

SUBEX LIMITED

Registered office: Pritech Park - SEZ, Block-09, 4th Floor, B Wing, Survey No. 51-64/4, Outer ring road, Bellandur Village, Varthur Hobli, Bengaluru -560 103

Statement of unaudited standalone financial results for quarter and six months ended September 30, 2024

(₹ in Lakhs)

Particulars	Quarter ended			Year to date figures for the six months ended		Year ended
	September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
Revenue from operations	6,848	6,498	6,686	13,346	13,177	26,901
Other income	34	90	39	124	96	151
1 Total income	6,882	6,588	6,725	13,470	13,273	27,052
Expenses						
Employee benefits expense	2,858	2,901	3,042	5,759	6,051	11,784
Finance costs	50	54	59	104	124	237
Depreciation and amortization expense	320	315	368	635	702	1,350
Share of loss from Limited Liability Partnerships before exceptional items (net) (refer note 3)	380	679	591	1,059	970	1,012
Other expenses	4,100	4,103	4,191	8,203	8,766	17,673
2 Total expenses	7,708	8,052	8,251	15,760	16,613	32,056
3 Loss before exceptional items and tax expense (1-2)	(826)	(1,464)	(1,526)	(2,290)	(3,340)	(5,004)
Exceptional items						
Impairment of intangible asset (refer note 5)	-	-	-	-	-	(29)
Impairment of investment in subsidiary (refer note 5)	-	-	-	-	-	(936)
Share of profit / (loss) from Limited Liability Partnerships (refer note 3,5 and 7)	-	-	-	-	-	(13,830)
Impairment of investment in subsidiary	-	-	-	-	-	-
Profit on sale of business unit	422	-	-	422	-	-
4 Total exceptional items	422	-	-	422	-	(14,795)
5 Loss before tax expense (3-4)	(404)	(1,464)	(1,526)	(1,868)	(3,340)	(19,799)
Tax expense, net						
Current tax charge/ (reversal)	-	-	-	-	-	-
MAT credit entitlement/ (reversal)	-	-	-	-	-	-
Provision - foreign income taxes	54	130	64	184	133	379
Deferred tax charge/ (credit) (refer note 6)	-	-	-	-	-	1,147
6 Total tax expense	54	130	64	184	133	1,526
7 Net Loss for the period/ year (5-6)	(458)	(1,594)	(1,590)	(2,052)	(3,473)	(21,325)
Other comprehensive (loss)/ income, net of tax expense						
Items that will not be reclassified subsequently to profit or loss						
Re-measurement (loss)/ gain on defined benefits plan	(28)	-	(2)	(28)	5	(1)
8 Total other comprehensive income / (loss)	(28)	-	(2)	(28)	5	(1)
9 Total comprehensive loss for the period/ year (7+8)	(486)	(1,594)	(1,592)	(2,080)	(3,468)	(21,326)
10 Paid up equity share capital [face value of ₹ 5 per share (March 31, 2024: ₹ 5 per share)]	28,100	28,100	28,100	28,100	28,100	28,100
11 Other equity	-	-	-	-	-	(6,712)
12 Earnings per share (of ₹ 5/- each) (not annualised in case of the interim periods)						
- Basic (₹)	(0.08)	(0.29)	(0.29)	(0.37)	(0.68)	(3.86)
- Diluted (₹)	(0.08)	(0.29)	(0.29)	(0.37)	(0.68)	(3.86)



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Statement of Standalone Assets and Liabilities

(₹ in Lakhs)

Particulars	As at	
	September 30, 2024	March 31, 2024
	Unaudited	Audited
A ASSETS		
Non-current assets		
Property, plant and equipment	463	512
Right-of-use assets	1,994	2,266
Intangible assets	313	371
Financial assets		
Investments	14,185	16,885
Other financial assets	696	680
Income tax asset (net)	2,868	2,909
Deferred tax asset (net) (including MAT credit entitlement)	136	136
Other non-current assets	45	74
	20,700	23,833
Current assets		
Financial assets		
Investments	307	731
Loans	71	62
Trade receivables	6,745	7,501
Cash and cash equivalents	1,406	1,072
Other balances with banks	680	109
Other financial assets	502	86
Other current assets	1,153	1,267
	10,864	10,828
Total assets	31,564	34,661
B EQUITY AND LIABILITIES		
Equity		
Equity share capital	28,100	28,100
Other equity	(8,739)	(6,712)
Total equity	19,361	21,388
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	1,383	1,716
Provisions	11	31
	1,394	1,747
Current liabilities		
Financial liabilities		
Lease liabilities	899	819
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	71	98
- total outstanding dues of creditors other than micro enterprises and small enterprises	5,827	6,774
Other financial liabilities	2,983	2,691
Other current liabilities	703	864
Provisions	326	280
	10,809	11,526
Total liabilities	12,203	13,273
Total equity and liabilities	31,564	34,661



SUBEX LIMITED
Standalone statement of cash flows for the six months ended September 30, 2024

(₹ in Lakhs)

Particulars	Six months ended	
	September 30, 2024	September 30, 2023
	Unaudited	Unaudited
(A) Cash flow from operating activities		
Loss before tax	(1,868)	(3,340)
<i>Adjustments to reconcile loss before tax to net cash flows:</i>		
Depreciation of property, plant and equipment and right-of-use assets	577	639
Amortization of intangible assets	58	63
Employee share based payments expense	53	45
Interest income (including fair value changes)	(46)	(79)
Net gain on sale of investment (including fair value changes)	(15)	(17)
Finance costs (including fair value changes)	104	124
Allowance for expected credit losses (net)	355	97
Share of loss from Limited Liability Partnerships (net)	1,059	970
Profit on sale of business unit	(422)	-
Net foreign exchange differences	121	436
Operating loss before working capital changes	(24)	(1,062)
<i>Working capital adjustments:</i>		
(Increase)/ decrease in loans	(9)	10
(Increase)/ decrease in trade receivables	284	(1,946)
(Increase)/ decrease in other financial assets and other assets	146	(217)
Increase/ (decrease) in trade payables	(986)	2,258
Increase/ (decrease) in other financial liabilities	(88)	105
Increase/ (decrease) in other current liabilities	(161)	123
Increase/ (decrease) in provisions	(6)	2
Income tax paid (net of refund)	(844)	(727)
Net cash flows used in operating activities	(987)	(894)
(B) Cash flow from investing activities		
Purchase of property, plant and equipment, other intangible assets and capital advances	(69)	(201)
Drawings from limited liability partnerships	2,700	-
Share of loss paid to limited liability partnership	(346)	(1,142)
Sale proceeds from mutual funds (net of purchases)	439	(21)
Net (investment) / withdrawal in deposit account	(943)	1,419
Interest received	52	75
Net cash flows from investing activities	1,833	130
(C) Cash flow from financing activities		
Proceeds from exercise of employee stock options plans	-	138
Interest paid on lease liabilities	(100)	(118)
Repayment of principal portion of lease liabilities	(412)	(323)
Net cash flows used in financing activities	(512)	(303)
(D) Net increase in cash and cash equivalents (A+B+C)	334	(1,067)
Cash and cash equivalents at the beginning of the period	1,072	2,448
(E) Cash and cash equivalents at the end of the period	1,406	1,381



1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 08, 2024.

2 The statement of unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

	Subex Limited (the "Company") has presented share of profit and share of loss from Limited Liability Partnerships ("LLP") on net basis as the management considers the net income/expense to be its return on investment in LLP. The exceptional items of above LLP's are disclosed separately as exceptional items in the statement of standalone financial results for the quarter and six months ended September 30, 2024.
4	The Company is engaged in the business of software products and related services, which are monitored as a single segment by the Chief Operating Decision Maker. Accordingly, these, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute one segment and hence the Company has not made any additional segment disclosures.
5	During the quarter and year ended March 31, 2024, based on the valuation assessment carried out by an external expert in respect of carrying value of intangible assets and 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 Rs. 29 Lakhs and Rs. 14,766 Lakhs towards such intangible assets and investments in subsidiaries respectively. The same was disclosed as an exceptional item in the statement of standalone financial results for the year ended March 31, 2024. The carrying value of intangible assets and 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 Company.
6	Pursuant to approval of the Board of Directors and Shareholders of the Company for restructuring of the business, effective April 1, 2022, certain assets and liabilities of Subex Assurance LLP ("SALLP"), wholly owned subsidiary, were transferred to the Company for an aggregate consideration of ₹ 9,229 Lakhs. The aforesaid restructuring was being carried out to achieve higher operational efficiencies upon integration and consolidation of business in the listed entity. SALLP continues 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. SALLP earns royalty on use of such IPR by the Company. Consequent to the aforesaid restructuring during the quarter ended June 30, 2022, the management recognised deferred tax assets of ₹ 1,147 Lakhs. During the quarter and year ended March 31, 2024, the Company had reassessed the recoverability of deferred tax asset and had charged the same to the statement of standalone financials results.
7	During the quarter ended september 30, 2024, Subex Digital LLP (a wholly-owned subsidiary of Subex Limited), with the approval of the board of directors of Subex Limited, has sold ID Central to Handy Online Solution Private Limited (OnGrid) at a valuation of Rs.526 lakhs via a slump sale effective on July 15, 2024, without assigning values to individual assets and liabilities. The transaction involves payment of aforesaid consideration of Rs.526 lakhs by OnGrid by the allotment of 104 equity shares of OnGrid, representing 0.75% of OnGrid's fully diluted share capital, based on OnGrid's valuation, to Subex Digital LLP. In this regard, profit on sale of business unit amounting to Rs.422 Lakhs, being excess of consideration over the carrying value of net assets transferred and related costs incurred, has been recognised as income and is presented as exceptional item in the in the statement of standalone financial results for the quarter and six months ended September 30, 2024.




Nisha Dutt
Managing Director &
Chief Executive Officer
DIN : 06465957

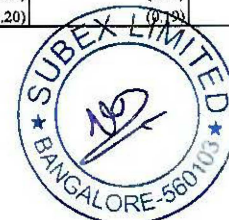
For further details on the results, please visit our website: www.subex.com

SUBEX LIMITED

Registered office: Pritech Park - SEZ, Block-09, 4th Floor, B Wing, Survey No. 51-64/4, Outer ring road, Bellandur Village, Varthur Hobli, Bengaluru -560 103
Statement of unaudited consolidated financial results for the quarter and six months ended September 30, 2024

(₹ in Lakhs)

Particulars	Quarter ended			Year to date figures for the six months ended		Year ended
	September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
Revenue from operations	7,416	6,816	7,681	14,232	14,410	30,972
Other income	120	192	128	312	263	673
1 Total income	7,536	7,008	7,809	14,544	14,673	31,645
Expenses						
Employee benefits expense	5,035	4,776	5,437	9,811	10,867	20,900
Finance costs	59	59	66	118	136	263
Depreciation and amortization expense	373	366	420	739	807	1,559
Other expenses	2,192	2,644	2,701	4,836	5,474	11,638
2 Total expenses	7,659	7,845	8,624	15,504	17,284	34,360
3 (Loss)/profit before exceptional items and tax expense (1-2)	(123)	(837)	(815)	(960)	(2,611)	(2,715)
Exceptional items						
Impairment of goodwill (refer note 4)	-	-	-	-	-	(14,795)
Profit on sale of business unit (refer note 6)	422	-	-	422	-	-
4 Total exceptional items	422	-	-	422	-	(14,795)
5 Profit/(loss) before tax expense (3-4)	299	(837)	(815)	(538)	(2,611)	(17,510)
Tax expense, net						
Current tax charge/ (reversal)	10	16	14	26	19	75
MAT credit entitlement/ (reversal)	-	-	-	-	-	-
Provision - foreign income taxes	224	254	159	478	304	752
Deferred tax charge/(credit) (refer note 5)	3	14	117	17	99	836
6 Total tax expense	237	284	290	521	422	1,663
7 Net profit/(loss) for the period/ year (5-6)	62	(1,121)	(1,105)	(1,059)	(3,033)	(19,173)
Other comprehensive income/ (loss) net of tax expense						
<i>Items that will be reclassified subsequently to profit or loss:</i>						
Net exchange differences gain/(loss) on translation of foreign operations	79	(5)	54	74	33	61
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Re-measurement (loss)/ gain on defined benefit plan	(15)	-	(16)	(15)	(10)	(47)
8 Total other comprehensive income	64	(5)	38	59	23	14
9 Total comprehensive income/ (loss) for the period/ year (7+8)	126	(1,126)	(1,067)	(1,000)	(3,010)	(19,159)
10 Paid up equity share capital [face value of ₹ 5 per share (March 31, 2024: ₹ 5 per share)]	28,100	28,100	28,100	28,100	28,100	28,100
11 Other equity	-	-	-	-	-	5,251
12 Earnings per share (of ₹ 5/- each) (not annualised in case of the interim periods)						
- Basic (₹)	0.01	(0.20)	(0.20)	(0.19)	(0.55)	(3.47)
- Diluted (₹)	0.01	(0.20)	(0.20)	(0.19)	(0.55)	(3.47)



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Registered office: Pritech Park - SEZ, Block-09, 4th Floor, B Wing, Survey No. 51-64/4, Outer ring road, Bellandur Village, Varthur Hobli, Bangalore -560 103

Statement of Consolidated Assets and Liabilities

(₹ in Lakhs)

Particulars	As at	
	September 30, 2024	March 31, 2024
	Unaudited	Audited
A ASSETS		
Non-current assets		
Property, plant and equipment	560	640
Right-of-use assets	2,149	2,524
Goodwill on consolidation	19,614	19,614
Intangible assets	5	7
Financial assets		
Investments	691	165
Other financial assets	1,360	730
Income tax asset (net)	3,830	4,029
Deferred tax asset (net) (including MAT credit entitlement)	136	137
Other non-current assets	76	84
	28,421	27,930
Current assets		
Financial assets		
Loans	105	97
Investments	357	731
Trade receivables	10,175	10,155
Cash and cash equivalents	5,819	6,776
Other balances with banks	2,331	3,046
Other financial assets	1,123	417
Other current assets	3,400	3,820
	23,310	25,042
Total assets	51,731	52,972
B EQUITY AND LIABILITIES		
Equity		
Equity share capital	28,100	28,100
Other equity	4,305	5,251
Total equity	32,405	33,351
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	1,462	1,835
Provisions	266	268
Deferred tax liabilities (net)	7,049	7,033
	8,777	9,136
Current liabilities		
Financial liabilities		
Lease liabilities	989	981
Trade payables	2,189	2,412
Other financial liabilities	2,971	3,222
Other current liabilities	3,229	2,824
Provisions	707	642
Income tax liabilities (net)	464	404
	10,549	10,485
Total liabilities	19,326	19,621
Total equity and liabilities	51,731	52,972



SUBEX LIMITED
Consolidated statement of cash flows for the six months ended September 30, 2024

(₹ in Lakhs)

Particulars	Six months ended	
	September 30, 2024	September 30, 2023
	Unaudited	Unaudited
(A) Cash flow from operating activities		
Loss before tax	(538)	(2,611)
<i>Adjustments to reconcile loss before tax to net cash flows:</i>		
Depreciation of property, plant and equipment and right-of-use assets	737	805
Amortization of intangible assets	2	2
Interest income (including fair value changes)	(232)	(224)
Net gain on sale of investment (including fair value changes)	(15)	(39)
Finance costs (including fair value changes)	118	136
Allowance for expected credit losses (net)	137	510
Employee share based payments expense	54	48
Profit on sale of business unit	(422)	-
Net foreign exchange differences	55	238
Operating loss before working capital changes	(104)	(1,135)
<i>Working capital adjustments:</i>		
(Increase)/ decrease in loans	(6)	(1)
(Increase)/ decrease in trade receivables	(153)	(1,451)
(Increase)/ decrease in other financial assets and other assets	486	108
Increase/ (decrease) in trade payables	(333)	298
Increase/ (decrease) in other financial liabilities	(287)	591
Increase/ (decrease) in other current liabilities	375	398
Increase/ (decrease) in provisions	33	24
Income tax paid (net of refund)	11	(1,168)
Net cash flows used in operating activities	(236)	(433)
(B) Cash flow from investing activities		
Purchase of property, plant and equipment, other intangible assets and capital advances	(95)	(206)
Sale proceeds from mutual funds	389	282
Net (investment) / withdrawal in deposit account	(709)	545
Interest received	313	165
Net cash flows (used in) / from investing activities	(102)	786
(C) Cash flow from financing activities		
Proceeds from exercise of employee stock options plans	-	138
Interest paid on lease liabilities	(106)	(125)
Repayment of principal portion of lease liabilities	(525)	(411)
Net cash flows used in financing activities	(631)	(398)
(D) Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(958)	(1,213)
Net foreign exchange difference on cash and cash equivalents	1	(2)
Cash and cash equivalents at the beginning of the period	6,776	5,238
(E) Cash and cash equivalents at the end of the period	5,819	4,023



Notes:

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 08, 2024.
- 2 The statement of unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 The Group is engaged in the business of software products and related services, which are monitored as a single segment by the Chief Operating Decision Maker. Accordingly, these, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute one segment and hence the Group has not made any additional segment disclosures.
- 4 During the quarter and year ended March 31, 2024, based on the valuation assessment carried out by an external expert in respect of carrying value of goodwill and considering the significant investment required to keep the pace with the transformation in telecom sectors, the management made an impairment provision of Rs 14,795 lakhs towards such goodwill. The same was disclosed as an exceptional item in the statement of consolidated financial results for the year ended March 31, 2024. The carrying value of goodwill 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 Group.
- 5 Pursuant to approval of the Board of Directors and Shareholders of Subex Limited (the "Company") for restructuring of the business, effective April 1, 2022, certain assets and liabilities of Subex Assurance LLP ("SALLP"), wholly owned subsidiary, were transferred to the Company for an aggregate consideration of ₹ 9,229 Lakhs. The aforesaid restructuring was being carried out to achieve higher operational efficiencies upon integration and consolidation of business in the listed entity. SALLP continues 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. SALLP earns royalty on use of such IPR by the Company. Consequent to the aforesaid restructuring during the quarter ended June 30, 2022, the management recognised deferred tax assets of ₹ 702 Lakhs. During the quarter and year ended March 31, 2024, the Company had reassessed the recoverability of deferred tax asset and had charged the same to the statement of consolidated financials results.
- 6 During the quarter ended September 30, 2024, Subex Digital LLP (a wholly-owned subsidiary of Subex Limited), with the approval of the board of directors of Subex Limited, has sold ID Central to Handy Online Solution Private Limited (OnGrid) at a valuation of Rs. 526 lakhs via a slump sale effective on July 15, 2024, without assigning values to individual assets and liabilities. The transaction involves payment of aforesaid consideration of Rs. 526 lakhs by OnGrid by the allotment of 104 equity shares of OnGrid, representing 0.75% of OnGrid's fully diluted share capital, based on OnGrid's valuation, to Subex Digital LLP. In this regard, profit on sale of business unit amounting to Rs. 422 Lakhs, being excess of consideration over the carrying value of net assets transferred and related costs incurred, has been recognised as income and is presented as exceptional item in the statement of consolidated financial results for the quarter and six months ended September 30, 2024.

Place: Bengaluru

Date: November 08, 2024




Nisha Dutt
Managing Director &
Chief Executive Officer
DIN : 06465957

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