face value of ₹ 10 (March 31, 2019: ₹ 10)]	56,200	56,200	56,200		56,200		56,200
12 Other equity	-	-	-		-		14,949
13 Loss per share (of ₹ 10/- each) (not annualised in case of the interim periods):							
(a) - Basic	(0.05)	(0.09)	(0.10)		(0.14)		(0.44)
(b) - Diluted	(0.05)	(0.09)	(0.10)		(0.14)		(0.44)





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

Particulars	As at	
	September 30, 2019 Unaudited	March 31, 2019 Audited
(₹ in Lakhs)		
<b>A ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	15	18
Right-of-use assets	278	-
Intangible assets	4,683	4,987
Financial assets		
Investments	64,369	64,369
Loans	36	35
Other balances with banks	418	418
Other financial assets	234	234
Income tax asset (net)	2,742	2,730
Deferred tax asset (MAT credit entitlement)	425	425
Other non-current assets	267	281
<b>Current assets</b>	<b>73,467</b>	<b>73,497</b>
Financial assets		
Loans	2	4
Trade receivables	756	842
Cash and cash equivalents	196	97
Other financial assets	234	6
Other current assets	46	33
<b>Total assets</b>	<b>1,234</b>	<b>982</b>
	<b>74,701</b>	<b>74,479</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	56,200	56,200
Other equity	13,810	14,949
<b>Total equity</b>	<b>70,010</b>	<b>71,149</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Lease liabilities	218	-
Provisions	2	1
<b>Current liabilities</b>	<b>220</b>	<b>1</b>
Financial liabilities		
Lease liabilities	82	-
Trade payables	1	1
- total outstanding dues of micro enterprises and small enterprises	517	267
- total outstanding dues of creditors other than micro enterprises and small enterprises	3,480	2,658
Other financial liabilities	12	17
Other current liabilities	113	112
Provisions	266	274
Income tax liabilities (net)	4,471	3,329
<b>Total liabilities</b>	<b>4,691</b>	<b>3,330</b>
<b>Total equity and liabilities</b>	<b>74,701</b>	<b>74,479</b>

**SUBEX LIMITED**

**Statement of cash flows for the six months ended September 30, 2019**

Particulars	Six months ended		(₹ in Lakhs)
	September 30, 2019 Unaudited	September 30, 2018 Unaudited	
<b>(A) Operating activities</b>			
Loss before tax expense	(774)	(1,506)	
<i>Adjustments to reconcile loss before tax expense to net cash flows:</i>			
Depreciation of property, plant and equipment and right-of-use assets	38	9	
Amortisation of intangible assets	304	305	
Expense on employee share based payments	4	-	
Interest income (including fair value changes)	(18)	(2)	
Finance costs (including fair value changes)	15	-	
Provision for doubtful debts and advances (net of reversal)	7	50	
Amortized cost of deposits	-	2	
Share of profit/ (loss) (net) from Limited Liability Partnerships	40	1,248	
Net foreign exchange differences	(18)	(145)	
<b>Operating loss before working capital changes</b>	<b>(402)</b>	<b>(39)</b>	
<b>Working capital adjustments:</b>			
(Increase)/ decrease in loans	3	1	
(Increase)/ decrease in trade receivables	147	145	
(Increase)/ decrease in other assets	(17)	19	
Increase/ (decrease) in trade payables	242	53	
Increase/ (decrease) in other financial liabilities	(11)	7	
Increase/ (decrease) in other current liabilities	(5)	(41)	
Increase/ (decrease) in provisions	-	(5)	
Income tax paid (including TDS, net of refund)	(43)	140	
<b>Net cash flows used in operating activities</b>	<b>(20)</b>	<b>(238)</b>	
	<b>(63)</b>	<b>(98)</b>	
<b>(B) Investing activities</b>			
Purchase of property, plant and equipment	(1)	(2)	
Drawings from limited liability partnerships	580	200	
Interest received	2	-	
Purchase of treasury shares by ESOP trust	(378)	(32)	
<b>Net cash flows from investing activities</b>	<b>203</b>	<b>166</b>	
<b>(C) Financing activities</b>			
Interest paid	(15)	-	
Repayment of lease liability	(26)	-	
<b>Net cash flows used in financing activities</b>	<b>(41)</b>	<b>-</b>	
	<b>99</b>	<b>68</b>	
<b>(D) Net increase in cash and cash equivalents (A+B+C)</b>	<b>97</b>	<b>211</b>	
Cash and cash equivalents at the beginning of the period			
<b>(E) Cash and cash equivalents at the end of the period</b>	<b>196</b>	<b>279</b>	






- Notes:**
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 8, 2019.
  - 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.
  - Share of profit/ (loss) from Limited Liability Partnerships are as follows:

Particulars	Year to date figures for the six months ended				Year ended March 31, 2019 Audited
	Quarter ended		September 30, 2018		
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2018	
	Unaudited	Unaudited	Unaudited	Unaudited	
Share of profit from Subex Assurance LLP	742	287	128	(347)	165
Share of loss from Subex Digital LLP	(624)	(445)	(445)	(901)	(1,765)
<b>Total</b>	<b>118</b>	<b>(158)</b>	<b>(317)</b>	<b>(1,248)</b>	<b>(1,600)</b>

- The Company has presented share of profit and share of loss from Limited Liability Partnerships ("LLP") on net basis with effect from current quarter as the management considers the net income/expense to be its return on investment in LLP. Accordingly, the Company has reclassified respective comparatives in the above results to confirm with the current period's classification.
- 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. There is no change in the management's assessment as regards the aforementioned carrying value of its investments in its subsidiaries as at September 30, 2019.
  - Represents provision in respect of withholding taxes deducted/ deductible by the overseas customers of the Company.
  - 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.
  - Subex Employee Welfare and ESOP Benefit Trust (hereinafter referred to as the "ESOP Trust"), registered and authorised to acquire shares of the Company through secondary market for providing share-based payments to its employees, 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 shares held by the Trust were reduced on a weighted average basis from outstanding number of shares for computation of basic and diluted EPS of the Company.
  - Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹311 Lakhs and a lease liability of ₹326 Lakhs. The cumulative effect of applying the standard resulted in ₹32 Lakhs being debited to retained earnings, net of taxes.

  
**Vinod Kumar Padmanabhan**  
 Managing Director & CEO

Place: Bengaluru  
 Date: November 8, 2019

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

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated 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, 2019 and year to date from April 1, 2019 to September 30, 2019 (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"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited consolidated financial results have been approved by the Holding Company's Board of Directors but have not been subjected to review.
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



# 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



Unique Document Identification Number: 19213803AAAE15829

Place: Bengaluru

Date: November 08, 2019



**SUBEX LIMITED**

Registered office: RMZ Ecoworld, Outer Ring Road, Devarabianahalli, Bangalore - 560 103  
**Statement of Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2019**

Particulars	Quarter ended			Year to date figures for the six months ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Income</b>						
1 Revenue from operations	8,567	7,895	8,806	16,462	16,397	34,812
2 Other income	140	36	17	176	34	101
<b>3 Total income (1+2)</b>	<b>8,707</b>	<b>7,931</b>	<b>8,823</b>	<b>16,638</b>	<b>16,431</b>	<b>34,913</b>
<b>Expenses</b>						
(a) Employee benefits expense (Refer note 4)	4,437	4,309	4,853	8,746	9,358	19,105
(b) Finance costs	142	150	46	292	108	216
(c) Depreciation and amortisation expense	378	371	122	749	229	483
(d) Exchange fluctuation (gain)/ loss, net	(292)	(259)	(283)	(551)	(811)	(171)
(e) Other expenses	2,331	2,068	2,717	4,399	5,355	10,572
<b>Total expenses</b>	<b>6,996</b>	<b>6,639</b>	<b>7,455</b>	<b>13,635</b>	<b>14,239</b>	<b>30,205</b>
<b>5 Net profit before tax expense (3-4)</b>	<b>1,711</b>	<b>1,292</b>	<b>1,368</b>	<b>3,003</b>	<b>2,192</b>	<b>4,708</b>
<b>Tax expense, net</b>						
Current tax charge	1	1	38	2	108	274
Provision - foreign withholding taxes (Refer note 6)	263	223	208	486	418	885
Deferred tax charge (Refer note 7)	817	540	491	1,357	640	1,027
<b>Total tax expense</b>	<b>1,081</b>	<b>764</b>	<b>737</b>	<b>1,845</b>	<b>1,166</b>	<b>2,186</b>
<b>7 Net profit for the period/ year (5-6)</b>	<b>630</b>	<b>528</b>	<b>631</b>	<b>1,158</b>	<b>1,026</b>	<b>2,522</b>
<b>8 Other comprehensive income, net of tax expense</b>						
<i>Items that will be reclassified subsequently to profit or loss:</i>						
Net exchange differences (loss)/ gain on translation of foreign operations	(124)	(266)	295	(390)	(210)	(390)
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Re-measurement loss on defined benefits plan	(25)	(10)	(14)	(35)	(29)	(38)
<b>Total other comprehensive income</b>	<b>(149)</b>	<b>(276)</b>	<b>281</b>	<b>(425)</b>	<b>(239)</b>	<b>(428)</b>
<b>9 Total comprehensive income for the period/ year (7+8)</b>	<b>481</b>	<b>252</b>	<b>912</b>	<b>733</b>	<b>787</b>	<b>2,094</b>
10 Paid up equity share capital [face value of ₹ 10 (March 31, 2019: ₹ 10)]	56,200	56,200	56,200	56,200	56,200	56,200
11 Other equity	-	-	-	-	-	23,210
12 Earnings per share (of ₹ 10/- each) (not annualised in case of the interim periods)						
(a) - Basic	0.12	0.10	0.11	0.21	0.18	0.45
(b) - Diluted	0.12	0.10	0.11	0.21	0.18	0.45



**SUBEX LIMITED**

Registered office: RMZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bangalore - 560 103  
**Statement of Consolidated Assets and Liabilities**



Particulars	As at	
	September 30, 2019 Unaudited	March 31, 2019 Audited
<b>A ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	543	540
Right-of-use assets	4,489	-
Goodwill on consolidation	65,882	65,882
Other intangible assets	4	7
Financial assets		
Loans	530	503
Other balances with banks	419	420
Other financial assets	234	234
Income tax asset (net)	3,081	3,039
Deferred tax asset (including MAT credit entitlement)	642	624
Other non-current assets	267	478
<b>Current assets</b>	<b>76,091</b>	<b>71,727</b>
<b>Financial assets</b>		
Loans	133	121
Trade receivables	8,668	8,539
Cash and cash equivalents	6,106	3,947
Other balances with banks	125	252
Other financial assets	3,790	4,537
Other current assets	680	526
<b>Total Assets</b>	<b>19,502</b>	<b>17,922</b>
<b>B EQUITY AND LIABILITIES</b>	<b>95,593</b>	<b>89,649</b>
<b>Equity</b>		
Equity share capital	56,200	56,200
Other equity	23,170	23,210
<b>Total equity</b>	<b>79,370</b>	<b>79,410</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Lease Liability	3,531	-
Provisions	337	305
Deferred tax liabilities(net)	3,244	1,928
<b>Current liabilities</b>	<b>7,112</b>	<b>2,233</b>
<b>Financial liabilities</b>		
Lease Liabilities	1,299	-
Trade payable	28	7
- total outstanding dues of micro enterprises and small enterprises	796	827
- total outstanding dues of creditors other than micro enterprises and small enterprises	2,174	2,961
Other financial liabilities	3,168	2,452
Other current liabilities	804	729
Provisions	842	1,030
Income tax liabilities (net)	9,111	8,006
<b>Total liabilities</b>	<b>16,223</b>	<b>10,239</b>
<b>Total equity and liabilities</b>	<b>95,593</b>	<b>89,649</b>

**SUBEX LIMITED**

**Statement of cash flows for the six months ended September 30, 2019**

Particulars	Six months ended	
	September 30, 2019 Unaudited	September 30, 2018 Unaudited
(A) Operating activities		
Profit before tax expense	3,003	2,192
<i>Adjustments to reconcile profit before tax expense to net cash flows:</i>		
Depreciation of property, plant and equipment and right-of-use assets	746	151
Amortization of intangible assets	3	78
Interest income (including fair value changes)	(64)	(28)
Finance costs (including fair value changes)	243	108
Provision for doubtful debts and advances (net of reversal)	16	338
Expense on share based payment	48	-
Amortized cost of deposits	-	29
Net foreign exchange differences	(520)	(445)
<b>Operating profit before working capital changes</b>	<b>3,475</b>	<b>2,423</b>
<i>Working capital adjustments:</i>		
(Increase) / decrease in loans	(7)	(37)
(Increase) / decrease in trade receivables	89	(1,484)
(Increase) / decrease in other financial assets	586	(84)
(Increase) / decrease in other assets	(219)	(88)
Increase / (decrease) in trade payables	(1)	432
Increase / (decrease) in other financial liabilities	(697)	(383)
Increase / (decrease) in other current liabilities	645	598
Increase / (decrease) in provisions	62	151
	<b>3,933</b>	<b>1,528</b>
Income tax paid (including TDS, net of refund)	(710)	(425)
<b>Net cash flows from operating activities</b>	<b>3,223</b>	<b>1,103</b>
(B) Investing activities		
Purchase of property, plant and equipment	(288)	(194)
Movement in margin money deposit (net)	131	(18)
Purchase of treasury shares by ESOP trust	(378)	(32)
Interest received	25	5
<b>Net cash flows used in investing activities</b>	<b>(510)</b>	<b>(239)</b>
(C) Financing activities		
Repayment in working capital loans (net)	-	(1,027)
Interest paid	(230)	(95)
Repayment of lease liability	(425)	-
<b>Net cash flows used in financing activities</b>	<b>(655)</b>	<b>(1,122)</b>
(D) Net increase / (decrease) in cash and cash equivalents (A+B+C)	<b>2,058</b>	<b>(258)</b>
Net foreign exchange difference on cash and cash equivalents	101	(103)
Cash and cash equivalents at the beginning of the period	3,947	3,007
<b>(E) Cash and cash equivalents at the end of the period</b>	<b>6,106</b>	<b>2,646</b>





**Notes:**

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 8, 2019.
- 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	Year to date figures for the six months ended				Year ended	
	Quarter ended		September 30, 2018		September 30, 2018	March 31, 2019
	September 30, 2019	June 30, 2019	Unaudited	Unaudited	Unaudited	Audited
Total income	331	229	481	442	1,128	1,926
Net loss before tax expense	(262)	(512)	(533)	(774)	(1,506)	(2,455)
Net loss for the period/ year	(262)	(512)	(534)	(774)	(1,507)	(2,453)
Total comprehensive income for the period/ year	(263)	(513)	(538)	(776)	(1,512)	(2,456)

- Employee benefits expenses for the quarters ended September 30, 2019, June 30, 2019, and September 30, 2018 are net of reversal of provision no longer required, in respect of employee incentives relating to sales and delivery commissions, amounting to ₹ 438 Lakhs, ₹ 450 Lakhs and ₹ 35 Lakhs, respectively, that for the six months ended September 30, 2019 and September 30, 2018 amounting to ₹ 888 Lakhs and ₹ 35 Lakhs and that for the year ended March 31, 2019 amounting to ₹ 40 Lakhs.
- As at March 31, 2019, the Group assessed and concluded the carrying value of its goodwill along with carrying value of related Cash Generating Units (CGUs) to be appropriate, basis the valuation carried out by an external valuer. There is no change in the management's assessment as regards the aforementioned carrying value of its goodwill along with carrying value of related CGU as at September 30, 2019.
- Represents provision in respect of withholding taxes deducted/ deductible by the overseas customers of the Group.
- 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 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 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.
- Subex Employee Welfare and ESOP Benefit Trust (hereinafter referred to as the "ESOP Trust"), registered and authorised to acquire shares of the Company through secondary market for providing share-based payments to its employees, 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 shares held by the Trust were reduced on a weighted average basis from outstanding number of shares for computation of basic and diluted EPS of the Company.
- Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹4,816 Lakhs and a lease liability of ₹5,052 Lakhs. The cumulative effect of applying the standard resulted in ₹442 Lakhs being debited to retained earnings, net of taxes.

**Place: Bengaluru**  
**Date: November 8, 2019**

**Vinod Kumar Padmanabhan**  
**Managing Director & CEO**

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

## Subex announces FY20 Q2 Results with Revenue of ₹ 857 million and EBITDA\* of ₹180 million

**8<sup>TH</sup> NOVEMBER 2019, BENGALURU, INDIA** – Subex, a leading telecom analytics solution provider, today announced its consolidated financial results for the year ended September 30, 2019.

### Performance Highlights for the quarter ended September 30, 2019:

- Revenue for the quarter at ₹ 857 million up by 8.6% QoQ from ₹ 789 million in FY20 Q1
- EBITDA\* for the year at ₹ 180 million up by 18.4% QoQ from ₹ 152 million in FY20 Q1
- Profit after Tax (PAT) for the quarter at ₹ 63 million up by 18.9% from ₹ 53 million in FY20 Q1

### Highlights of the Quarter

- Renewed Multi-Year Contract with Viva Kuwait for Revenue Assurance and Fraud Management
- Partnered Rhino Niger Networks to offer Telecom Analytics Solutions in Africa
- Released State of IoT Security Report – Q2 2019

**Vinod Kumar, Managing Director & CEO, Subex** said, "The quarterly results are in line with our expectations. Our focus on Digital Trust continues to intensify and the expansion of our portfolio is going as per plan. This has enabled us to strategically engage with our customers, broaden the playing field and capitalize on opportunities outside our core business areas. We continue to have a strong order book and expect subsequent quarters to show higher growth"

### 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-

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\*EBITDA excludes forex



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