

February 12, 2014

To
The Manager – Listing
National Stock Exchange of India Limited
Exchange Plaza, Bandra – Kurla Complex,
Bandra (East)
Mumbai – 400 051

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on February 12, 2014

Please find attached the important item discussed and approved at the Board Meeting held at “Coral” Banquet Hall, Hotel Sahara Star, Sahara Hospitality Ltd., Opposite Domestic Airport, Vile Parle-East, Mumbai - 400099:

- Approval of the unaudited standalone and consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2013.

Pursuant to clause 41 of the Listing Agreement, the Company has opted to publish the consolidated financial results. The standalone financial results, however, are being made available to the Stock Exchange and are also being posted on the Company's website.

Please also find attached a copy of the press release intended to be published to the media by the Company.

We request you to take the aforesaid notification on record.

Thanking you,

Yours truly,
For Subex Limited



Ganesh K V
Global Head – Finance, Legal & Company Secretary



ENCL: As above.

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF SUBEX LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SUBEX LIMITED** ("the Company") for the Quarter and Nine Months ended December 31, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to:
 - a. Note 5 to the Statement regarding the management's assessment that the net amounts recoverable, amounting to ₹ 18,718 Lakhs of trade receivables and ₹ 1,916 Lakhs of loans and advances from one of its subsidiaries are good and that there is no diminution, other than temporary, in the carrying value of its investment, amounting to ₹ 12,496 Lakhs in the said subsidiary and hence no provision has been made at this stage for the reasons stated in the said Note.
 - b. Note 3 to the Statement, as more fully explained therein, the Company has in accordance with the Proposal approved by the Hon'ble High Court of Karnataka in prior years, debited an amount of ₹ Nil and ₹ 81 Lakhs to the Business Restructuring Reserve, instead of considering as expense for the quarter and nine months ended December 31, 2013, respectively, in the Statement, as required by Accounting Standard 5 'Net Profit or Loss for the Period, Prior Period Items'.

Our report is not qualified in respect of the above matters.

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5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Nine Months Ended December 31, 2013 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Firm Registration No. 008072S)



Monisha Parikh

Partner
(Membership No. 47840)

MUMBAI, February 12, 2014

SUBEX LTD

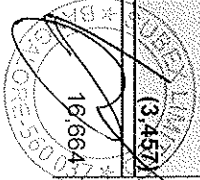
Registered office: RMZ Ecoworld, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037

Statement of Standalone Unaudited Results for the Quarter and Nine months ended December 31 2013

(Rs. In Lakhs except per share data)

PART I

Particulars	STANDALONE					
	3 Months ended	Preceding 3 months ended	Corresponding 3 months ended	For the Nine Months ended	For the Nine Months ended	Year ended
	31/12/2013 Unaudited	30/09/2013 Unaudited	31/12/2012 Unaudited	31/12/2013 Unaudited	31/12/2012 Unaudited	31/03/2013 Audited
1 Income From Operations						
Net Sales/ Income From Operations	8,203	7,246	7,737	22,027	19,614	26,556
Total Income From Operations (Net)	8,203	7,246	7,737	22,027	19,614	26,556
2 Expenses						
(a) Cost of Hardware, Software & Services	49	199	45	284	172	243
(b) Employee Benefits Expense	1,659	1,602	1,604	4,840	5,130	6,532
(c) Marketing and Allied Service Charges	3,778	3,470	3,372	10,149	9,727	12,354
(d) Other Expenditure	872	1,339	904	3,359	2,523	3,388
(e) Depreciation and Amortisation Expense	40	40	50	123	180	226
Total Expenses	6,398	6,650	5,975	18,755	17,732	22,743
Profit From Operations before Other Income, Finance costs and Exceptional Items (1-2)	1,805	596	1,762	3,272	1,882	3,813
4 Other Income						
(a) Miscellaneous Income	45	74	78	164	108	122
(b) Exchange Fluctuation Gain/(Loss)-Net	(992)	325	356	482	301	(823)
Profit From Ordinary activities before Finance costs and Exceptional Items (3+4)	858	995	2,196	3,918	2,291	3,112
6 Finance Costs						
(a) Interest on FCCB (Refer Note 8)	896	864	781	2,536	1,436	2,212
(b) Other Borrowing Costs	633	573	572	1,874	2,012	2,693
Profit / (Loss) From Ordinary activities after Finance costs but before Exceptional Items (5+6)	(671)	(442)	843	(492)	(1,157)	(1,793)
8 Exceptional Items (Net Expense)(Refer Note 2)	-	-	-	-	1,664	1,664
Profit / (Loss) from Ordinary activities before Tax (7+8)	(671)	(442)	843	(492)	(2,821)	(3,457)
10 Tax Expense (Net) (Refer Note 9)	128	(428)	-	(220)	-	-
Net Profit / (Loss) from Ordinary activities after Tax (9+10) (Refer Note 3)	(799)	(14)	843	(272)	(2,821)	(3,457)
12 Paid up Share Capital - Equity (Face value of Rs 10/-)	16,664	16,664	15,938	16,664	15,938	16,664

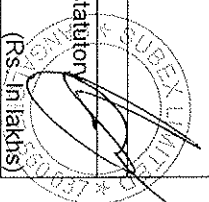


13	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year							16,870
14	Earnings per share (before extraordinary items) (of Rs 10/- each) (not annualised in case of the interim periods):							
(a)	Basic	(0.48)	(0.01)	0.53	(0.16)	(2.21)	(2.54)	
(b)	Diluted	(0.48)	(0.01)	0.47	(0.16)	(2.21)	(2.54)	
PART II								
A	PARTICULARS OF SHAREHOLDING							
1	Aggregate of Public shareholding:*							
	Number of shares	158,366,608	153,182,840	143,920,673	153,182,840	143,920,673	149,946,715	
	Percentage of shareholding (to total shareholding)	95.04%	91.92%	90.30%	95.04%	90.30%	90.65%	
2	Promoters and promoter group shareholding							
(a)	Pledged/Encumbered							
	- Number of shares	6,474,044	6,474,044	8,474,044	6,474,044	8,474,044	8,474,044	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
	- Percentage of shares (as a % of the total share capital of the company)	3.89%	3.89%	5.32%	3.89%	5.32%	5.12%	
(b)	Non-encumbered							
	- Number of Shares	-	-	-	-	-	-	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	- Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
* Total public shareholding as defined under clause 40A of the listing agreement (excludes underlying shares for GDRs)								
	Global Depository Receipts	3 Months ended 31/12/2013	Preceding 3 months ended 30/09/2013	Corresponding 3 months ended 31/12/2012	For the Nine Months ended 31/12/2013	For the Nine Months ended 31/12/2012	Year ended 31/03/2013	
	- Number of underlying Equity Shares	1,799,310	6,983,078	6,989,399	6,983,078	6,989,399	6,989,399	
	- Percentage of Share Holding	1.08%	4.19%	4.38%	4.19%	4.38%	4.23%	
	Particulars	3 Months ended 31/12/2013						
B	INVESTOR COMPLAINTS							
	Pending at the beginning of the quarter	Nil						
	Received during the quarter	Nil						
	Disposed off during the quarter	Nil						
	Remaining unresolved at the end of the quarter	Nil						

Notes :

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on February 12th, 2014, and the statutory auditors have carried out a limited Review of the results
- Exceptional items comprise -

(Rs. in lakhs)



Particulars	3 Months ended 31/12/2013	Preceding 3 months ended 30/09/2013	Corresponding 3 months ended 31/12/2012	For the Nine Months ended 31/12/2013	For the Nine Months ended 31/12/2012	Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Exceptional Provision for Doubtful trade and other receivables*	-	-	-	-	-	1,664
TOTAL	-	-	-	-	-	1,664

*During the Year ended March 31, 2013, the Company carried out an assessment of its receivables and an amount of Rs. 1,664 Lakhs was provided towards doubtful receivables. Considering that the amount of provision towards doubtful receivables was significant and relevant in understanding the financial performance, it has been disclosed separately under exceptional item.

3 As permitted under the Proposal approved by the Hon'ble High Court of Karnataka, which was given effect in the year ended March 31, 2011, the Company transferred certain amounts standing to the credit of Capital Reserve to the Business Restructuring Reserve (BRR) and utilised the same for permitted utilisations as under. Had the Proposal not provided for the above accounting treatment.

(Rs. In lakhs)

Particulars	3 Months ended 31/12/2013	Preceding 3 months ended 30/09/2013	Corresponding 3 months ended 31/12/2012	For the Nine Months ended 31/12/2013	For the Nine Months ended 31/12/2012	Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue would have been lower by	-	-	-	-	206	206
Other Expenditure would have been higher by	-	(81)	-	(81)	-	-
Loss under Exceptional items would have been higher by	-	-	-	-	1,112	1,112
Net (loss) / profit would have been (higher) / lower by	-	(81)	-	(81)	1,318	(1,318)
Earnings / (Loss) Per Share would have been						
- Basic	(0.48)	(0.06)	0.53	(0.16)	(3.24)	(3.35)
- Diluted	(0.48)	(0.06)	0.47	(0.16)	(3.24)	(3.35)

4 The Company had received a demand of service tax of Rs.3608 Lakhs and equivalent amount of penalties under the provisions of the Finance Act, 1994 along with the consequential interest, for the period from April, 2006 to July, 2009 towards service tax payable on import of certain services. The Company had filed an appeal contesting the demand before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Bangalore. During the half year, CESTAT, without expressing any opinion, has remanded the appeal back to the adjudicating authority and dispensed with the requirement of pre-deposit.

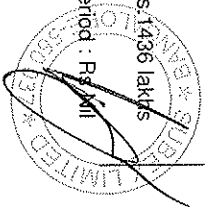
5 In the opinion of the management, considering the future operational plans and cash flows projected as of March 31, 2013 for its subsidiary Subex Americas Inc, the net amounts recoverable from such subsidiary of Rs. 18,718 Lakhs of trade receivables and loans and advances of Rs.1,916 lakhs have been considered good and recoverable. Based on the management's assessment carried out during the year ended March 31, 2013, there was no diminution, other than temporary, in the carrying value of its investment in its subsidiary of Rs.12,496 Lakhs and accordingly, no provision was required to be made. The Company anticipates achieving its projections by the year end, and accordingly no provision is considered necessary as at December 31, 2013. This is a matter of emphasis in the review report issued by the auditors.

6 The excess of the managerial remuneration paid to the directors over the limits prescribed in Schedule XIII of the Companies Act, 1956 for the financial year ended March 31, 2013 amounting to Rs.124 Lakhs is being treated as monies due from such directors, considered as recoverable and being held by them in trust for and behalf of the Company. The Company is in the process of recovering the same.

7 Segment results have not been disclosed in the Standalone results since the Company operates in only one Segment viz Products and Products related business.

8 Interest on FCCB for the quarter and nine months ended 31/12/2013 amounting to Rs. 896 lakhs and 2536 lakhs respectively, (Previous period : Rs 781 lakhs and Rs.1436 lakhs respectively) is payable on redemption in 7th July 2017.

9 Tax expense for the quarter and nine months ended 31/12/2013 includes a tax charge of Rs 101 lakhs and tax credit (net) of Rs 272 lakhs respectively, (Previous period : Rs Nil lakhs and Rs Nil lakhs respectively) relating to taxes of prior years.



10 | Previous period / year figures have been re-grouped and/or re-arranged to conform with the current period.

Certain statements in this release concerning our performance may be forward looking statements which involve risks and uncertainties that could cause actual results to vary materially from those in such statements. These risks and uncertainties include, and are not limited to, fluctuations in earnings, intense competition and success of investments.

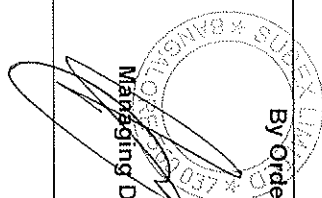
Mumbai

Date: 12th February, 2014

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

By Order of the Board

Surjeet Singh
Managing Director & CEO



INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF SUBEX LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **SUBEX LIMITED** ("the Company"), and its subsidiaries (the Company and its subsidiaries constitute "the Group") for the Quarter and Nine Months ended December 31, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 7 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review 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.
3. The Statement includes the results of the following subsidiaries:
 - Subex (UK) Limited
 - Subex (Asia Pacific) Pte Limited (Wholly owned subsidiary of Subex (UK) Ltd.)
 - Subex Inc. (Wholly owned subsidiary of Subex (UK) Ltd.)
 - Subex Americas Inc.
 - Subex Azure Holdings Inc. (Wholly owned subsidiary of Subex Americas Inc.)
 - Subex Technologies Limited
 - Subex Technologies Inc. (Wholly owned subsidiary of Subex Technologies Ltd.)
4. We did not review the interim financial information of two subsidiaries included in the consolidated financial results, whose interim financial information reflect total revenues of ₹ NIL for the Quarter and Nine Months Ended December 31, 2013, and total loss after tax of ₹63 Lakhs and ₹200 Lakhs for the Quarter and Nine Months Ended December 31, 2013, respectively, as considered in the consolidated financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of



the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

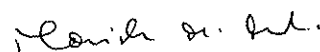
6. We draw attention to:

- a. Note 6 to the Statement regarding the management's assessment that the goodwill, amounting to ₹18,606 Lakhs, arising from the consolidation of one of its subsidiaries is not impaired and hence no provision has been made at this stage for the reasons stated in the said Note.
- b. Note 4 to the Statement, as more fully explained therein, the Company has in accordance with the Proposal approved by the Hon'ble High Court of Karnataka in prior years, debited an amount of ₹Nil and ₹81 Lakhs to the Business Restructuring Reserve, instead of considering as expense, for the quarter and nine months ended December 31, 2013, respectively, in the Statement, as required by Accounting Standard 5 'Net Profit or Loss for the Period, Prior Period Items'.

Our report is not qualified in respect of the above matters.

7. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Nine Months Ended December 31, 2013 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No.008072S)



Monisha Parikh
Partner
(Membership No. 47840)

MUMBAI, February 12, 2014

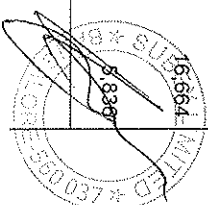
SUBEX LTD
Registered office: RMZ Ecoworld, Outer Ring Road, Devarabasanahalli, Bangalore - 560 037
Statement of Consolidated Unaudited Results for the Quarter and Nine months ended December 31, 2013

PART - I

CONSOLIDATED

(Rs. In Lakhs except per share data)

Particulars	3 Months ended	Preceding 3 months ended	Corresponding 3 months ended	For the nine months ended	For the nine month ended	Previous Year ended
	31/12/2013 Unaudited	30/09/2013 Unaudited	31/12/2012 Unaudited	31/12/2013 Unaudited	31/12/2012 Unaudited	31/03/2013 Audited
1 Income From Operations						
Net Sales/ Income From Operations	9,144	8,544	8,720	25,464	22,775	30,734
Product & Product related Services	-	-	340	-	2,287	2,324
Total Income From Operations (Net)	9,144	8,544	9,060	25,464	25,062	33,058
2 Expenses						
(a) Cost of Hardware, Software & Services	202	285	194	670	620	817
(b) Employee Benefits Expense and Sub-contract charges	4,544	4,576	4,910	13,512	16,483	20,669
(c) Other Expenditure	1,753	1,595	1,934	5,031	5,412	6,981
(d) Depreciation and Amortisation Expense	60	60	97	186	340	427
(e) Exchange Fluctuation (Gain)/Loss-Net	1,379	305	(352)	593	214	655
Total Expenses	7,938	6,821	6,783	19,992	23,069	29,549
3 Profit / (Loss) From Operations before Other Income, Finance costs and Exceptional items (1-2)	1,206	1,723	2,277	5,472	1,993	3,509
4 Other Income	3	40	47	50	77	89
5 Profit / (Loss) From Ordinary activities before Finance costs and Exceptional items (3+4)	1,209	1,763	2,324	5,522	2,070	3,598
6 Finance Costs						
(a) Interest on FCCB (Refer Note 10)	896	864	781	2,536	1,436	2,212
(b) Interest on Term Loan (Refer Note 10)	215	215	47	620	74	2,612
(c) Other Borrowing Cost	651	592	617	1,928	2,058	386
7 Profit / (Loss) From Ordinary activities after Finance costs but before Exceptional items (5+6)	(553)	92	879	438	(1,496)	(1,612)
8 Exceptional Items (Net Expense) (Refer Note 2)	-	-	-	-	3,997	3,997
9 Profit / (Loss) From Ordinary activities before Tax (7+8)	(553)	92	879	438	(5,495)	(5,609)
10 Tax Expense (Net) (Refer Note 11)	291	(64)	111	384	343	386
11 Net Profit / (Loss) From Ordinary activities after Tax (9+10)	(844)	156	768	54	(5,838)	(5,995)
(Refer Note 4)						
12 Paid up Share Capital - Equity (Face value of Rs. 10/-)	16,664	16,664	15,938	16,664	15,938	
13 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	
14 Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised in case of the interim periods):						



PART - II		Basic Diluted	(0.51) (0.51)	0.09 0.09	0.48 0.45	0.03 0.03	(4.57) (4.57)	(4.40) (4.40)
A PARTICULARS OF SHAREHOLDING								
1	Aggregate of Public shareholding:*							
	Number of shares	158,366,608	153,182,840	143,920,673	158,366,608	143,920,673	149,946,715	
	Percentage of holding (to total shareholding)	95.04%	91.92%	90.30%	95.04%	90.30%	90.65%	
2	Promoters and promoter group							
	Shareholding							
	a) Pledged/Encumbered	6,474,044	6,474,044	8,474,044	6,474,044	8,474,044	8,474,044	
	- Number of shares	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	3.89%	3.89%	5.32%	3.89%	5.32%	5.12%	
	- Percentage of shares (as a % of the total share capital of the company)							
	b) Non-encumbered	-	-	-	-	-	-	
	- Number of Shares	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	- Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

* Total public shareholding as defined under clause 40A of the listing agreement (excludes underlying shares for GDRs)

Global Depository Receipts		3 Months ended 31/12/2013	Preceding 3 months ended 30/09/2013	Corresponding 3 months ended 31/12/2012	For the nine months ended 31/12/2013	For the nine month ended 31/12/2012	For the Twelve Months ended 31/03/2013
- Number of underlying Equity Shares		1,799,310	6,983,078	6,989,399	1,799,310	6,989,399	6,989,399
- Percentage of Share Holding		1.08%	4.19%	4.38%	1.08%	4.38%	4.23%

Particulars		3 Months ended 31/12/2013
B INVESTOR COMPLAINTS		
Pending at the beginning of the quarter		Nil
Received during the quarter		Nil
Disposed off during the quarter		Nil
Remaining unresolved at the end of the quarter		Nil

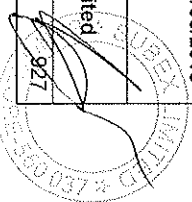
Notes :

1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on February 12th, 2014, and the statutory auditors have carried out a 'Limited Review' of the same.

2 Exceptional items comprise -

Rs in Lakhs

Particulars		3 Months ended 31/12/2013	Preceding 3 months ended 30/09/2013	Corresponding 3 months ended 31/12/2012	For the nine months ended 31/12/2013	For the nine month ended 31/12/2012	Previous Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Goodwill Impairment*		-	-	-	-	927	927



Exceptional Provision for Doubtful trade and other receivables**	-	-	-	-	3,070	3,070
TOTAL	-	-	-	-	3,997	3,997

**The company had impaired goodwill outstanding in books pertaining to its services business during the year ended March 31, 2013. As an impairment in goodwill is not considered to be regular adjustment in the results, the same has been categorised as an exceptional item.

**During the year ended March 31, 2013, the Company carried out an assessment of its receivables and an amount of Rs. 3,070 lakhs has been provided towards doubtful receivables. Considering that the amount of provision towards doubtful receivables was significant and relevant in understanding the financial performance, it has been disclosed separately under exceptional item.

3 Summary of key standalone financial results is as follows:

Particulars	3 Months ended 31/12/2013	Preceding 3 months ended 30/09/2013	Corresponding 3 months ended 31/12/2012	For the nine months ended 31/12/2013	For the nine month ended 31/12/2012	Previous Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Net Sales/ Income from Operations	8,203	7,246	7,737	22,027	19,614	26,556
Profit / (Loss) from ordinary activities before tax	(671)	(442)	843	(492)	(2,821)	(3,457)
Profit / (Loss) from ordinary activities after tax	(799)	(14)	843	(272)	(2,821)	(3,457)

4 As permitted under the Proposal approved by the Honble High Court of Karnataka, which was given effect in the year ended March 31, 2011, the Company transferred certain amounts standing to the credit of Capital Reserve to the Business Restructuring Reserve (BRF) and utilised the same for permitted utilisations as under. Had the Proposal not provided for the above accounting treatment.

(Rs in Lakhs except per share data)

Particulars	3 Months ended 31/12/2013	Preceding 3 months ended 30/09/2013	Corresponding 3 months ended 31/12/2012	For the nine months ended 31/12/2013	For the nine month ended 31/12/2012	Previous Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue would have been lower by	-	-	-	-	81	959
Other Expenditure would have been higher by	-	-	-	-	-	-
Expenses termed as Exceptional Items would have been higher / (lower) by	-	-	-	-	-	359
Net (loss) / profit would have been (higher) / lower by	-	(81)	-	(81)	1,318	(1,318)
Earnings / (Loss) Per Share would have been						
- Basic	(0.55)	0.05	0.48	(0.02)	(5.61)	(5.35)
- Diluted	(0.55)	0.05	0.45	(0.02)	(5.61)	(5.35)

5 The Company had received a demand of service tax of Rs.3608 Lakhs and equivalent amount of penalties under the provisions of the Finance Act, 1994 along with the consequential interest, for the period from April, 2006 to July, 2009 towards service tax payable on import of certain services. The Company had filed an appeal contesting the demand before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Bangalore. During the period, CESTAT, without expressing any opinion, has remanded the appeal back to the adjudicating authority and dispensed with the requirement of pre-deposit.

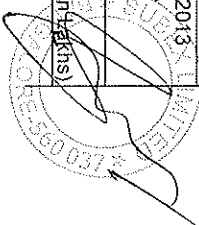
6 During the year ended March 31, 2013, the Company had assessed the carrying value of goodwill arising from its investment in its subsidiary viz. Subex Americas Inc., amounting to Rs.18,606 Lakhs. Based on the management's assessment, there was no impairment of such goodwill taking into account the future operational plans and cash flows as prepared by the management and accordingly, no impairment loss was required to be recognized. The Company anticipates achieving its projections by the year end, and accordingly no provision is considered necessary as at December 31, 2013. This is a matter of emphasis in the review report issued by the auditors.

7 The excess of the managerial remuneration paid to the directors over the limits prescribed in Schedule XIII of the Companies Act, 1956 for the financial year ended March 31, 2013 amounting to Rs.124 Lakhs is being treated as monies due from such directors, considered as recoverable and being held by them in trust for and behalf of the Company. The Company is in the process of recovering the same.

8 SEGMENT REPORTING:

Consolidated

(Rs in Lakhs)



	3 Months ended	Preceding 3 months ended	Corresponding 3 months ended	For the nine months ended	For the nine month ended	Previous Year ended
	31/12/2013	30/09/2013	31/12/2012	31/12/2013	31/12/2012	31/03/2013
1 Segment Revenue:						
(a) Products & Product related	9,144	8,544	8,720	25,464	22,775	30,734
(b) Services (Refer Note 9)	-	-	340	-	2,287	2,324
	9,144	8,544	9,060	25,464	25,062	33,058
2 Segment Profit/(Loss) before tax, interest & exceptional items						
(a) Products & Product related	1,264	1,812	1,096	5,687	1,038	4,203
(b) Services (Refer Note 9)	-	-	1,228	-	1,032	(605)
	1,264	1,812	2,324	5,687	2,070	3,598
Less: Interest (Net)	1,762	1,671	1,445	5,084	3,568	5,210
Less : Other Unallocable expenses	55	49	-	165	3,997	-
Less : Exceptional items [Net]	-	-	-	-	-	-
(a) Products & Product related	-	-	-	-	-	3,070
(b) Services	-	-	-	-	-	927
	(553)	92	879	438	(5,495)	(5,609)
3 Profit Before Taxation						
Details of Capital Employed						
(a) Products & Product related	98,862	98,696	93,784	98,862	93,784	97,200
(b) Services (Refer Note 9)	230	404	(250)	230	(250)	(267)
(c) Unallocated	(83,327)	(84,440)	(69,360)	(83,327)	(69,360)	(74,434)
9 Service business of the Company has been discontinued with effect from 01.04.2013. The capital employed for the quarter and nine months ended 31/12/2013 with regard to the Services segment represents the balance of trade receivables pending collections.						
10 Interest on FCCB for the quarter and nine months ended 31/12/2013 amounting to Rs. 896 lakhs and 2536 lakhs respectively (Previous period Rs 781 lakhs and Rs. 1436 lakhs respectively) is payable on redemption on 7th July 2017 .Interest on term loan for the quarter and nine months ended 31/12/2013 amounting to Rs. 108 lakhs and Rs.317 lakhs respectively (Previous period : Rs Nil lakhs and Rs Nil lakhs respectively) is due for payment on 21st August 2016.						
11 Tax expense for the quarter and nine months ended 31/12/2013 includes a tax charge of Rs 101 lakhs and tax credit (net) of Rs 11 lakhs respectively (Previous period : Rs 7 Lakhs and Rs 27 Lakhs respectively) relating to taxes of prior years.						
12 Previous period / year figures have been re-grouped and/or re-arranged to conform with the current period.						
13 Pursuant to clause 41 of the Listing Agreement, 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.						

Certain statements in this release concerning our performance may be forward looking statements which involve risks and uncertainties that could cause actual results to vary materially from those in such statements. These risks and uncertainties include, and are not limited to, fluctuations in earnings, intense competition and success of investments.

Mumbai
Date: 12th February, 2014

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

By Order of the Board
Surjeet Singh
Managing Director & CEO

For Immediate Release

February 12, 2014

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Director- Marketing
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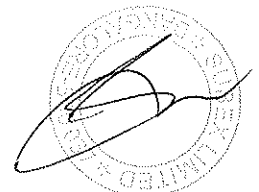
Subex announces FY14 Q3 Results with strong EBITDA growth of 27%

MUMBAI, INDIA – Subex Ltd, a leading global provider of Business Support Systems (BSS) for Communications Service Providers, today announced its financial results for the third quarter ended December 31, 2013.

Performance Highlights for the quarter ended December 31, 2013

- **Revenues for the quarter at Rs. 9,144 lacs (US\$ 15.3 million)**
 - Up by 7% QoQ from Rs 8,544 lacs
 - License & Implementation at 43%, Managed Services at 25%, Support at 32% of the total revenue
- **EBIDTA ex forex for the quarter at Rs. 2,645 lacs (US\$ 4.4 million)**
 - Up by 27% QoQ from Rs. 2,088 lacs (US \$ 3.6 million)
- **Operating Profit ex-forex for the quarter at Rs. 2,585 lacs (US\$ 4.3 million)**
 - Up by 27.5 % QoQ from Rs. 2,028 lacs (US\$ 3.43 million)
- **Profit after Tax (ex forex) for the quarter at Rs. 535 lacs (US\$ 0.9 million)**
 - Up by 16 % QoQ from Rs. 461.6 lacs (US\$ 0.78 million)
 - Forex Gain/(loss) for the quarter at Rs. (1,379) lacs (US\$ -2.30 million) as compared to forex gain/(loss) of Rs. (305) lacs (US\$ -0.52 million) for the previous quarter

Surjeet Singh, Managing Director & CEO, Subex Limited said, "We have ended another strong quarter. There is a significant increase in our EBITDA of 27% and our operating margins are up by 27.5% as compared to last quarter. We recently won five new customer deals, worth USD \$10 million, across key emerging markets and are extremely optimistic of our order pipeline. With positive market momentum and



uptake of our ROC Asset Assurance and Managed Services offerings, we are confident of gaining further traction and growing our revenues as we move forward."

- Ends -

About Subex Limited

Subex Limited is a leading global provider of Business Support Systems (BSS) that empowers communications service providers (CSPs) to achieve competitive advantage through Business Optimisation - thereby enabling them to improve their operational efficiency to deliver enhanced service experiences to subscribers.

The company pioneered the concept of a Revenue Operations Cente (ROC[®]) – a centralized approach that sustains profitable growth and financial health through coordinated operational control. Subex's product portfolio powers the ROC and its best-in-class solutions such as revenue assurance, fraud management, asset assurance, capacity management, data integrity management, credit risk management, cost management, route optimization and partner settlement. Subex also offers a scalable Managed Services program with 30 + customers.

Subex has been awarded the Global Market Share Leader in Financial Assurance 2012 by Frost & Sullivan and has been the winner of Pipeline Innovation Award 2013 in Business Intelligence & Analytics; Capacity Magazine Best Product/ Service 2013. Subex has continued to innovate with customers and have been jointly awarded the Global Telecoms Business Innovation Award for 2012 with Idea Cellular for Managed Services and in 2011 with Swisscom for Fraud Management.

Subex's customers include 29 of top 50 operators* and 33 of the world's 50 biggest# telecommunications service providers worldwide. The company has more than 300 installations across 70 countries.

**Total Telecom Top 500 Telecom Brands, 2013
#Forbes' Global 2000 list, 2013*

For more information please visit www.subex.com

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