Subex Limited
RMZ Ecoworld
Outer Ring Road, Devarabisanahalli
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October 30, 2013

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 October 30, 2013

Please find attached the important items discussed and approved at the Board Meeting held at "Diamond" Meeting Room, 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/ half year ended September 30, 2013.
- Reappointment of Mr. Surjeet Singh as Managing Director and Chief Executive Officer of the Company

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.

SUBEX LTD

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

Statement of Consolidated Unaudited Results for the Quarter and Six months ended September 30 2013

PART - I

[Rs. In Lakhs except per share data]

	Particulars	CONSOLIDATED					
		3 Months ended	Preceding 3 months ended	Corresponding 3 months ended	For the half year ended	For the half year ended	Previous Year ended
		30/09/2013 Unaudited	30/06/2013 Unaudited	30/09/2012 Unaudited	30/09/2013 Unaudited	30/09/2012 Unaudited	31/03/2013 Audited
1	Income From Operations						
(a)	Net Sales/ Income From Operations						
	Product & Product related	8,544	7,775	6,969	16,320	14,055	30,734
	Services	-	-	835	-	1,947	2,324
	Total Income From Operations (Net)	8,544	7,775	7,804	16,320	16,002	33,058
2	Expenses						
(a)	Cost of Hardware, Software & Services	285	193	273	468	426	817
(b)	Employee Benefits Expense and Sub-contract charges	4,876	4,392	5,231	8,068	11,573	20,669
(c)	Other Expenditure	1,595	1,683	1,793	3,278	3,522	6,981
(d)	Depreciation and Amortisation Expense	60	56	117	126	243	427
	Total Expenses	6,816	6,324	7,374	12,940	15,764	29,894
3	Profit / (Loss) From Operations before Other Income, Finance costs and Exceptional Items (1-2)	2,028	1,452	430	3,480	238	4,164
4	Other Income						
(a)	Miscellaneous Income	40	7	50	47	74	89
(b)	Exchange Fluctuation Gain/(Loss)-Net	(308)	1,091	(1,148)	786	(965)	(685)
5	Profit / (Loss) From Ordinary activities before Finance costs and Exceptional Items (3+4)	1,760	2,550	(668)	4,313	(293)	3,568
6	Finance Costs	1,671	1,692	1,314	3,323	2,120	5,210
7	Profit / (Loss) From Ordinary activities after Finance costs but before Exceptional Items (5-6)	92	858	(1,982)	990	(2,376)	(1,812)
8	Exceptional Items (Net Expense) (Refer Note 2)	-	-	3,997	-	3,997	3,997
9	Profit / (Loss) From Ordinary activities before Tax (7+8)	92	858	(5,979)	990	(6,373)	(5,809)
10 (a)	Tax Expense (Net)						
	(Reversals) / short provision pertaining to earlier years	(112)	-	-	(112)	-	-
	Current period	48	157	117	205	232	386
11	Net Profit / (Loss) From Ordinary activities after Tax (9-10) (Refer Note 4)	156	741	(6,096)	897	(6,605)	(6,999)
12	Paid up Share Capital						
	- Equity (Face value of Rs. 10/-)	16,664	16,664	16,665	16,664	15,865	16,664
13	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	5,036
14	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised in case of the interim periods):						
	Basic	0.09	0.44	(4.04)	0.54	(5.99)	(4.40)
	Diluted	0.09	0.44	(4.04)	0.54	(5.99)	(4.40)
PART - II							
A	PARTICULARS OF SHAREHOLDING						
1	*Aggregate of Public shareholding:**						
	Number of shares	153,182,840	153,182,840	149,182,791	153,182,840	149,182,791	149,846,715
	Percentage of holding (to total shareholding)	91.92%	91.92%	90.25%	91.92%	90.25%	90.65%
2	*Promoters and promoter group*						
	Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	8,474,044	8,474,044	8,474,044	8,474,044	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)	5.09%	5.09%	5.34%	5.09%	5.34%	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)

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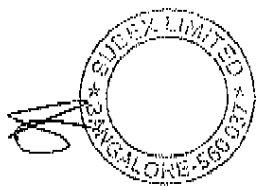
	Global Depository Receipts	3 Months ended 30/09/2013	Preceding 3 months ended 30/06/2013	Corresponding 3 months ended 30/09/2012	For the half year ended 30/09/2013	For the half year ended 30/09/2012	For the Twelve Months ended 31/03/2013
	- Number of underlying Equity Shares	6,983,078	6,983,078	8,989,399	6,983,078	8,989,399	8,989,399
	- Percentage of Share Holding	4.18%	4.19%	4.41%	4.19%	4.41%	4.23%

	Particulars	3 Months ended 30/09/2013
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	3
	Disposed off during the quarter	3
	Remaining unresolved at the end of the quarter	Nil

STATEMENT OF ASSETS AND LIABILITIES

Rs. In Lakhs

	Particulars	As At 30/09/2013 Audited	As At 31/03/2013 Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
(a)	Share capital	16,604	16,604
(b)	Reserves and Surplus	(2,004)	5,836
	Sub-total - Shareholders' funds	14,600	22,500
2	Non-current Liabilities		
(a)	Long-term Borrowings	62,302	53,709
(b)	Deferred Tax Liabilities(net)	-	-
(b)	Other Long-term Liabilities	4,046	518
(c)	Long-term Provisions	513	554
	Sub-total - Non-current liabilities	66,861	54,841
3	Current Liabilities		
(a)	Short-term Borrowings	18,437	19,368
(b)	Trade Payables - Other than acceptances	5,540	4,892
(c)	Other Current Liabilities	4,819	6,829
(d)	Short-term Provisions	519	348
	Sub-total - Current liabilities	29,315	31,457
	TOTAL - EQUITY AND LIABILITIES (1+2+3)	110,836	108,798
B	ASSETS		
1	Non-current Assets		
(a)	Fixed Assets	383	467
(b)	Goodwill on Consolidation	85,642	85,642
(c)	Deferred tax assets (net)	143	141
(d)	Long-term Loans & Advances	2,300	2,848
(e)	Other Non-current Assets	1,406	1,314
	Sub-total - Non-current assets	89,874	90,210
2	Current Assets		
(a)	Trade Receivables	10,715	7,333
(b)	Cash and Bank Balances	3,959	6,083
(c)	Short-term Loans & Advances	1,157	998
(d)	Other Current Assets	5,131	5,174
	Sub-total - Current assets	20,962	18,588
	TOTAL - ASSETS (1+2)	110,836	108,798



Notes :

1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on October 30, 2013.

2 Exceptional items comprise -

Rs in Lakhs

Particulars	3 Months ended 30/09/2013	Preceding 3 months ended 30/06/2013	Corresponding 3 months ended 30/09/2012	For the half year ended 30/09/2013	For the half year ended 30/09/2012	Previous Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Goodwill Impairment*	-	-	927	-	927	927
Exceptional Provision for Doubtful trade and other receivables**	-	-	3,070	-	3,070	3,070
TOTAL	-	-	3,997	-	3,997	3,997

*The company had impaired goodwill outstanding in books pertaining to its services business during the period 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:

Rs in Lakhs

Particulars	3 Months ended 30/09/2013	Preceding 3 months ended 30/06/2013	Corresponding 3 months ended 30/09/2012	For the half year ended 30/09/2013	For the half year ended 30/09/2012	Previous Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Net Sales/ Income from Operations	7,248	6,976	6,160	13,824	11,877	26,556
Profit / (Loss) from ordinary activities before tax	(442)	620	(2,801)	178	(3,664)	(3,457)
Profit / (Loss) from ordinary activities after tax	(11)	540	(2,801)	527	(3,664)	(3,137)

4 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 except per share data)

Particulars	3 Months ended 30/09/2013	Preceding 3 months ended 30/06/2013	Corresponding 3 months ended 30/09/2012	For the half year ended 30/09/2013	For the half year ended 30/09/2012	Previous Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue would have been lower by	-	-	959	-	959	959
Other Expenditure would have been higher by	81	-	-	81	-	-
Expenses termed as Exceptional Items would have been higher /(lower) by	-	-	359	-	359	359
Net (loss) / profit would have been (higher) / lower by	(81)	-	(1,318)	(81)	(1,318)	(1,318)
Earnings / (Loss) Per Share would have been						
-Basic	0.05	0.44	(4.91)	0.49	(7.18)	(5.35)
- Diluted	0.00	0.44	(4.91)	0.48	(7.18)	(5.35)

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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 half year, 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.18,800 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 September 30, 2013.

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:***

(Rs in Lakhs)

		Consolidated					
		3 Months ended	Preceding 3 months ended	Corresponding 3 months ended	For the half year ended	For the half year ended	Previous Year ended
		30/09/2013	30/06/2013	30/09/2012	30/09/2013	30/09/2012	31/03/2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue:						
(a)	Products & Product related	8,544	7,776	6,969	16,320	14,055	30,734
(b)	Services (Refer Note 9)	-	-	835	-	1,947	2,324
		8,544	7,776	7,804	16,320	16,002	33,058
2	Segment Profit/(Loss) before tax, interest & exceptional items						
(a)	Products & Product related	1,812	2,611	(511)	4,423	(57)	4,203
(b)	Services (Refer Note 9)	-	-	(157)	-	(196)	(605)
		1,812	2,611	(668)	4,423	(253)	3,598
	Less: Interest (Net)	1,671	1,662	1,314	3,333	2,123	5,210
	Less : Other Unallocable expenses	49	61		110		
	Less : Exceptional Items (Net)						
(a)	Products & Product related			3,070		3,070	3,070
(b)	Services			927		927	927
	Profit Before Taxation	92	888	(5,979)	980	(6,373)	(5,809)
3	Details of Capital Employed						
	(a) Products & Product related	98,596	98,258	92,180	98,596	92,180	97,200
	(b) Services	330	348	(41)	330	(41)	(267)
	(c) Unallocated	(84,366)	(81,277)	(68,068)	(84,366)	(68,068)	(74,434)

9 The Service line business has been discontinued with effect from 01.04.2013.

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

11 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.

By Order of the Board

Mumbai
Date: 30th October, 2013

Surjeet Singh
Managing Director & CEO

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

SUBEX LTD

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

Statement of Standalone Unaudited Results for the Quarter and Six months ended September 30 2013

PART I

(Rs. In Lakhs except per share data)

	Particulars	STANDALONE					
		3 Months ended	Preceding 3 months ended	Corresponding 3 months ended	For the half year ended	For the half year ended	Year ended
		30/09/2013 Unaudited	30/06/2013 Unaudited	30/09/2012 Unaudited	30/09/2013 Unaudited	30/09/2012 Unaudited	31/03/2013 Audited
1	Income From Operations						
(a)	Net Sales/ Income From Operations	7,246	6,578	8,160	13,824	11,677	26,566
	Total Income From Operations (Net)	7,246	6,578	8,160	13,824	11,677	26,566
2	Expenses						
(a)	Cost of Hardware, Software & Services	198	35	106	233	127	240
(b)	Employee Benefits Expense	1,592	1,579	1,724	3,161	3,026	6,592
(c)	Marketing and Allied Service Charges	3,470	2,901	2,878	6,371	6,355	12,354
(d)	Other Expenditure	1,339	1,148	810	2,487	1,670	3,388
(e)	Depreciation and Amortisation Expense	49	43	63	93	120	226
	Total Expenses	6,650	5,707	5,581	12,357	11,298	22,743
3	Profit From Operations before Other Income, Finance costs and Exceptional Items (1-2)	596	871	579	1,467	69	3,823
4	Other Income						
(a)	Miscellaneous Income	74	45	51	119	82	122
(b)	Exchange Fluctuation Gain/(Loss)-Net	325	1,149	(428)	1,474	(56)	(833)
5	Profit From Ordinary activities before Finance costs and Exceptional Items (3+4)	995	2,065	202	3,060	95	3,112
6	Finance Costs	1,437	1,444	1,338	2,881	2,695	4,905
7	Profit / (Loss) From Ordinary activities after Finance costs but before Exceptional Items (5-6)	(442)	621	(1,137)	179	(2,600)	(1,793)
8	Exceptional Items (Net Expense)/(Refer Note 2)	-	-	1,664	-	1,664	1,664
9	Profit / (Loss) from Ordinary activities before Tax (7+8)	(442)	621	(2,801)	179	(3,664)	(3,457)
10	Tax Expense (Net)	-		-	-	-	-
(a)	Income Tax						
	Reversals pertaining to earlier years	(373)	-	-	(373)	-	-
	Current period	(55)	80	-	25	-	-
11	Net Profit / (Loss) from Ordinary activities after Tax (9-10) (Refer Note 3)	(14)	541	(2,801)	527	(3,664)	(3,457)
12	Paid up Share Capital - Equity (Face value of Rs 10/-)	16,664	16,664	16,065	16,664	16,065	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	(0.01)	0.32	(1.06)	0.32	(3.38)	(2.54)
(b)	Diluted	(0.01)	0.32	(1.06)	0.32	(3.38)	(2.54)

PART II

A	PARTICULARS OF SHAREHOLDING						
1	*Aggregate of Public shareholding**						
	Number of shares	153,182,840	153,182,840	143,182,791	153,182,840	143,182,791	149,946,715
	Percentage of shareholding (to total shareholding)	91.92%	91.92%	90.25%	91.92%	90.25%	90.85%
2	*Promoters and promoter group shareholding*						
(a)	Pledged/Encumbered						
	- Number of shares	6,474,044	6,474,044	6,474,044	6,474,044	6,474,044	6,474,044
	- 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%	5.34%	3.89%	5.34%	5.18%
(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 GDR's)*

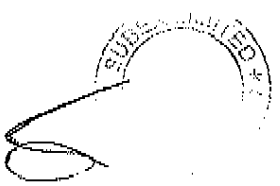
Global Depository Receipts	3 Months ended 30/09/2013	Preceding 3 months ended 30/06/2013	Corresponding 3 months ended 30/09/2012	For the half year ended 30/09/2013	For the half year ended 30/09/2012	Year ended 31/03/2013
- Number of underlying Equity Shares	6,983,078	6,983,078	6,989,399	6,983,078	6,989,399	6,985,399
- Percentage of Share Holding	4.19%	4.19%	4.41%	4.19%	4.41%	4.23%

	Particulars	3 Months ended 30/09/2013
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	3
	Disposed off during the quarter	3
	Remaining unresolved at the end of the quarter	Nil

STATEMENT OF ASSETS AND LIABILITIES

Rs. In Lakhs

	Particulars	As At 30/09/2013 Unaudited	As At 31/03/2013 Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
(a)	Share capital	16,804	16,804
(b)	Reserves and Surplus	10,787	16,870
	Sub-total - Shareholders' funds	27,491	33,634
2	Non-current Liabilities		
(a)	Long-term Borrowings	56,088	49,155
(b)	Other Long-term Liabilities	3,781	518
(c)	Long-term Provisions	417	501
	Sub-total - Non-current liabilities	60,286	50,174
3	Current Liabilities		
(a)	Short-term Borrowings	16,107	16,551
(b)	Trade Payables - Other than acceptances	58,468	43,088
(c)	Other Current Liabilities	2,540	4,159
(d)	Short-term Provisions	46	43
	Sub-total - Current liabilities	77,161	63,841
	TOTAL - EQUITY AND LIABILITIES(1+2+3)	165,438	147,649
B	ASSETS		
1	Non-current Assets		
(a)	Fixed Assets	271	333
(b)	Non-current Investments	77,294	77,294
(c)	Deferred Tax Assets (net)	134	134
(d)	Long-term Loans & Advances	2,495	2,419
(e)	Other Non-current Assets	16,400	12,689
	Sub-total - Non-current assets	96,474	92,809
2	Current Assets		
(a)	Trade Receivables	66,125	51,708
(b)	Cash and Bank Balances	82	388
(c)	Short-term Loans & Advances	700	730
(d)	Other Current Assets	2,047	1,014
	Sub-total - Current assets	68,954	54,740
	TOTAL - ASSETS (1+2)	165,428	147,549



Notes :

1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on October 30, 2013.

2 Exceptional items comprise -

(Rs. in lakhs)

Particulars	3 Months ended 30/09/2013	Preceding 3 months ended 30/06/2013	Corresponding 3 months ended 30/09/2012	For the half year ended 30/09/2013	For the half year ended 30/09/2012	Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Exceptional Provision for Doubtful trade and other receivables*	-	-	1,664	-	1,664	1,664
TOTAL	-	-	1,664	-	1,664	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 30/09/2013	Preceding 3 months ended 30/06/2013	Corresponding 3 months ended 30/09/2012	For the half year ended 30/09/2013	For the half year ended 30/09/2012	Year ended 31/03/2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue would have been lower by	-	-	208		208	208
Other Expenditure would have been higher by	(81)	-	-	(81)	-	-
Loss under Exceptional Items would have been higher by	-	-	1,112		1,112	1,112
Net (loss) / profit would have been (higher) / lower by	(81)	-	(1,318)	(81)	(1,318)	(1,318)
Earnings / (Loss) Per Share would have been						
- Basic	(0.06)	0.32	(2.73)	0.27	(4.52)	(3.35)
- Diluted	(0.06)	0.32	(2.73)	0.27	(4.52)	(3.35)

4 The Company had received a demand of service tax of Rs.3808 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. 18,483 Lakhs of trade receivables and loans and advances of Rs.1,950 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 September 30, 2013.

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 126 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 The Company has not recognised MAT credit entitlement of Rs 25 lacs as a matter of prudence

9 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.

By Order of the Board

Subex Limited

Subject Singh
Managing Director & CEO

Mumbai
Date: 30th October, 2013

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

Deloitte Haskins & Sells

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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 Half Year ended September 30, 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 assets of ₹335 Lakhs as at September 30, 2013, total revenues of ₹ NIL for the Quarter and Half Year Ended September 30, 2013, and total loss after tax of ₹62 Lakhs and ₹137 Lakhs for the Quarter and Half Year Ended September 30, 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

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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 of 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. We draw attention to Note 4 to the Statement, as more fully explained therein, during the quarter and half year, the Company has in accordance with the Proposal approved by the Hon'ble High Court of Karnataka in prior years, debited an amount of ₹81 Lakhs to the Business Restructuring Reserve, instead of considering such expense for the quarter and half year ended September 30, 2013, 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 Half Year Ended September 30, 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, October 30, 2013

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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 Half Year ended September 30, 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 of the Statement regarding the management's assessment that the net amounts recoverable, amounting to ₹ 18,483 Lakhs of trade receivables and ₹1,960 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. We draw attention to Note 3 to the Statement, as more fully explained therein, during the quarter and half year, the Company has in accordance with the Proposal approved by the Hon'ble High Court of Karnataka in prior years, debited an amount of ₹81 Lakhs to the Business Restructuring Reserve, instead of considering such expense for the quarter and half year ended September 30, 2013, 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 Half Year Ended September 30, 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, October 30, 2013

Press release

For Immediate Release **October 30, 2013**

Press contact Mansi Chouhan
Director- Marketing
+91 80 66598957
mansi.chouhan@subex.com

Subex announces FY14 Q2 Results

MUMBAI, INDIA –Subex Ltd, a leading global provider of Business Support Systems (BSS) for Communications Service Providers, today announced its financial results for the second quarter ended September 30, 2013.

Performance Highlights for the quarter ended September 30, 2013

- **Revenues for the quarter at Rs. 8,544 lacs (US$ 14.5 million)**
  - Up by 10 % QoQ from Rs 7,776 lacs.
  - License & Implementation at 41%, Managed Services at 26% Support at 33% of the total revenue
- **EBIDTA for the quarter at Rs 2,088 lacs (US$ 3.6 million)**
  - Up by 38% QoQ from Rs. 1,519 lacs (US $ 2.7 million)
- **Operating Profit ex-forex for the quarter at Rs. 2,028 lacs (US$ 3.43 million)**
  - Up by 40 % QoQ from Rs. 1,452 lacs (US$ 2.61 million)
- **Profit after Tax (ex forex) for the quarter at Rs 461.6 lacs (US$ 0.78 million)**
  - Up by 234 % QoQ from Rs (345) lacs (US$ -0.63 million)
  - Forex Gain/(loss) for the quarter at Rs. (305) lacs (US$ 0.52 million) as compared to forex gain/(loss) of Rs. 1091 lacs (US$ 1.96 million) for the previous quarter

Surjeet Singh, Managing Director & CEO, Subex Limited said, "We have ended the quarter strongly with increased positive EBITDA of 24.5% and increase in ex forex Operating Profit by 40%. With renewed focus on our core products and with increased market momentum for our ROC Assot Assurance solution, we are fairly

Press release

optimistic going ahead. Our recently concluded Subex User Conference 2013 is testimony of our solutions capabilities and assurance of our customer's support and belief in the company's strategy and growth."

- 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 Center (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 and has been the market leader in Revenue Assurance and Fraud Management for 2 years in a row according to Gartner (2010 & 2011). Subex has also been enjoying market leadership in Business Optimisation for five consecutive years according to Analysys Mason (2007, 2008, 2009, 2010 & 2011). Business Optimisation includes fraud, revenue assurance, analytics, cost management and credit risk management. Subex has been awarded the Global Telecoms Business Innovation Award for 2012 along with Idea Cellular and 2011 along with Swisscom for fraud management. Subex has also been awarded the Global Market Share Leader in Financial Assurance 2012 by Frost & Sullivan.

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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SUBEX LIMITED * BANGALORE-560 037 *