



July 28, 2017

To
BSE Limited
The National Stock Exchange of India Limited

Dear Sir/Madam,

Sub: Subex Limited "The Company"-Outcome of the Board Meeting held on July 28, 2017

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

- Unaudited standalone and consolidated Financial Results of the Company for the quarter ended June 30, 2017.

Further, please take note of the upgrade in the credit rating of the Company from 'IND' BBB +' to 'IND A-'.

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

Please find enclosed:

- The unaudited standalone and consolidated Financial Results of the Company for the quarter ended June 30, 2017.
- A copy of the press release intended to be published to the media by the Company.

The meeting concluded at 2.40pm. We request you to take the aforesaid notification on record.

Thanking you

Yours truly,
For Subex Limited


Surjeet Singh
Managing Director & CEO
DIN:05278780
ENCL: As above.



Limited Review Report On Quarterly Standalone Financial Results of Subex Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**Review Report to
The Board of Directors
Subex Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Subex Limited (the 'Company') for the quarter ended June 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


per Rajeev Kumar
Partner
Membership No.: 213803Place: Bengaluru
Date: July 28, 2017

SUBEX LIMITED

Registered office: RMZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037
Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2017

(₹ in Lakhs)

	Particulars	Quarter ended			Year ended
		June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
		Unaudited	Audited (Refer note 11)	Unaudited	Audited
	Income				
1	Revenue from operations	7,082	8,573	7,673	32,441
2	Other income (Refer note 8)	50	385	218	1,253
3	Total income (1+2)	7,132	8,958	7,891	33,694
	Expenses				
(a)	Employee benefits expense (Refer note 9)	2,416	2,255	1,989	8,537
(b)	Finance costs	209	483	339	1,505
(c)	Depreciation and amortisation expense	102	72	65	273
(d)	Marketing and allied service charges	2,719	2,638	3,227	11,713
(e)	Exchange fluctuation loss/ (gain), net	145	618	(4)	713
(f)	Other expenses	1,496	1,640	1,529	6,791
	Total expenses	7,087	7,706	7,145	29,532
5	Profit before exceptional items and tax (3-4)	45	1,252	746	4,162
6	Exceptional items, net (Refer note 6)	389	(4,491)	(100)	(4,591)
7	Net profit/ (loss) before tax (5+6)	434	(3,239)	646	(429)
8	Tax expense, net				
	Current tax	137	208	9	348
	MAT credit entitlement	(27)	(94)	-	(94)
	Total tax expense	110	114	9	254
9	Net profit/ (loss) for the period / year (7-8)	324	(3,353)	637	(683)
10	Other comprehensive income, net of tax				
	<i>Items that will not be reclassified subsequently to profit or loss</i>				
	Re-measurement (loss)/ gain on defined benefit plans	(8)	54	(1)	(33)
11	Total comprehensive income for the period/ year (9+10)	316	(3,299)	636	(716)
12	Paid up equity share capital [face value of ₹ 10 (March 31, 2017: ₹ 10)]	56,200	50,691	50,475	50,691
13	Other equity	-	-	-	13,035
14	Earnings/(loss) per share (of ₹ 10/- each) (not annualised in case of the interim periods):				
(a)	- Basic	0.06	(0.66)	0.13	(0.13)
(b)	- Diluted	0.06	(0.66)	0.13	(0.13)



Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on July 28, 2017.
- 2 The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 3 During the quarter ended June 30, 2017, the Company made an allotment of 55,094,999 equity shares of the Company on a preferential basis, at an issue price of ₹ 14 per equity share (Face value of ₹ 10 per equity share) amounting to ₹ 7,713 Lakhs.
- 4 The Company, vide agreement dated June 7, 2017, purchased Intellectual Property Rights ("IPR"), pertaining to its Network Analytics portfolio from its subsidiary Subex Americas Inc., for a purchase consideration of US\$ 9.4 Million (₹ 6,078 Lakhs) based on valuation carried out by an external valuer. The aforesaid acquisition would enable the Company to consolidate the Intellectual Property Rights embedded in various software products, which would enhance the product offering portfolio of the Company.
- 5 On June 30, 2017, the Company redeemed outstanding FCCBs III amounting to US\$ 3.6 Million (₹ 2,336 Lakhs) and paid accrued interest of US\$ 0.1 Million (₹ 67 Lakhs) on the aforesaid bonds and there is no outstanding FCCBs as at June 30, 2017. Subsequently, the deferred interest in respect of aforesaid bonds for the period July 6, 2012 to January 6, 2016 amounting to US\$ 0.72 Million (₹ 467 Lakhs) has been paid on July 6, 2017.

6 Exceptional items:

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Unaudited	Audited (Refer note 11)	Unaudited	Audited
Loss on impairment of investments in subsidiary companies (Refer note 6[i])	-	(6,070)	(100)	(6,170)
Provision for doubtful advances no longer required written back (Refer note 6[ii])	389	1,579	-	1,579
Total	389	(4,491)	(100)	(4,591)

6[i]. As at March 31, 2017, the Company had assessed the carrying value of its investment in its wholly owned subsidiary viz., Subex Americas Inc., of ₹ 7,006 Lakhs. Based on future operational plan, projected cash flows and valuation carried out by an external valuer, the Company made an impairment provision of ₹ 6,070 Lakhs towards the carrying value of its investment in the said subsidiary. The management was of the view that, the carrying value of the aforesaid investment (net of provision) of ₹ 936 Lakhs as at March 31, 2017 was appropriate. There is no change in the management's assessment as regards the aforementioned carrying value of investment as at June 30, 2017.

Also, during the previous year, the Company made provision for impairment of ₹ 100 Lakhs towards the carrying value of its investment in the Subex Technologies Limited.

6[ii]. Represents, provision for doubtful advances no longer required written back upon collection of the said loans and advances from its overseas subsidiaries which were provided during the year ended March 31, 2016.

- 7 During the year ended March 31, 2017, the Company assessed the carrying value of its investment in its wholly owned subsidiary viz., Subex (UK) Limited of ₹ 64,739 Lakhs. Considering the future operational plan, projected cash flows and the valuation carried out by an external valuer, the management was of the view that, the carrying value of its aforesaid investment of ₹ 64,739 Lakhs in Subex (UK) Limited as at March 31, 2017 was appropriate. There is no change in the management's assessment as regards the aforementioned carrying value of investment as at June 30, 2017.
- 8 Other income for the quarter ended June 30, 2017, includes write back of withholding taxes paid earlier in respect of interest on FCCBs, which is no longer payable on account of conversion of FCCBs into equity shares of the Company, amounting to ₹ 30 Lakhs (Quarter ended March 31, 2017 and June 30, 2016 amounting to ₹ 205 Lakhs and ₹ 205 Lakhs, respectively and that for the year ended March 31, 2017 amounting to ₹ 1,037 Lakhs). Such, write back of withholding taxes has been adjusted with other withholding taxes liabilities of the Company.
- 9 Employee benefits expenses for the quarter ended June 30, 2017, March 31, 2017 and June 30, 2016 are net of reversal of provision no longer required, in respect of employee incentives relating to sales and delivery commissions, amounting to ₹ 118 Lakhs, ₹ 70 Lakhs and ₹ Nil respectively and that for the year ended March 31, 2017 amounting to ₹ 70 Lakhs.



- 10 The Company is engaged in the business of software products and related services. These, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute one segment and hence the Company has not made any additional segment disclosures.
- 11 The figures of last quarter of previous year is the balancing figure between the audited figures in respect of the full financial year ended March 31, 2017 and the published unaudited year to date figures of nine months ended December 31, 2016.
- 12 Previous period figures have been regrouped/ reclassified, wherever necessary to confirm to current period's classification.

Bengaluru
Date: July 28, 2017




Surjeet Singh
Managing Director & CEO

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

Limited Review Report On Quarterly Consolidated Financial Results of Subex Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**Review Report to
The Board of Directors
Subex Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Subex Group comprising Subex Limited (the 'Company') and its subsidiaries (together referred to as 'the Group'), for the quarter ended June 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004
per Rajeev Kumar
Partner
Membership No.: 213803Place: Bengaluru
Date: July 28, 2017

SUBEX LIMITED

Registered office: RMZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037
Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2017

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Unaudited	Audited (Refer note 11)	Unaudited	Audited
Income				
1 Revenue from operations	7,618	9,485	8,334	35,733
2 Other income (Refer note 8)	59	263	229	1,154
3 Total income (1+2)	7,677	9,748	8,563	36,887
Expenses				
(a) Employee benefits expense (Refer note 9)	4,333	3,582	4,067	15,871
(b) Finance costs	225	508	558	2,040
(c) Depreciation and amortisation expense	130	139	112	495
(d) Exchange fluctuation loss/ (gain), net	507	647	(818)	(698)
(e) Other expenses	2,331	3,115	2,718	11,651
Total expenses	7,526	7,991	6,637	29,359
5 Profit before exceptional items and tax (3-4)	151	1,757	1,926	7,528
6 Exceptional items, net (Refer note 7)	-	(10,890)	-	(10,890)
7 Net profit/ (loss) before tax (5+6)	151	(9,133)	1,926	(3,362)
8 Tax expense, net				
Current tax	292	331	108	1,055
MAT credit entitlement	(27)	(94)	-	(94)
Deferred tax	(13)	-	-	-
Total tax expense	252	237	108	961
9 Net (loss)/ profit for the period / year (7-8)	(101)	(9,370)	1,818	(4,323)
10 Other comprehensive income, net of tax				
Items that will be reclassified subsequently to profit or loss:				
Net exchange differences on translation of foreign operations	284	212	(845)	(1,344)
Items that will not be reclassified subsequently to profit or loss:				
Re-measurement (loss)/ gain on defined benefit plans	(8)	63	(1)	(32)
Total other comprehensive income	276	275	(846)	(1,376)
11 Total comprehensive income for the period/ year (9+10)	175	(9,095)	972	(5,699)
12 Paid up equity share capital [face value of ₹ 10 (March 31, 2017: ₹ 10)]	56,200	50,691	50,475	50,691
13 Other equity	-	-	-	17,718
14 Earnings/(loss) per share (of ₹ 10/- each) (not annualised in case of the interim periods)				
(a) - Basic	(0.02)	(1.85)	0.36	(0.85)
(b) - Diluted	(0.02)	(1.85)	0.36	(0.85)



Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on July 28, 2017.
- 2 The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

- 3 The financial results of Subex Limited (Standalone information):

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Unaudited	Audited (Refer note 11)	Unaudited	Audited
Total income	7,132	8,958	7,891	33,694
Net profit/(loss) before tax	434	(3,239)	646	(429)
Net profit/(loss) for the period/ year	324	(3,353)	637	(683)
Total comprehensive income for the period/ year	316	(3,299)	636	(716)

- 4 During the quarter ended June 30, 2017, the Company made an allotment of 55,094,999 equity shares of the Company on a preferential basis, at an issue price of ₹ 14 per equity share (Face value of ₹ 10 per equity share) amounting to ₹ 7,713 Lakhs.
- 5 On June 30, 2017, the Company redeemed outstanding FCCBs III amounting to US\$ 3.6 Million (₹ 2,336 Lakhs) and paid accrued interest of US\$ 0.1 Million (₹ 67 Lakhs) on the aforesaid bonds and there is no outstanding FCCBs as at June 30, 2017. Subsequently, the deferred interest in respect of aforesaid bonds for the period July 6, 2012 to January 6, 2016 amounting to US\$ 0.72 Million (₹ 467 Lakhs) has been paid on July 6, 2017.
- 6 During the quarter ended June 30, 2017, the subsidiary of the Company viz. Subex Americas Inc., has repaid the term loan of US\$ 12 Million (₹ 7,782 Lakhs) to the respective lenders on May 15, 2017.

- 7 Exceptional items:

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Unaudited	Audited (Refer note 11)	Unaudited	Audited
Loss on impairment of goodwill (note 7[i]&[ii])	-	(10,890)	-	(10,890)
Total	-	(10,890)	-	(10,890)

7[i] As at March 31, 2017, the Company assessed the carrying value of goodwill relating to its investment in the subsidiary viz. Subex Americas Inc., amounting to ₹ 9,736 Lakhs. Based on future operational plan, projected cash flows and valuation carried out by an external valuer, the Company made an impairment provision of ₹ 6,010 Lakhs towards the carrying value of goodwill relating to its investment in the said subsidiary. The management was of the view that, the carrying value of the goodwill (net of provision) of ₹ 3,726 Lakhs as at March 31, 2017 was appropriate. There is no change in the management's assessment as regards the aforementioned carrying value of goodwill as at June 30, 2017.

7[ii] As at March 31, 2017, the Company assessed the carrying value of goodwill relating to its investment in the subsidiary viz. Subex (UK) Limited amounting to ₹ 67,036 Lakhs. Based on future operational plan, projected cash flows and valuation carried out by an external valuer, the Company made an impairment provision of ₹ 4,880 Lakhs towards the carrying value of goodwill relating to its investment in the said subsidiary. The management was of the view that, the carrying value of goodwill (net of provision) of ₹ 62,156 Lakhs as at March 31, 2017 was appropriate. There is no change in the management's assessment as regards the aforementioned carrying value of goodwill as at June 30, 2017.

- 8 Other income for the quarter ended June 30, 2017, includes write back of withholding taxes paid earlier in respect of interest on FCCBs, which is no longer payable on account of conversion of FCCBs into equity shares of the Company, amounting to ₹ 30 Lakhs (Quarter ended March 31, 2017 and June 30, 2016 amounting to ₹ 205 Lakhs and ₹ 205 Lakhs, respectively and that for the year ended March 31, 2017 amounting to ₹ 1,037 Lakhs). Such, write back of withholding taxes has been adjusted with other withholding taxes liabilities of the Company.
- 9 Employee benefits expenses for the quarters ended June 30, 2017, March 31, 2017 and June 30, 2016 are net of reversal of provision no longer required, in respect of employee incentives relating to sales and delivery commissions, amounting to ₹ 146 lakhs, ₹ 700 Lakhs and ₹ Nil, respectively and that for the year ended March 31, 2017 amounting to ₹ 700 Lakhs.



- 10 The Group is engaged in the business of software products and related services. These, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute one segment and hence the Group has not made any additional segment disclosures.
- 11 The figures of last quarter of previous year is the balancing figure between the audited figures in respect of the full financial year ended March 31, 2017 and the published unaudited year to date figures of nine months ended December 31, 2016.
- 12 Previous period figures have been regrouped/ reclassified, wherever necessary to confirm to current period's classification.
- 13 Pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has opted to publish the consolidated financial results. The standalone financial results, however, are being made available to the Stock Exchanges where the securities of the Company are listed and are also being posted on the Company's website www.subex.com.

Bengaluru

Date: July 28, 2017



Surjeet Singh
Managing Director & CEO

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



PRESS RELEASE

For Immediate Release

July 28, 2017

Press contact

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Subex announces FY18 Q1 Results with Revenue of INR 7,618 lacs and EBIDTA of INR 954 lacs

BENGALURU, INDIA – Subex Ltd, a leading telecom analytics solution provider, today announced its financial results for the quarter ended June 30, 2017.

▪ **Performance Highlights for the quarter ended June 30, 2017:**

• **Revenue for the quarter at Rs.7,618 lacs**

- Down by 9% YoY from Rs.8,334 lacs in FY17 Q1
- License & Implementation at 30%, Managed Services at 35% & Support at 35% of the total revenues

• **Profitability**

- EBIDTA ex forex for the quarter at Rs. 954 lacs down from Rs. 1,549 lacs in FY17 Q1
- Profit after Tax (PAT) for the quarter at Rs. (101) lacs down from Rs. 1,818 lacs in FY17 Q1

• **Highlights of the quarter**

- Redeemed the remaining outstanding FCCB III principal of INR 2,336 lacs (US \$ 3.6 mn), along with the interest and arrears of interest of INR 534 lacs (US \$ 0.8 mn)
- Repayment of term loan of INR 7,782 lacs (US \$ 12 mn) to its lenders outstanding in Company's subsidiary viz. Subex Americas Inc.
- Allotment of 5.5 cr equity shares of Subex Limited on a preferential basis at an issue price of INR 14 per equity share amounting to INR 7,713 lacs
- India Ratings and Research (Ind-Ra) has upgraded the ratings on Subex Limited's bank facilities as follows:
 - Fund based limits: upgraded to Long-term 'IND A-/Stable' from 'IND BBB+/Stable'.





PRESS RELEASE

- Non-fund based limits*: upgraded to Short-term 'IND A2+' from 'IND A2'
 - Announced launch of Subex 3.0 to help CSPs embrace digital transformation. In line with the new strategy, Subex also unveiled its new logo
 - Signed partnership agreement with ElevenPaths, Telefonica Cybersecurity Unit to jointly provide a disruptive Fraud management solution to Customers.
- **Awards Won**
 - Subex was declared the winner at the prestigious 2017 Pipeline Innovation Awards in the 'Innovations in Managed Services', and the Runner-up in the 'Innovations in Security & Assurance' category

- Ends -

About Subex

Subex Ltd. is a leading telecom analytics solutions provider, enabling a digital future for global telcos.

Founded in 1992, Subex has spent over 25 years in enabling 3/4th of the largest 50 CSPs globally achieve competitive advantage. By leveraging data which is gathered across networks, customers, and systems coupled with its domain knowledge and the capabilities of its core solutions, Subex helps CSPs to **drive new business models, enhance customer experience and optimise enterprises.**

Subex leverages its award-winning product portfolio in areas such as Revenue Assurance, Fraud Management, Asset Assurance and Partner Management, and complements them through its digital solutions such as IoT Security and Insights. Subex also offers scalable Managed Services and Business Consulting services.

Subex has more than 300 installations across 90+ countries.

