

INDEPENDENT AUDITOR'S REPORT

To the Partners of Subex Digital LLP

Opinion

We have audited the accompanying Statement of Accounts of Subex Digital LLP ("the LLP"), which comprise the Statement of Assets and Liabilities as at March 31 2023, the Statement of Income and Expenditure and the Cash Flow Statement for the year then ended, and notes to the Statement of Accounts, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement of Accounts give the information required by the Limited Liability Partnership Act, 2008, as amended ("the Act") read with Limited Liability Rules, 2009 as amended (the Rules") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the LLP as at March 31, 2023, its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Statement of Accounts in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Statement of Accounts' section of our report. We are independent of the LLP in accordance with the 'Code of Ethics' issued by the ICAI together with the ethical requirements that are relevant to our audit of the Statement of Accounts, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement of Accounts.

Responsibilities of Management for the Statement of Accounts

The Management of the LLP is responsible for the preparation of these Statement of Accounts that give a true and fair view of the financial position, financial performance and cash flows of the LLP in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the ICAI and the requirements of the Act read with the Rules. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act and the design, implementation and maintenance of internal control, relevant to the preparation of the Statement of Accounts that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement of Accounts, management is responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the LLP or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the LLP's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement of Accounts

Our objectives are to obtain reasonable assurance about whether the Statement of Accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Statement of Accounts.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement of Accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LLP's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the LLP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement of Accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LLP to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement of Accounts, including the disclosures, and whether the Statement of Accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management of the LLP regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


per **Rajeev Kumar**
Partner
Membership number: 213803



UDIN: 23213803BGXAMA9136

Place of Signature: Bengaluru

Date: August 08, 2023

Subex Digital LLP
Statement of accounts
Statement of Assets and Liabilities as at March 31, 2023

		(₹ in Lakhs)	
Notes		As at March 31, 2023	As at March 31, 2022
Equity and liabilities			
Partners' fund			
	Partners' capital Account		
	Partners' contribution	1,869	1,869
	Partners' current Account	(4,439)	(3,271)
		(2,570)	(1,402)
Non-current liabilities			
	Other long term liabilities	4	3
	Long-term provisions	34	28
		38	31
Current liabilities			
	Trade payables	22	9
	- total outstanding dues of micro enterprises and small enterprises	3,347	2,757
	- total outstanding dues of creditors other than micro enterprises and small enterprises	354	149
	Other current liabilities	47	38
	Short-term provisions	3,770	2,953
		1,238	1,582
Total			
Assets			
Non - current Assets			
	Property, plant and equipment and intangible assets	57	60
	Property, plant and equipment	-	208
	Intangible assets	35	38
	Long-term loans and advances	92	306
Current assets			
	Trade receivables	887	947
	Cash and bank balances	158	101
	Short-term loans and advances	55	81
	Other current assets	46	147
		1,146	1,276
		1,238	1,582
Total			

1 & 2

Entity information and significant accounting policies
The accompanying notes are an integral part of the statement of accounts.

As per our report of even date

For S.R Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants

Rajeev Kumar
per Rajeev Kumar
Partner
Membership No.: 213803



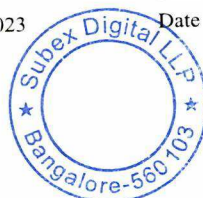
For and on behalf of Subex Digital LLP

Vinod Kumar Padmanabhan
Vinod Kumar Padmanabhan
Designated partner
DPIN: 06563872

Place : Bengaluru
Date : August 8, 2023

Shiv Shankar Naga Roddam
Shiv Shankar Naga Roddam
Designated partner
DPIN: 07212118

Place : Bengaluru
Date : August 8, 2023



Subex Digital LLP
Statement of accounts
Statement of Profit and Loss for the year ended March 31, 2023

	Notes	(₹ in Lakhs)	
		Year ended March 31, 2023	Year ended March 31, 2022
1 Income			
Revenue from operations	13	2,322	1,839
Total income		2,322	1,839
2 Expenditure			
Employee benefits expense	14	1,866	1,798
Depreciation and amortization expense	15	241	386
Other expenses	16	2,568	2,281
Total expenses		4,675	4,465
3 Loss before tax expense (1-2)		(2,353)	(2,626)
4 Tax expense		-	-
5 Loss after tax expense (3-4)		(2,353)	(2,626)

Entity information and significant accounting policies
The accompanying notes are an integral part of the statement of accounts.

1 & 2

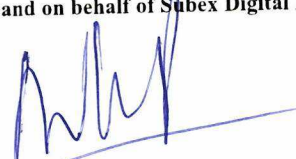
As per our report of even date

For S.R Batliboi & Associates LLP
ICAI Firm Registration Number:101049W/E300004
Chartered Accountants


per Rajeev Kumar
Partner
Membership No.: 213803

Place : Bengaluru
Date : August 8, 2023

For and on behalf of Subex Digital LLP


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Subex Digital LLP**Statement of Cash Flows for the year ended March 31, 2023**

(₹ in Lakhs)

A Operating activities

Loss before tax expense

Adjustments to reconcile loss before tax expense to net cash flows:

Depreciation and amortization expense

Provision for doubtful debts

Net foreign exchange differences

Operating loss before working capital changes

Working capital adjustments:

(Increase)/ decrease in loans and advances

(Increase)/ decrease in other assets

(Increase)/ decrease in trade receivables

Increase/ (decrease) in trade payables

Increase/ (decrease) in other current liabilities

Increase/ (decrease) in provisions

Net cash flows used in operating activities

B Investing activities

Purchase of property, plant and equipment

Net cash flows used in investing activities

C Financing activities

Loan (repaid)/ received from related party (net)

Reimbursement of share of loss from Subex Limited

Net cash flows from financing activities

D Net increase/ (decrease) in cash and cash equivalents (A+B+C)

Cash and cash equivalents at the beginning of the year

E Cash and cash equivalents at year end

Components of cash and cash equivalents

Balance with banks:

in current account

in EEFC accounts

Total cash and cash equivalents (note 11)

Year ended March 31, 2023	Year ended March 31, 2022
(2,353)	(2,626)
241	386
34	-
-	67
(2,078)	(2,173)
29	(39)
101	(18)
26	(221)
603	1,187
206	(34)
15	23
(1,098)	(1,275)
(30)	(18)
(30)	(18)
-	(4,400)
1,185	5,750
1,185	1,350
57	57
101	44
158	101
158	101
-	-
158	101

Entity information and significant accounting policies
The accompanying notes are an integral part of the statement of accounts.

1 & 2

As per our report of even date

For S.R Batliboi & Associates LLP

ICAI Firm Registration Number:101049W/E300004

Chartered Accountants

Rajeev Kumar
per Rajeev Kumar
Partner
Membership No.: 213803

Place : Bengaluru
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Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

1. Entity information

a. About the LLP

Subex Digital LLP ("the Entity" or the "LLP") is a subsidiary of Subex Limited ("the Parent Company"), registered as a limited liability partnership under the Limited Liability Partnership Act 2008. The LLP is engaged in providing IOT SECURITY solutions and business analytics to Communication service providers and others businesses engaged in IOT.

b. Funding of future operations

During the year ended March 31, 2023, the LLP has incurred loss of Rs. 2,353 lakhs (March 31, 2022: Rs. 2,626 lakhs). The LLP is in the growth phase and its ability to continue as a going concern is dependent on establishing profitable operations and obtaining continuing financial support from the Parent Company. The LLP has also taken various cost and profit optimization initiatives in the succeeding financial year which will improve operating cashflows and has obtained letter of continued financial support from the Parent Company. Accordingly, these statement of accounts have been prepared on a going concern basis and no adjustments have been made in the carrying value of the assets and liabilities, including any reclassification thereof.

2. Significant accounting policies

a. Basis of preparation

The statement of accounts of the LLP have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The LLP has prepared these statement of accounts to comply in all material respects with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of Limited Liability Partnership Act, 2008. The statement of accounts have been prepared on an accrual basis and under the historical cost convention except for assets and liabilities of Digital business received as capital contribution from the Parent Company which have been accounted at their individual fair values.

These statement of accounts are presented in INR "₹" and all the values are rounded off to the nearest lakhs (INR 00,000).

b. Use of estimates

The preparation of the statement of accounts in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in the future periods.

c. Revenue recognition

The LLP derives its revenues primarily from sale of license and implementation of its software, managed/ support services and fees from subscription of software.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenues from licensing arrangements is recognized on transfer of the title in user licenses, except those contracts where transfer of title is dependent upon rendering of significant implementation and other services by the LLP, in which cases revenue is recognized over the implementation period in accordance with the specific terms of the contracts with clients.

Revenue from implementation and customization services is recognized using the percentage of completion method. Percentage of completion is determined on the basis of completed efforts against the total estimated efforts, which represent the fair value of services rendered. Revenue from managed/ support services comprise income from fixed price contracts, time-and-material contracts and annual maintenance contracts. Revenue from fixed price contracts is recognized over the period of the contracts using the percentage of completion method. Revenue from time and material contracts is recognized when the services are rendered in accordance with the terms of contracts. Revenue from annual maintenance contracts is recognised rateably over the period of the contracts.

Subscription revenues are comprised of fees that provide customers with access to software licenses and related support and updates during the term of the arrangement. The subscription revenues could be linked to the number of devices supported by the software or a fixed value for a defined set of devices or defined period. Revenue from such arrangements is recognized over the subscription period.

Revenue from sale of hardware under reseller arrangements is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods to customers. Revenue is shown as net of Goods and Services tax and others applicable taxes and discounts.

Revenue from group companies is recognised on the basis of transfer pricing arrangement.

Revenue from Support Services to group entities/related parties- Support Service income is recognized as services are rendered, on the basis of an agreed mark up on costs incurred, in accordance with the agreement entered into with group entities.

The LLP collects Goods and Services tax and others taxes as applicable in the respective tax jurisdictions where the LLP operates on behalf of the government and therefore it is not an economic benefit flowing to the LLP. Hence it is excluded from revenue.

Provisions for estimated losses on contracts are recorded in the period in which such losses become probable based on the current contract estimates.



Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

d. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any, except for the Property, plant and equipment received as capital contribution from the Parent Company which was recorded at fair value. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the LLP depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of income and expenditure as incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of income and expenditure when the asset is derecognized.

The LLP identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of income and expenditure.

e. Depreciation and amortization

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The LLP has used the following useful lives to provide depreciation on its property plant and equipment:

Assets	Useful lives
Computer equipment	3 years
Office equipment	5 years
Leasehold improvements	5 years
Goodwill	5 years
Development Technology	5 years

The residual values, useful lives and methods of depreciation of property, plant and equipment and amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

The management has estimated the useful life of aforesaid intangibles, supported by independent assessment by external valuers.

f. Intangible assets

Intangible assets are measured at cost on initial recognition except for intangible assets received as capital contribution from the Parent Company or identified in purchase price allocation were recorded at fair value. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of income and expenditure in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The LLP uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds five years, the LLP amortizes the intangible assets over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of income and expenditure when the asset is derecognized.



Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

g. Leases

Assets leased by the LLP in its capacity as lessee where substantially all the risks and rewards of ownership vest in the LLP are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value of leased asset and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to achieve a constant periodic rate of interest on the outstanding liability for each year. Finance charges are recognised as finance costs in the statement of income and expenditure. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the LLP will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of income and expenditure on a straight line basis over the lease term.

h. Impairment

The LLP assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the LLP estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The LLP bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the LLP's cash-generating unit to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

The impairment loss is recognised as an expense in the statement of income and expenditure.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i. Employee benefits

Employee benefits include provident fund, gratuity, employee state insurance and compensated absences.

(a) Defined contribution plans:

The LLP's contribution to provident fund and employee state insurance scheme is considered as defined contribution plan and is charged as an expense as and when services are rendered by the employees. These contributions are paid/payable in accordance with the applicable laws and regulations.

(b) Defined benefit plans:

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each statement of assets and liabilities date. Actuarial gains and losses are recognised in the statement of income and expenditure in the period in which they occur.

(c) Short-term employee benefits:

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. Compensated absences, which are expected to be utilised within the next 12 months, are treated as short-term employee benefits. The LLP measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

(d) Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employees render the related services are treated as long-term employee benefits for measurement purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end, less the fair value of the plan assets out of which the obligations are expected to be settled. Actuarial gains/losses are immediately taken to the statement of income and expenditure and are not deferred.

The LLP presents the entire compensated absences balance as a current liability in the statement of assets and liabilities, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.



Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

j. Foreign currency transactions and translation

Initial recognition:

Transactions in foreign currencies entered into by the LLP are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Conversion:

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences:

The LLP accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

1. Exchange differences arising on a monetary item that, in substance, forms part of the LLP's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
2. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a property, plant and equipment are capitalized and depreciated over the remaining useful life of the asset.
3. All other exchange differences are recognized as income or as expenses in the period in which they arise.

k. Taxes on income

Tax expense comprises current and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws prevailing in the respective tax jurisdictions where the LLP operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of income and expenditure.

Alternate Minimum Tax (AMT) paid in a year is charged to the statement of income and expenditure as current tax. AMT payment which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the LLP will pay normal income tax in the foreseeable future. Accordingly, AMT is recognised as an asset in the statement of assets and liabilities when it is probable that future economic benefits associated with it will flow to the LLP and can be measured reliably, AMT credit is recognised by way of credit to the statement of income and expenditure and shown as "AMT Credit Entitlement".

The LLP reviews the "AMT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the LLP does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of income and expenditure.

At each reporting date, the LLP re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The LLP writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the LLP has a legally enforceable right for such set off.



Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

l. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprises cash in hand and cash at bank and short-term investments with an original maturity of three months or less, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

m. Provisions and contingencies

Provisions:

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the statement of assets and liabilities date. These estimates are reviewed at each statement of assets and liabilities date and adjusted to reflect the current best estimates.

Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the LLP or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The LLP does not recognize a contingent liability but discloses its existence in the statement of accounts

n. Segment reporting

The LLP identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance. The analysis of geographical segments is based on the areas in which major operating divisions of the LLP operate.

The accounting policies adopted for segment reporting are in line with the accounting policies of the LLP. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Revenue, expenses, assets and liabilities which relate to the LLP as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated income / expenditure / assets / liabilities'.

o. Operating cycle

Based on the nature of products / activities of the LLP and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the LLP has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

3.Partners' funds

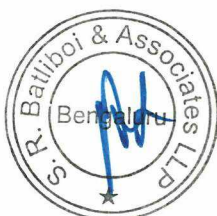
(₹ in Lakhs)

Particulars	Subex Limited		Subex Assurance LLP		Total	
	Capital Account	Current Account	Capital Account	Current Account	Capital Account	Current Account
Loss/Profit % (as per LLP agreement)	99.99%	99.99%	0.01%	0.01%		
As at April 01, 2021	1,869	(6,395)	-	-	1,869	(6,395)
Add: Capital contribute during the year	-	-	-	-	-	-
(less): Capital withdrawals during the year	-	-	-	-	-	-
Add/(less): Share of profit/(loss) for the year*	-	(2,626)	-	-	-	(2,626)
Add: Capital contributed during the year**	-	5,750	-	-	-	5,750
(less): Profit withdrawals during the year	-	-	-	-	-	-
As at March 31, 2022	1,869	(3,271)	-	-	1,869	(3,271)
Add: Capital contribute during the year	-	-	-	-	-	-
(less): Capital withdrawals during the year	-	-	-	-	-	-
Add/(less): Share of profit/(loss) for the year*	-	(2,353)	-	-	-	(2,353)
Add: Capital contributed during the year**	-	1,185	-	-	-	1,185
(less): Profit withdrawals during the year	-	-	-	-	-	-
As at March 31, 2023	1,869	(4,439)	-	-	1,869	(4,439)

* refer note 3(a)

** During the year ended March 31, 2023, Subex Limited has paid ₹ 1,185 Lakhs (March 31, 2022: ₹ 5,750 Lakhs) as reimbursement of share of loss to the entity.

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Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

3(a). Reserves and surplus

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Deficit as per statement of income and expenditure	(2,353)	(2,626)
Less: Appropriation of loss to partner's current account	(2,353)	(2,626)
Subex Limited (99.99%)	-	-
Subex Assurance LLP (0.01%)	(2,353)	(2,626)
Total appropriations	-	-
Closing balance	-	-

4. Trade payables

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Trade payables	22	9
- total outstanding dues of micro enterprises and small enterprises*	3,347	2,757
- total outstanding dues of creditors other than micro enterprises and small enterprises**	3,369	2,766

*Payable to micro enterprises and small enterprises

Description	As at March 31, 2023	As at March 31, 2022
a) the principal amount remaining unpaid to any supplier as at the end of accounting year;	22	9
b) interest due thereon remaining unpaid to any supplier as at the end of accounting year;	-	-
c) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
d) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

** includes dues to related parties. Refer note 17.

5. Other liabilities

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Non-current		
Rent equalisation reserve	4	3
	4	3
Current		
Employee related liabilities	159	56
Unearned revenue	135	55
Statutory remittances	60	38
	354	149



Subex Digital LLP**Notes to statement of accounts for the year ended March 31, 2023****6. Provisions**

	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Non-current		
Provision for employee benefits		
Provision for gratuity [refer note 19(b)]	34	28
	34	28
Current		
Provision for employee benefits		
Provision for gratuity [refer note 19(b)]	8	6
Provision for compensated absences	39	32
	47	38

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Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

7. Property, plant and equipment

(₹ in Lakhs)

Accumulated cost / Deemed cost

As at April 1, 2021

Additions

Disposals

As at March 31, 2022

Additions

Disposals

As at March 31, 2023

Accumulated depreciation

As at April 1, 2021

Charge for the year

Disposals

As at March 31, 2022

Charge for the year

Disposals

As at March 31, 2023

Net block

As at March 31, 2022

As at March 31, 2023

Computer equipment	Leasehold improvements	Office equipment	Total
107	21	10	138
6	-	12	18
-	-	-	-
113	21	22	156
28	-	2	30
-	-	-	-
141	21	24	186
61	1	3	65
23	4	4	31
-	-	-	-
84	5	7	96
24	4	5	33
-	-	-	-
108	9	12	129
29	16	15	60
33	12	12	57

8. Intangible assets

(₹ in Lakhs)

Cost

As at April 1, 2021

Additions

Disposals

As at March 31, 2022

Additions

Disposals

As at March 31, 2023

Amortization

As at April 1, 2021

Charge for the year

Disposals

As at March 31, 2022

Charge for the year

Disposals

As at March 31, 2023

Net block

As at March 31, 2022

As at March 31, 2023

Development technology	Goodwill	Total
1,678	100	1,778
-	-	-
-	-	-
1,678	100	1,778
-	-	-
-	-	-
1,678	100	1,778
1,147	68	1,215
335	20	355
-	-	-
1,482	88	1,570
196	12	208
-	-	-
1,678	100	1,778
196	12	208
-	-	-



Subex Digital LLP**Notes to statement of accounts for the year ended March 31, 2023****9. Loans and advances (Unsecured, considered good)****Non-current**

Security deposits
Prepaid expenses
Advance income-tax

Current

Loans and advances to employees
Prepaid expenses

(₹ in Lakhs)	
As at March 31, 2023	As at March 31, 2022
21	21
2	3
12	14
35	38
38	45
17	36
55	81

10. Trade Receivables *
(Unsecured)**Current**

Outstanding for a period exceeding six months from the due date of receipt
Considered good
Considered doubtful
Less: Provision for doubtful debts

Outstanding for a period less than six months from the due date of receipt
Considered good

(₹ in Lakhs)	
As at March 31, 2023	As at March 31, 2022
92	70
25	5
(25)	(5)
92	70
795	877
795	877
887	947

* includes dues from related parties. Refer note 17.

11. Cash and bank balances**Cash and cash equivalents**

Balance with bank
In current account

(₹ in Lakhs)	
As at March 31, 2023	As at March 31, 2022
158	101
158	101

12. Other current assets (Unsecured, considered good)

Unbilled revenue
Expenses incurred on behalf of customers

(₹ in Lakhs)	
As at March 31, 2023	As at March 31, 2022
42	147
4	-
46	147

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Subex Digital LLP**Notes to statement of accounts for the year ended March 31, 2023****13. Revenue from operations**

Sale of services (refer note 17)
Support services (refer note 17)

(₹ in Lakhs)	
Year ended March 31, 2023	Year ended March 31, 2022
1,706	1,307
616	532
2,322	1,839

14. Employee benefits expense

Salaries and wages
Contribution to provident and other funds
Employee share based payments [refer note 17 and note 22]
Gratuity expense [refer note 19(b)]
Staff welfare expenses

(₹ in Lakhs)	
Year ended March 31, 2023	Year ended March 31, 2022
1,745	1,695
64	62
22	6
18	23
17	12
1,866	1,798

15. Depreciation and amortization

Depreciation of property, plant and equipment (refer note 7)
Amortization of intangible assets (refer note 8)

(₹ in Lakhs)	
Year ended March 31, 2023	Year ended March 31, 2022
33	31
208	355
241	386

16. Other expenses

Cost of hardware, software and support charges
Sub-contract charges
Rent [refer note 18(a)]
Power and fuel
Repairs and maintenance
- Plant and machinery
- Building
Communication costs
Printing and stationery
Travelling and conveyance
Rates and taxes
Advertisement and business promotion
Consultancy charges
Payments to auditors [refer note 16(i)]
Marketing and support charges (refer note 17)
Provision for doubtful debts
Bank charges
Exchange fluctuation loss (net)
Miscellaneous expenses

(₹ in Lakhs)	
Year ended March 31, 2023	Year ended March 31, 2022
124	141
34	41
114	83
7	7
85	55
5	5
7	8
1	1
102	28
13	1
63	29
95	66
3	4
1,790	1,791
34	-
1	2
89	18
1	1
2,568	2,281

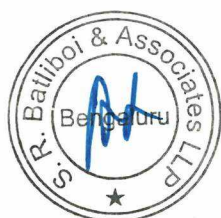
16(i). Payments to auditors (excluding goods and services tax):**As auditor**

Audit fee
Tax audit fee

In other capacity

Other services (certification services)

(₹ in Lakhs)	
Year ended March 31, 2023	Year ended March 31, 2022
2	2
-	1
1	1
3	4



Subex Digital LLP**Notes to statement of accounts for the year ended March 31, 2023****17. Related Party Transactions****(i) Names of related parties and related party relationships****Partners**

Subex Limited (Parent Company)

Subex Assurance LLP

Fellow Subsidiaries

Subex (UK) Limited

Subex Middle East (FZE)

Subex Bangladesh Private Limited

Subex (Asia Pacific) Pte. Limited

Subex Inc.

Subex Americas Inc.

Subex Assurance LLP

Subex Technologies Limited

Subex Account Aggregator Services Private Limited

Designated Partner

Vinod Kumar Padmanabhan Designated Partner (Till August 8, 2023)

Shiva Shankar Naga Roddam Designated Partner (w.e.f December 11, 2021)

Venkatraman G S Designated Partner (up to December 10, 2021)

(ii) Details of the transactions with related parties**Income from sale of services and support services:**

Subex (UK) Limited

Subex (Asia Pacific) Pte. Limited

Subex Inc.

Subex Middle East (FZE)

Subex Bangladesh Pvt Ltd

Subex Limited

Subex Assurance LLP

Marketing and support service charges:

Subex (UK) Limited

Subex (Asia Pacific) Pte. Limited

Subex Inc.

Subex Middle East (FZE)

Subex Limited

Subex Assurance LLP

Subex Bangladesh Pvt Ltd

Employee share based payments (cross charge):

Subex Limited

Reimbursement of expenses incurred by the entity on behalf of its Parent Company/subsidiaries:

Subex Limited

Subex Assurance LLP

Subex Bangladesh Pvt Ltd

Subex (UK) Limited

Subex (Asia Pacific) Pte. Limited

Subex Middle East (FZE)

	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
	803	801
	35	53
	117	89
	-	59
	6	66
	1,102	61
	4	471
	2,067	1,600
	340	409
	58	88
	433	687
	-	2
	956	528
	3	75
	-	2
	1,790	1,791
	22	6
	22	6
	98	-
	1	4
	1	1
	3	-
	2	-
	-	3
	105	8



Subex Digital LLP**Notes to statement of accounts for the year ended March 31, 2023****Reimbursement of expenses incurred by the parent Company /subsidiaries on behalf of the entity:**

Subex Assurance LLP
Subex Limited
Subex (Asia Pacific) Pte. Limited*
Subex (UK) Limited
Subex Inc.
Subex Bangladesh Pvt Ltd
Subex Middle East (FZE)

(₹ in Lakhs)	
Year ended March 31, 2023	Year ended March 31, 2022
3	36
50	123
-	-
10	5
4	1
1	-
-	3
68	168

* Represents reimbursement of expenses incurred by the parent Company/Subsidiaries of ₹ Nil during the year ended March 31, 2023 (March 31, 2022: ₹ 34,856 which is presented as Nil due to rounding off).

Share of loss, transferred to current account of:

Subex Limited

(₹ in Lakhs)	
Year ended March 31, 2023	Year ended March 31, 2022
2,353	2,626
2,353	2,626

Net liabilities transferred:

Subex Limited

-	13
-	13

Loan (repaid)/ received during the year, net:

Subex Assurance LLP

-	4,400
-	4,400

Reimbursement of share of loss from subex limited

Subex Limited

1,185	5,750
1,185	5,750

(iii) Details of balances receivable from and payable to related parties are as follows:**Trade receivables:**

Subex (UK) Limited
Subex (Asia Pacific) Pte. Limited
Subex Inc.
Subex Limited
Subex Assurance LLP
Subex Bangladesh Pvt Ltd
Subex Middle East (FZE)

(₹ in Lakhs)	
As at March 31, 2023	As at March 31, 2022
13	605
3	22
-	81
655	-
2	35
81	68
-	62
754	873

Trade payables:

Subex Assurance LLP
Subex Inc
Subex Limited
Subex (UK) Limited
Subex (Asia Pacific) Pte. Limited
Subex Middle East (FZE)
Subex Bangladesh Pvt Ltd

2	267
909	846
1,539	750
626	695
219	142
-	27
4	2
3,299	2,729

Refer note 3 for Partner's capital and current account balances pertaining to Subex Limited.

Others

i) The entity holds investment in form of capital contribution of Rs 10 (March 31, 2022: Rs10) in Subex Assurance LLP

ii) The entity has received comfort letter from the holding company to provide continued financial support for the year ended March 31, 2023 and March 31, 2022.



Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

18. Commitments and contingent liabilities

a) Commitments

Capital commitments

There are no outstanding capital commitments as at March 31, 2023 and March 31, 2022.

Operating leases

The LLP leases office facilities, residential facilities and servers under cancellable operating lease agreements. The LLP intends to renew such leases in the normal course of its business. Total rental expense under cancellable operating leases was ₹ 114 Lakhs (March 31, 2022: ₹ 83 Lakhs).

b) Contingent liabilities

(i) The LLP has furnished bank guarantees to customers amounting to ₹ 1 Lakhs (March 31, 2022: Nil).

(ii) The LLP had received an assessment order in respect of the financial year 2017-18, wherein certain allowances claimed by the LLP were disallowed, amounting to ₹ 222 Lakhs, in respect of amortisation of intangible assets. Further, there is no demand as the LLP had incurred losses during the financial year 2017-18. These disallowances are disputed by the management and the LLP has filed appeal against this order with Commissioner of Income tax (Appeal).

19. Employee benefit plans

a) Defined contribution plans

The LLP makes contributions to Provident Fund which is a defined contribution plan for qualifying employees. Under the scheme, the LLP is required to contribute a specified percentage of the payroll costs to fund the benefits. The LLP recognized ₹ 64 Lakhs (March 31, 2022: ₹ 62 Lakhs) for Provident Fund contributions in the statement of income and expenditure.

b) Defined benefit plans

The LLP offers Gratuity benefits to employees, a defined benefit plan. Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @15 days of last drawn salary for each completed year of service.

The following tables summarise the components of net benefit expenses recognised in the statement of income and expenditure and the funded status and amount recognised in the statement of assets and liabilities:

I Components of employee benefits expense

Current service cost

Interest cost

Expected return on plan assets

Actuarial (gain)/ loss

Total expense recognized in the statement of income and expenditure

(₹ in Lakhs)	
Year ended March 31, 2023	Year ended March 31, 2022
12	11
4	3
(1)	(1)
3	10
18	23

II Net asset / (liability) recognized in statement of assets and liabilities

Present value of defined benefit obligation

Fair value of plan assets

Net liability recognized statement of assets and liabilities

(₹ in Lakhs)	
As at March 31, 2023	As at March 31, 2022
(68)	(54)
26	20
(42)	(34)

III Change in defined benefit obligations during the year

Present value of defined benefit obligation at the beginning of the year

Liability transfer

Current service cost

Interest cost

Actuarial (gain)/loss

Benefits paid

Present value of defined benefit obligation at the end of the year

54	41
-	(4)
13	11
4	3
3	10
(5)	(7)
68	54

IV Change in fair value of assets during the year

Plan assets at the beginning of the year

Expected return on plan assets (estimated)

Actuarial gain

Actual contributions

Benefits paid

Plan assets at the end of the year

20	21
2	1
-	-
10	5
(5)	(7)
26	20



Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
V Actual return on plan assets	2	1
VI Expected contribution in the next year	8	6
VII Major categories of plan assets as a percentage of the fair value of total assets are:	100%	100%
Investments with insurer	7.36%	6.63%
Discount rate	6.63%	6.41%
Expected return on plan assets	7.00%	7.00%
Salary escalation	18.00%	18.00%
Attrition rate		

(i) The discount rate is based on the prevailing bond yields of Government of India securities as at the statement of assets and liabilities date corresponding to a term of approximately 6 years (March 31, 2022: 6 years) which is the expected term of defined benefit obligation.

(ii) The expected rate of return on plan assets is determined after considering several applicable factors such as composition of plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

(iii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors, benefit obligation such as supply and demand in the employment market.

(iv) The mortality rate is based on the table as specified by the Indian Assured Lives Mortality (2012-14) [March 31, 2022: Indian Assured Lives Mortality (2012-14)].

	(₹ in Lakhs)				
VIII Experience History	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019
Particulars					
Present value of obligation at the end of the period	68	54	41	40	27
Fair value of plan asset at the end of the period	26	20	21	12	2
(Deficit)/Surplus	(42)	(34)	(20)	(28)	(25)
Actuarial (gain)/loss in defined benefit obligation	3	10	(7)	4	10
Actuarial gain/(Loss) for the year-Plan Assets	-	-	-	-	-

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Subex Digital LLP

Notes to statement of accounts for the year ended March 31, 2023

20. Unhedged foreign currency exposure:

The entity does not have any outstanding forward foreign exchange contracts or other derivative instruments for the purposes of hedging the risks associated with foreign exchange exposures as at the year end. The net foreign currency exposure that has not been hedged by derivative instruments or otherwise as at March 31, 2023 is as follows:

				(₹ in Lakhs)
March 31, 2023				
Particulars	Denominated Currency			Total
	USD	GBP	Others	
Receivables				
Trade receivables	227	-	3	230
Cash and bank Balances	8	-	-	8
Other current assets	27	-	-	27
Total (A)	262	-	3	265
Payables				
Trade payables	2,633	198	230	3,061
Other current liabilities	174	2	-	176
Total (B)	2,807	200	230	3,237
Net Unhedged Foreign Currency Exposure (C = A-B)	(2,545)	(200)	(227)	(2,972)

				(₹ in Lakhs)
March 31, 2022				
Particulars	Denominated Currency			Total
	USD	GBP	Others	
Receivables				
Trade receivables	812	29	84	925
Cash and bank Balances	-	-	-	-
Other current assets	51	-	-	51
Total (A)	863	29	84	976
Payables				
Trade payables	1,944	413	194	2,551
Other current liabilities	-	-	-	-
Total (B)	1,944	413	194	2,551
Net Unhedged Foreign Currency Exposure (C = A-B)	(1,081)	(384)	(110)	(1,575)

21. Segment Reporting

The LLP identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/ loss amounts are evaluated regularly by the Executive management in deciding how to allocate resources and in assessing performance. The analysis of geographical segments is based on the areas in which customers of the LLP domicile.

The LLP is primarily engaged in a single business segment viz sale of services in relation to Digital business. This being a single segment, no additional segment disclosure has been made for business segment.

The accounting policies adopted for segment reporting are in line with the accounting policies of the LLP. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Common allocable costs are allocated to each segment according to their relative contribution to each segment to the total common costs.

Revenue, expenses, assets and liabilities which relate to the LLP as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue/ expenses/ assets/ liabilities'.

The LLP operations spans across the world and are categorized geographically as (a) Americas, (b) EMEA (c) India and (d) APAC. 'Americas' comprises the Company's operations in North America, South America and Canada. 'EMEA' comprises the Group's operations in Europe, Middle East and Africa and 'APAC' comprises of the Company's operations majorly in Singapore and Australia. The LLP has identified its secondary segment to be geographical.



Subex Digital LLP**Notes to statement of accounts for the year ended March 31, 2023**

Segment revenue by geographical location are as follows*:

Americas
EMEA
India
APAC

(₹ in Lakhs)	
Year ended March 31, 2023	Year ended March 31, 2022
156	129
852	906
1,208	662
106	142
2,322	1,839

*Revenue by geographical area are based on the geographical location of customer.

Segment assets by geographical location are as follows:

The following table shows the carrying amount of the segment assets by geographical area in which the assets are located:

Americas
EMEA
India
APAC
Unallocable

(₹ in Lakhs)	
Year ended March 31, 2023	As at March 31, 2022
-	81
81	870
967	298
190	126
-	207
1,238	1,582

Property, plant and equipment acquired during the current and previous year pertain to India Geography.

22. Employee stock options plan ('ESOP'):

During the year 2018-19, the Parent Company pursuant to resolutions passed by its Board and its Shareholders, has adopted "Subex Employees Stock Option Scheme - 2018" (referred to as the "ESOP Scheme 2018" or "ESOP - V") by which certain key employees of the LLP received stock options from the Parent Company under the ESOP Scheme 2018. Each option granted under the ESOP Scheme 2018, entitled the holder thereof with an option to apply for and be issued one equity share of the Parent Company at a range of exercise price of ₹ 6 to ₹ 20 per share. The equity shares covered under these options were to vest over a period of 3 years from the date of grant. The options granted were capable of being exercised within a period of one year from the date of vesting of the respective options. During the year ended March 31, 2023, the Parent Company has not granted options (March 31, 2022: Nil options) to employees of the LLP. Employee Stock Option Cost of ₹ 22 Lakhs (March 31, 2022: ₹ 6 lakhs) representing cross charge has been recorded under Employee benefits expense.

23. The LLP has entered into 'International transactions' with 'Associated Enterprises' which are subject to Transfer Pricing regulations in India. The LLP is in the process of carrying out transfer pricing study for the year ended March 31, 2023 in this regard, to comply with the requirements of the Income Tax Act, 1961. The management of the LLP, is of the opinion that such transactions with Associated Enterprises are at arm's length and hence in compliance with the aforesaid legislation. Consequently, this will not have any impact on the LLP statement of accounts, particularly on account of tax expense and that of provision for taxation.

24. Previous year figures have been regrouped/ reclassified, wherever necessary to confirm to current year's classification.

As per our report of even date

For S.R Batliboi & Associates LLP

ICAI Firm Registration Number:101049W/E300004

Chartered Accountants

Rajeev Kumar
per Rajeev Kumar
Partner
Membership No.: 213803

Place : Bengaluru

Date : August 8, 2023

For and on behalf of Subex Digital LLP

Vinod Kumar Padmanabhan
Vinod Kumar Padmanabhan
Designated partner
DPIN: 06563872

Place : Bengaluru

Date : August 8, 2023

Shiva Shankar Naga Roddam
Shiva Shankar Naga Roddam
Designated partner
DPIN: 07212118

Place : Bengaluru

Date : August 8, 2023

