

INDEPENDENT AUDITOR'S REPORT

To the Partners of Subex Assurance LLP

Opinion

We have audited the accompanying financial statements of Subex Assurance LLP ("the LLP"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, 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 financial statements give the information required by the Limited Liability Partnership Act, 2008, as amended ("the Act") 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, 2024, its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements 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 financial statements' 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 financial statements, 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 financial statements.

Responsibilities of Management for the Financial Statements

The Management of the LLP is responsible for the preparation of these financial statements 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 Limited Liability Partnership Rules, 2009 (as amended). 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Financial Statements

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



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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 financial statements, 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements 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 Sandeep Karnani

Partner

Membership Number: 061207



UDIN: 24061207BKBJYT8859

Place of Signature: Bengaluru, Karnataka

Date: September 30, 2024

Subex Assurance LLP
LLP Identity Number (LLPIN) - AAJ-0729
Balance Sheet as at March 31, 2024

		(₹ in Lakhs)	
	Notes	As at March 31, 2024	As at March 31, 2023
Equity and Liabilities			
Partners' funds			
Partners' capital account			
Partners' contribution account	3	14,626	30,756
Partners' current account	3	47	172
		14,673	30,928
Non-current liabilities			
Deferred tax liability (net)	4	3,449	3,455
Other long-term liabilities	6	2	2
Long-term provisions	7	7	-
		3,458	3,457
Current liabilities			
Trade payables			
- total outstanding dues of micro and small enterprises	5	1	-
- total outstanding dues of creditors other than micro and small enterprises	5	41	105
Other current liabilities	6	57	57
Short-term provisions	7	9	8
		108	170
Total		18,239	34,555
Assets			
Non-current assets			
Property, plant and equipment and intangible assets			
(i) Property, plant and equipments	8	-	4
(ii) Intangible assets	9	6,531	8,355
Non-current investments	10	6,861	20,691
Loans and advances	13	895	696
		14,287	29,746
Current assets			
Current investments	10	-	619
Trade receivables	11	151	1,318
Cash and bank balances	12	3,536	2,718
Loans and advances	13	2	18
Other current assets	14	263	136
		3,952	4,809
Total		18,239	34,555

The entity information and summary of significant accounting policies
The accompanying notes form an integral part of the financial statements.

1 & 2

As per our report of even date

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

Sandeep Karnani

per Sandeep Karnani
Partner
Membership No.: 061207

Place: Bengaluru
Date: September 30, 2024



For and on behalf of Partners of Subex Assurance LLP

Nisha Dutt

Nisha Dutt
Designated Partner
DPIN: 06465957

Place: Bengaluru
Date: September 30, 2024

Sumit Kumar

Sumit Kumar
Designated Partner
DPIN: 07103766

Place: Bengaluru
Date: September 30, 2024



Subex Assurance LLP
LLP Identity Number (LLPIN) - AAJ-0729
Statement of Profit and Loss for the year ended March 31, 2024

	Notes	(₹ in Lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
1 Income			
Revenue from operations	15	1,860	1,921
Other income	16	278	465
Total income		2,138	2,386
2 Expenses			
Employee benefit expenses	17	311	364
Depreciation and amortization expenses	18	1,827	1,830
Other expenses	19	131	276
Total expenses		2,269	2,470
3 Loss before exceptional item and tax expense (1-2)		(131)	(84)
4 Exceptional item			
Impairment of investment in subsidiary	20	13,830	-
Total exceptional item		13,830	-
5 Loss before tax expense (3-4)		(13,961)	(84)
6 Tax expense			
Provision - foreign income taxes (net)	26	-	519
Income Tax for earlier years		-	4
Deferred tax (credit) / charge	4	(6)	199
Total tax expense		(6)	722
7 Loss after tax (5-6)		(13,955)	(806)

The entity information and summary of significant accounting policies
The accompanying notes form an integral part of the financial statements.

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Chartered Accountants

Sandeep Karnani

per Sandeep Karnani
Partner
Membership No.: 061207

Place: Bengaluru
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Subex Assurance LLP
LLP Identity Number (LLPIN) - AAJ-0729
Statement of Cash Flows for the year ended March 31, 2024

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
A Cash flows from/ (used in) operating activities		
Loss before tax expense	(13,961)	(84)
Adjustments to reconcile loss before tax expense to net cash flows:		
Impairment of investments in subsidiaries	13,830	-
Depreciation and amortization expense	1,827	1,830
Interest income	(244)	(166)
Gain on sale of mutual funds	(34)	(20)
Provision for doubtful debts (net)	-	13
Loss/ (profit) on sale of property, plant and equipment	1	-
Net foreign exchange differences	32	(37)
Operating profit before working capital changes	1,451	1,536
Working capital adjustments:		
Decrease/ (increase) in loans and advances and other assets	21	45
Decrease/ (increase) in trade receivables	1,135	(1,023)
(Decrease)/ increase in trade payables, provisions and other current liabilities	(55)	(2,945)
Income tax paid (net of refund)	(200)	773
Net cash flows from/ (used in) operating activities	2,352	(1,614)
B Cash flows from/ (used in) investing activities		
Investments in/ redemption of bank deposits (net)	(2,366)	1,855
Interest received	113	119
Proceeds from/ (purchase of) mutual funds (net)	653	(598)
Net cash flows from/ (used in) investing activities	(1,600)	1,376
C Cash flows from/ (used in) financing activities		
Withdrawal from partner's capital account	(2,300)	(9,200)
Purchase consideration received for business restructuring (refer note 1(c))	-	9,229
Net cash flows from/ (used in) financing activities	(2,300)	29
D Net decrease in cash and cash equivalents (A+B+C)	(1,548)	(209)
Net foreign exchange difference	-	5
Cash and cash equivalents at the beginning of the year	2,718	2,922
E Cash and cash equivalents at year end	1,170	2,718
Components of cash and cash equivalents		
Balance with banks:		
in current account	26	39
in Exchange Earners' Foreign Currency ('EEFC') accounts	-	5
in Term deposit	1,144	2,674
Total cash and cash equivalents (refer note 12)	1,170	2,718

The entity information and summary significant accounting policies
The accompanying notes form an integral part of the financial statements.

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As per our report of even date

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



per Sandeep Karnani
Partner
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Place: Bengaluru
Date: September 30, 2024



Subex Assurance LLP

LLP Identity Number (LLPIN) - AAJ-0729

Notes to the financial statements for the year ended March 31, 2024

1. Entity information**About the LLP**

(a) Subex Assurance LLP ("the entity" or "the LLP") is a subsidiary of Subex Limited, registered as a limited liability partnership under the Limited Liability Partnership Act 2008. The LLP is engaged in providing Operations and Business Support Systems ("OSS/BSS") to communication service providers ("CSPs") worldwide in the Telecom industry.

(b) The Board of Directors of the Subex Limited in its meeting held on October 28, 2021 approved the restructuring of the business, subject to all requisite approvals, wherein certain assets and liabilities of Subex Assurance LLP were transferred to Subex Limited excluding Developed Technology and Investment in subsidiaries. On February 23, 2022, the shareholder of the Subex Limited approved the aforesaid restructuring through postal ballot.

(c) Pursuant to approval of the Board of Directors and Shareholders of the Subex Limited for restructuring of the business, effective April 1, 2022, certain assets and liabilities of the LLP, wholly owned subsidiary, were transferred to the Subex Limited for an aggregate consideration of ₹ 9,229 Lakhs. The aforesaid restructuring was carried out to achieve higher operational efficiencies upon integration and consolidation of business in the listed entity. The LLP will continue to hold revenue maximisation solutions intellectual property rights ("IPR") & related research and development unit, investment in subsidiaries, cash and bank balances and other related balances. The LLP earns royalty on use of such IPR by the Subex Limited.

Effective from April 1, 2022, the LLP transferred the following assets and liabilities for a purchase consideration of ₹ 9,229 Lakhs:

Particulars	Amount (₹ in Lakhs)
Assets	
Trade receivables	10,798
Investments	1,165
Unbilled Revenue	889
Tangible Assets	689
Loans and advances to employees	50
Prepaid expenses	332
Recoverable Expenses	39
Security deposits	264
Advance to supplier	1
Total assets (A)	14,227
Liabilities	
Trade payables	3,907
Employee Benefits-Gratuity	48
Employee Benefits-Leave Encashment	126
Employee related liabilities	254
Statutory dues	86
Unearned Revenue	577
Total Liabilities (B)	4,998
Total Purchase Consideration (A-B)	9,229

2. Significant accounting policies**a. Basis of preparation**

The financial statements of the LLP have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') including the Accounting standards issued by the ICAI and the requirements of the Limited Liability Partnership Act, 2008, as amended ("the Act") read with Limited Liability Partnership Rules, 2009 (as amended) and has prepared on going concern basis. The financial statements have been prepared on an accrual basis and under the historical cost convention except for assets and liabilities of Revenue Maximisation Solutions and related business ("RMS business") received as capital contribution from the Subex Limited, which have been accounted at their individual fair values.

These financial statements 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 financial statements 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.



Subex Assurance LLP**LLP Identity Number (LLPIN) - AAJ-0729****Notes to the financial statements for the year ended March 31, 2024****c. Revenue recognition**

Pursuant to note 1(c), the LLP earns royalty on use of its intellectual property rights by the Subex Limited on accrual basis in accordance with royalty agreement. Till March 31, 2022, LLP derived its revenues from sale of license and implementation of its software and managed/ support services.

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.

Revenue is recognised 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 recognised:

Royalty income is recognized on accrual basis as an agreed percentage of revenue accrued by Subex Limited, pertaining to IPR.

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

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. 'Unbilled revenue' included in the current assets represent revenues in excess of amounts billed to clients as at the balance Sheet date. 'Unearned revenue' included in the current liabilities represent billings in excess of revenues recognized.

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 Subex Limited 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 Profit and Loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are 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 Profit and Loss 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 Profit and Loss.

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
Furniture and fixtures	5 years
Office equipment	5 years
Leasehold improvements	5 years
Computer software	4 years
Goodwill	10 years
Customer Contracts	Over the contract period
Development Technology	10 years

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



f. Intangible assets

Intangible assets are measured at cost on initial recognition except for intangible assets received as capital contribution from the Subex Limited 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 Profit and Loss 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 ten 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 ten 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 Profit and Loss when the asset is derecognized.

g. Leases

Where the LLP is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss 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 Profit and Loss.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the LLP estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

i. Employee benefits

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

(a) Defined contribution plans:

Retirement benefit in the form of provident fund is a defined contribution scheme. The LLP has no obligation, other than the contribution payable to the provident fund. The LLP recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund

(b) Defined benefit plans:

Gratuity liability is a defined benefit obligation and is determined on the basis of actuarial valuation, based on projected unit credit method at the reporting date, carried out by an independent actuary. Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognised in full in the period in which they occur in the statement of profit and loss as an income or expense.



(c) Other short-term and long-term employee benefits:

Compensated absences, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. 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.

The LLP treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

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

j. Foreign currency transactions and translation

Initial recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency 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. Investments

Pursuant to restructuring, interest in equity shares of subsidiaries received in form of Capital Contribution were recorded at fair value.

Except for the above, Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss.

l. 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 profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the LLP has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.



Subex Assurance LLP

LLP Identity Number (LLPIN) - AAJ-0729

Notes to the financial statements for the year ended March 31, 2024

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.

m. 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.

n. 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 balance Sheet date. These estimates are reviewed at each balance Sheet 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 financial statements.

o. 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 Subex Limited. 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'.

p. 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 Assurance LLP

LLP Identity Number (LLPIN) - AAJ-0729

Notes to the financial statements for the year ended March 31, 2024

3. Partners' funds

Movement in partner's capital and current account:

(₹ in Lakhs)

Particulars	Subex Limited		Subex Digital LLP		Total	
	Capital Account	Current Account	Capital Account	Current Account	Capital Account	Current Account
% Holding (as per LLP agreement)	99.99%	99.99%	0.01%	0.01%		
As at April 01, 2022	39,956	978	-	-	39,956	978
Contribution during the year	-	-	-	-	-	-
Share of loss for the year*	-	(806)	-	-	-	(806)
Withdrawals during the year	(9,200)	-	-	-	(9,200)	-
As at March 31, 2023	30,756	172	-	-	30,756	172
Contribution during the year	-	-	-	-	-	-
Share of loss for the year*	(13,830)	(125)	-	-	(13,830)	(125)
Withdrawals during the year	(2,300)	-	-	-	(2,300)	-
As at March 31, 2024	14,626	47	-	-	14,626	47

*Subex Limited intends to fund entire share of loss incurred by LLP. Hence no share of loss has been allocated to Subex Digital LLP. Also refer note 3(a)

*Loss for the year ended March 31, 2024 includes loss of ₹ 13,830 Lakhs on account of impairment of investment in subsidiary. Since the partner does not intend to fund the aforesaid loss, the same has been charged to the partner's capital account. Also refer note 3(a)

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3(a) Reserves and Surplus

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Profit as per statement of profit and loss	(13,955)	(806)
Less: Appropriation of profit to partners' current account		
Subex Limited (99.99%)	(13,955)	(806)
Subex Digital LLP (0.01%)	-	-
Total Appropriations	(13,955)	(806)
Closing balance	-	-

*Subex Limited intends to fund entire share of loss incurred by LLP. Hence no share of loss has been allocated to Subex Digital LLP. Also refer note 3(a)

4 Deferred tax liability/ (assets) (net)

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities*		
Depreciation and amortization expense: Difference between tax depreciation and book depreciation and amortization expense	3,473	3,592
A	3,473	3,592
Deferred tax assets		
Provision for employee benefits and others	24	137
B	24	137
Total	A-B 3,449	3,455

*Deferred tax liability/ (assets) (net), comprises of liability arising on account of tax benefits from amortization of intangible assets of the LLP, net of deferred tax assets arising on account of other taxable temporary differences, which arose mainly on account of business restructuring effected from November 1, 2017, wherein, the Parent Company's RMS business was transferred on going concern basis to the LLP. Effective April 01, 2021 considering the favourable order received, no additional liability is created in respect of aforesaid tax benefits. Also refer 22(b)(ii)

5 Trade payables

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade payables		
- total outstanding dues of micro and small enterprises*	1	-
- total outstanding dues of creditors other than micro and small enterprises**	41	105
	42	105

*Payable to micro and small enterprises

Disclosure as per Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006" ('MSMED Act, 2006').

	(₹ in Lakhs)	
Description	As at March 31, 2024	As at March 31, 2023
a) the principal amount remaining unpaid to any supplier as at the end of accounting year;	1	-
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 21.



6 Other liabilities

Non-current
 Deferred rent

Current
 Accrued salaries and benefits
 Statutory dues

(₹ in Lakhs)	
As at March 31, 2024	As at March 31, 2023
2	2
2	2
55	52
2	5
57	57

7 Provisions

Long Term

Provision for employee benefits
 Provision for gratuity [refer note 23(b)]

Short Term

Provision for employee benefits
 Provision for gratuity [refer note 23(b)]
 Provision for leave benefits

(₹ in Lakhs)	
As at March 31, 2024	As at March 31, 2023
7	-
7	-
3	-
6	8
9	8

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8 Property, plant and equipment

(₹ in Lakhs)

Cost**As at April 1, 2022**

Additions

Transfer (refer note 1(c))

As at March 31, 2023

Additions

Disposals

As at March 31, 2024**Depreciation****As at April 1, 2022**

Charge for the year

Transfer

As at March 31, 2023

Charge for the year

Disposals

As at March 31, 2024**Net block****As at March 31, 2023****As at March 31, 2024**

Computer equipment	Furniture and fixtures	Leasehold improvements	Office equipment	Total
1,314	5	264	92	1,675
-	-	-	-	-
(1,276)	(5)	(264)	(92)	(1,637)
38	-	-	-	38
-	-	-	-	-
(38)	-	-	-	(38)
-	-	-	-	-
858	4	62	53	977
6	-	-	-	6
(830)	(4)	(62)	(53)	(949)
34	-	-	-	34
3	-	-	-	3
(37)	-	-	-	(37)
-	-	-	-	-
4	-	-	-	4
-	-	-	-	-

9 Intangible assets

(₹ in Lakhs)

Cost**As at April 1, 2022**

Additions

Disposals

As at March 31, 2023

Additions

Disposals

As at March 31, 2024**Amortization and Impairment*****As at April 1, 2022**

Charge for the year

Disposals

As at March 31, 2023

Charge for the year

Disposals

As at March 31, 2024**Net block****As at March 31, 2023****As at March 31, 2024**

Computer software	Customer contracts	Development technology	Goodwill	Total
57	70	27,753	10,925	38,805
-	-	-	-	-
-	-	-	-	-
57	70	27,753	10,925	38,805
-	-	-	-	-
-	-	-	-	-
57	70	27,753	10,925	38,805
57	70	17,574	10,925	28,626
-	-	1,824	-	1,824
-	-	-	-	-
57	70	19,398	10,925	30,450
-	-	1,824	-	1,824
-	-	-	-	-
57	70	21,222	10,925	32,274
-	-	8,355	-	8,355
-	-	6,531	-	6,531

*During the year ended March 31, 2020, considering the challenges and significant investment requirements of telecom operators which had resulted in longer opportunity conversion cycle and lower spends towards IT solutions, the management of the LLP had carried out the annual impairment exercise in respect of its intangible assets and basis valuation carried out by an external expert had made an impairment provision of ₹16,023 Lakhs towards carrying value of intangible asset. As at March 31, 2024, the management has reassessed its projections and assumptions and has concluded that, the carrying value of its intangible assets is appropriate. Also refer note 10.



10 Investments

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Non - current		
Investments carried at cost		
A. Investments in equity shares of wholly owned subsidiaries (unquoted equity instruments)*		
5,039,565,245 equity shares of ₹ 0.4255 each fully paid in Subex (UK) Ltd [Impairment on investment ₹ 14,615 Lakhs (March 31, 2023: ₹ 785 Lakhs)]	6,828	20,658
1 equity share of ₹ 3,344,024 in Subex Middle East (FZE), UAE	33	33
97 equity share of ₹ 87.81 each fully paid up in Subex Bangladesh Private Limited**	0	0
	6,861	20,691
B. Investment in limited liability partnership firms		
Investment in Subex Digital LLP in form of capital contribution of ₹ 10***	0	0
	6,861	20,691
Total (A+B)		
Aggregate amount of unquoted investments in subsidiaries	21,476	21,476
Aggregate amount of impairment on investments	14,615	785
Current investments		
A. In mutual funds		
Nippon India Mutual Fund	-	619
Total	-	619
Aggregate amount of unquoted investments	-	619
Aggregate market value of unquoted investments	-	619

* During the year, based on the valuation assessment carried out in respect of carrying value investments in subsidiaries and considering the significant investment required to keep the pace with the transformation in telecom sectors, the management made an impairment provision of ₹ 13,830 Lakh towards such investments in subsidiaries. The carrying value of investments in subsidiaries post aforesaid impairment is dependent on the achievement of valuation assumptions as considered by the management which the management believes reasonably reflects the future growth and profitability of the subsidiaries. The same has been approved by Board of Directors of Subex Limited.

** Represents capital contribution of ₹ 8,518 (March 31, 2023: ₹ 8,518) which is presented as Nil due to rounding off.

*** Represents capital contribution of ₹ 10 (March 31, 2023: ₹ 10) which is presented as Nil due to rounding off.

11 Trade receivables *

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Outstanding for a period exceeding six months from the date they are due for receipt		
Unsecured considered good	5	-
Unsecured considered doubtful	-	13
	5	13
Less: Provision for doubtful receivables	-	(13)
	5	-
Outstanding for a period less than six months from the date they are due for receipt		
Unsecured, considered good	146	1,318
	146	1,318
	151	1,318

* includes dues from related parties. Refer note 21.



12 Cash and bank balances

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance with bank		
In current accounts	26	39
In Exchange Earners' Foreign Currency ('EEFC') accounts	-	5
Deposits with original maturity of less than three months	1,144	2,674
	1,170	2,718
Other bank balances		
Deposits with remaining maturity of less than 12 months	2,366	-
Margin money deposits*	108	108
Amount disclosed under other assets (refer note 14)	(108)	(108)
	2,366	-
	3,536	2,718

* Represents margin money deposits with banks towards the bank guarantees.

13 Loans and advances

Unsecured, considered good unless otherwise stated

	(₹ in Lakhs)			
	Non Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Security deposits	10	10	-	-
Advance income-tax (net)	884	684	-	-
Balances with statutory/ government authorities	1	2	-	-
	895	696	-	-
Loans to employees	-	-	-	2
Prepaid expenses	-	-	2	16
	-	-	2	18

14 Other assets (Unsecured, considered good)

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Current		
Interest accrued but not due on bank deposits	155	24
Gratuity fund [refer note 23(b)]	-	4
Margin money deposit (refer note 12)	108	108
	263	136

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15 Revenue from operations

Royalty income (refer note 21)
Support services (refer note 21)

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
1,789	1,699
71	222
1,860	1,921

16 Other income

Interest on bank deposits
Gain on sale of mutual funds
Interest on income tax refund
Income from sale of scrips
Exchange fluctuation gain, (net)
Miscellaneous income

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
244	111
34	20
-	55
-	111
-	122
-	46
278	465

17 Employee benefit expenses

Salaries, wages and bonus
Contribution to provident fund and other funds
Gratuity expense/(reversal) [refer note 24(b)]
Staff welfare expenses

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
281	356
10	16
8	(14)
12	6
311	364

18 Depreciation and amortization expenses

Depreciation of property, plant and equipment assets (refer note 8)
Amortization of intangible assets (refer note 9)

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
3	6
1,824	1,824
1,827	1,830

19 Other expenses

Rent [refer note 22(a)]
Power and fuel
Repairs and maintenance
Travelling and conveyance
Advertisement and business promotion
Consultancy charges
Payments to auditors [refer note 19(a)]
Marketing and support charges (refer note 21)
Provision for doubtful debts (net)
Exchange fluctuation loss, net
Loss on disposal of property, plant and equipment (net)
Bank charges

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
12	13
4	7
2	3
16	29
1	-
15	14
16	16
17	169
-	13
40	-
1	-
7	12
131	276

19(a) Payments to auditors (excluding goods and services tax):

As auditor
Audit fee

In other capacity
Other services (certification services)

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
12	12
4	4
16	16

20 Exceptional items

Impairment of investments in subsidiaries (Refer Note 10)

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
13,830	-
13,830	-



21 Related party transactions**(i) Names of related parties and related party relationship****Partners**

Subex Limited

Subex Digital LLP

Wholly Owned Subsidiaries

Subex (UK) Limited

Subex Middle East (FZE)

Subex (Asia Pacific) Pte. Limited

Subex Inc.

Subex Bangladesh Private Limited

Fellow Subsidiaries

Subex Americas Inc.

Subex Technologies Limited

Subex Digital LLP

Subex Account Aggregator Services Private Limited

Designated Partner

Nisha Dutt

Designated Partner w.e.f August 08, 2023

Sumit kumar

Designated Partner w.e.f January 01, 2024

Vinod Kumar Padmanabhan

Designated Partner till August 08, 2023

Shiva Shankar Naga Roddam

Designated Partner till January 01, 2024

(ii) Details of the transactions with the related parties are as follows**A. Transactions with wholly owned subsidiaries and fellow subsidiaries****Royalty income**

Subex Limited

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023

1,789 1,699

1,789 1,699**Income from sale of service and support services:**

Subex Limited

66 219

Subex Digital LLP

5 3

71 222**Marketing and support charges:**

Subex Limited

17 165

Subex Digital LLP

- 4

17 169**Reimbursement of expenses incurred by the LLP on behalf of its Partner/ subsidiaries/ fellow subsidiaries:**

Subex (UK) Limited

- 2

Subex (Asia Pacific) Pte. Limited

6 15

Subex Limited

64 86

Subex Digital LLP

9 3

Subex Inc.

2 -

81 106**Collection on behalf of the Partner**

Subex Limited

86 -

86 -

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Notes to the financial statements for the year ended March 31, 2024

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Reimbursement of expenses incurred by the Partner/ subsidiaries on behalf of the LLP:		
Subex Limited	10	46
Subex Digital LLP	-	1
	10	47
Transfer in of employee benefit obligations:		
Subex Limited	26	-
	26	-
Share of loss transferred to current account of:		
Subex Limited	125	806
	125	806
Share of loss transferred to capital account of:		
Subex Limited	13,830	-
	13,830	-
Drawings by Partner:		
Subex Limited	2,300	9,200
	2,300	9,200
Impairment of investment in subsidiary		
Subex (UK) Limited	13,830	-
	13,830	-

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

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade receivables		
Subex Digital LLP	9	2
Subex Limited	142	1,311
	151	1,313
Trade payables		
Subex Digital LLP	-	2
Subex Limited	19	79
Subex (UK) Limited	-	3
	19	84

Investment in wholly owned/ fellow subsidiaries

Subex (UK) Ltd [net of impairment on investment ₹ 14,615 Lakhs (March 31, 2023: ₹ 785 Lakhs)]	6,828	20,658
Subex Middle East (FZE)	33	33
Subex Bangladesh Private Ltd [₹ 8,518 (March 31, 2023: ₹ 8,518)]	0	0
Investment in Subex Digital LLP [₹ 10 (March 31, 2023: ₹ 10)]	0	0
	6,861	20,691

B. Transactions with key management personnel

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus#		
Vinod Kumar Padmanabhan	78	-
	78	-

The remuneration to the key managerial personnel does not include the provision for gratuity and compensated absences, which were made on best estimate basis, as they are determined for the LLP as a whole.

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

Pursuant to restructuring of the business, certain assets and liabilities have been transferred to Subex Limited. Refer note 1(c) for further details.



22 Commitments and contingent liabilities**a) Commitments****Capital commitments**

There are no outstanding capital commitments as at March 31, 2024 and March 31, 2023.

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 ₹ 12 Lakhs (March 31, 2023: ₹13 Lakhs).

b) Contingent liabilities

i) The LLP has furnished bank guarantees to customers amounting to ₹ 142 Lakhs (March 31, 2023: ₹141 Lakhs).

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 Rs. 2.454 Lakhs, in respect of amortisation of goodwill and others. However, the allowances claimed in respect of other intangibles arising on account of transfer of RMS business, from the Parent Company to the LLP, has been allowed. 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 (Appeals). Also refer note 4.

iii) Subex Assurance LLP ('SA LLP') has received certain demand orders amounting to ₹ 41 lakhs in relation to Goods and service Tax. These demands are disputed by the management and SA LLP has filed appeals against these orders with the appellate authorities. The management is confident that the demands raised by the Assessing Officers are not tenable under law and has not made any adjustments in the consolidated financial statements in this regard.

23 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 ₹ 10 Lakhs (March 31, 2023: ₹16 Lakhs) for Provident Fund contributions, including administration charges, in the statement of profit and loss.

b) Defined benefit plans

The LLP offers Gratuity benefits to employees, a defined benefit plan, which 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 profit and loss and the funded status and amount recognised in the balance sheet.

I Components of employee benefits expense

Current service cost	
Interest cost	
Expected return on plan assets	
Actuarial loss/ (gain)	
Total expense/(Income) recognized in the statement of profit and loss	

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
2	3
2	4
(2)	(4)
6	(17)
8	(14)

II Net asset/ (liability) recognized in balance sheet

Present value of defined benefit obligation	
Fair value of plan assets	
Net asset/ (liability) recognized in balance sheet	

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
(20)	(27)
10	31
(10)	4

III Change in defined benefit obligations during the year

Obligations at beginning of the year	
Liability transfer	
Current service cost	
Interest cost	
Actuarial loss/(gain)	
Benefits paid	
Present value of defined benefit obligation at the end of the year	

(₹ in Lakhs)	
Year ended March 31, 2024	Year ended March 31, 2023
27	376
16	(323)
2	3
2	4
4	(17)
(31)	(16)
20	27



	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
IV Change in fair value of assets during the year		
Plan assets at the beginning of the year	31	320
Assets transfer in/ (out)	-	(277)
Expected return on plan assets (estimated)	2	3
Actuarial gain/(loss)	(2)	-
Actual contributions	11	1
Benefits paid	(32)	(16)
Plan assets at the end of the year	10	31
V Actual return on plan assets	1	-
VI Expected contribution in the next year	3	4
VII Major categories of plan assets as a percentage of the fair value of total assets are:		
Investments with insurer	100%	100%

VIII Actuarial assumptions

	As at March 31, 2024	As at March 31, 2023
Discount rate (p.a.)	7.19%	7.36%
Expected return on plan assets (p.a.)	7.36%	6.63%
Salary escalation (p.a.)	7.00%	7.00%
Attrition rate (p.a.)	18.00%	18.00%

(i) The discount rate is based on the prevailing bond yields of Government of India securities as at the balance sheet date corresponding to a term of approximately 6 years (March 31, 2023: 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, 2023: Indian Assured Lives Mortality (2012-14)].

IX Experience history

	(₹ in Lakhs)				
Particulars	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Present value of obligation at the end of the period	20	27	376	337	480
Fair value of plan assets at the end of the period	10	31	320	299	244
(Deficit)/surplus	(10)	4	(56)	(38)	(236)
Actuarial loss/(gain) in present benefit obligationx	4	(17)	29	19	(6)
Actuarial gain/(loss) for the year - Plan Assets	(2)	1	2	2	1

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24 Unhedged foreign currency exposure:

The entity holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The net foreign currency exposure that has not been hedged by derivative instruments or otherwise as at March 31, 2024 is as follows:

March 31, 2024		(₹ in Lakhs)
Particulars	Denominated currency	Total
	USD (INR equivalent)	
Receivables		
Trade receivables	151	151
Total (A)	151	151
Payables		
Trade payables	3	3
Total (B)	3	3
Net Unhedged Foreign Currency Exposure (C = A-B)	148	148

March 31, 2023		(₹ in Lakhs)
Particulars	Denominated currency	Total
	USD (INR equivalent)	
Receivables		
Trade receivables	1,230	1,230
Cash and bank balances	5	5
Total (A)	1,235	1,235
Payables		
Trade payables	65	65
Total (B)	65	65
Net Unhedged Foreign Currency Exposure (C = A-B)	1,170	1,170

25 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. However, pursuant to approval of the Board of Directors and Shareholders of the Subex Limited for restructuring of the business, effective April 1, 2022, business carried out by Subex Assurance LLP was transferred to the Subex Limited on a 'going concern' basis excluding Developed Technology & related research and development unit and Investment in subsidiaries, hence there is only one reportable segment for the current year and previous year.

Further the LLP's operations are mainly confined within India and as such there are no reportable geographical segments.

26 Provision - foreign withholding taxes, represents provision in respect of withholding taxes deducted/ deductible by the overseas customers of the LLP during the year Nil (March 31, 2023: ₹ 519 Lakhs).

27 Employee stock options plan ('ESOP'):

During the year 2018-19, Subex Limited 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 Subex Limited 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 Subex Limited 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, 2024, the Parent Company has not granted options (March 31, 2023: Nil options) to employees of the LLP.

28 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3 May 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

29 The LLP has entered into 'International transactions' with 'Associated Enterprises' which are subject to Transfer Pricing regulations in India. The Company is in the process of carrying out transfer pricing study for the year ended March 31, 2024 in this regard, to comply with the requirements of the Income Tax Act, 1961. The Management of the Company, 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 standalone financial statements, particularly on account of tax expense and that of provision for taxation.

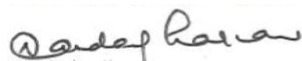
30 Previous year figures have been regrouped/ reclassified, wherever necessary to conform to current year's classification.

As per our report of even date

For S.R Batliboi & Associates LLP

ICAI Firm Registration Number: 101049W/E300004

Chartered Accountants



per Sandeep Karnani
Partner
Membership No.: 061207

Place: Bengaluru
Date: September 30, 2024



For and on behalf of Partners of Subex Assurance LLP



Nisha Dutt
Designated Partner
DPIN: 06465957

Place: Bengaluru
Date: September 30, 2024



Sumit Kumar
Designated Partner
DPIN: 07103766

Place: Bengaluru
Date: September 30, 2024

