

**PART I**

(Rs. in Lakhs except per share data)

| Particulars                                                                            | STANDALONE                            |                                         |                                                         |                       |                       |  |
|----------------------------------------------------------------------------------------|---------------------------------------|-----------------------------------------|---------------------------------------------------------|-----------------------|-----------------------|--|
|                                                                                        | 3 months ended                        | Preceding 3                             | Corresponding                                           | Year ended            | Previous Year ended   |  |
|                                                                                        | 31/03/2015<br>Audited (Refer Note 10) | months ended<br>31/12/2014<br>Unaudited | 3 months ended<br>31/03/2014<br>Audited (Refer Note 10) | 31/03/2015<br>Audited | 31/03/2014<br>Audited |  |
| 1 Income From Operations                                                               |                                       |                                         |                                                         |                       |                       |  |
| Net Sales/ Income From Operations                                                      | 9,526                                 | 7,845                                   | 7,340                                                   | 30,567                | 29,367                |  |
| <b>Total Income From Operations (Net)</b>                                              | <b>9,526</b>                          | <b>7,845</b>                            | <b>7,340</b>                                            | <b>30,567</b>         | <b>29,367</b>         |  |
| 2 Expenses                                                                             |                                       |                                         |                                                         |                       |                       |  |
| (a) Cost of Hardware, Software & Services                                              | 1,132                                 | 21                                      | 106                                                     | 1,530                 | 390                   |  |
| (b) Employee Benefits Expense and Sub-contract Charges                                 | 1,800                                 | 1,940                                   | 1,721                                                   | 7,406                 | 6,561                 |  |
| (c) Marketing and Allied Service Charges                                               | 2,474                                 | 3,291                                   | 2,674                                                   | 11,788                | 12,823                |  |
| (d) Other Expenditure                                                                  | 1,536                                 | 1,390                                   | 1,284                                                   | 5,308                 | 4,643                 |  |
| (e) Depreciation and Amortisation Expense (Refer Note 7)                               | 64                                    | 59                                      | 39                                                      | 259                   | 161                   |  |
| (f) Exchange Fluctuation (Gain)/Loss Net                                               | 1,062                                 | 434                                     | 1,054                                                   | 2,068                 | 572                   |  |
| <b>Total Expenses</b>                                                                  | <b>8,068</b>                          | <b>7,135</b>                            | <b>6,878</b>                                            | <b>28,359</b>         | <b>25,150</b>         |  |
| 3 Profit From Operations before Other Income, Finance Costs and Exceptional Items (12) | 1,458                                 | 710                                     | 462                                                     | 2,208                 | 4,217                 |  |
| 4 Other Income                                                                         | 67                                    | 122                                     | 139                                                     | 278                   | 303                   |  |
| 5 Profit From Ordinary Activities before Finance Costs and Exceptional Items (14)      | 1525                                  | 832                                     | 601                                                     | 2,486                 | 4,520                 |  |
| 6 Finance Costs                                                                        | 1,254                                 | 1,277                                   | 1,418                                                   | 5,171                 | 5,829                 |  |
| (a) Interest on FCCB                                                                   | 839                                   | 818                                     | 886                                                     | 3,352                 | 3,422                 |  |
| (b) Other Borrowing Costs                                                              | 415                                   | 459                                     | 532                                                     | 1,819                 | 2,407                 |  |
| 7 Loss From Ordinary Activities after Finance Costs but before Exceptional Items (15)  | 271                                   | (445)                                   | (817)                                                   | (2,685)               | (1,309)               |  |
| 8 Exceptional Items (Net Expense) (Refer Note 2)                                       | -                                     | -                                       | 1,497                                                   | -                     | 1,497                 |  |
| 9 Loss from Ordinary Activities before Tax (16)                                        | 271                                   | (445)                                   | (2,314)                                                 | (2,685)               | (2,806)               |  |
| 10 Tax Expense (Net)                                                                   | 50                                    | 67                                      | 367                                                     | 155                   | 147                   |  |
| 11 Net Profit/(Loss) from Ordinary Activities after Tax (17)                           | 221                                   | (512)                                   | (2,681)                                                 | (2,840)               | (2,953)               |  |

| Particulars                                                                                                             | 3 months ended                        | Preceding 3 months ended | Corresponding 3 months ended          | Year ended            | Previous Year ended   |
|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------|---------------------------------------|-----------------------|-----------------------|
|                                                                                                                         | 31/03/2015<br>Audited (Refer Note 10) | 31/12/2014<br>Unaudited  | 31/03/2014<br>Audited (Refer Note 10) | 31/03/2015<br>Audited | 31/03/2014<br>Audited |
| 12 Paid up Share Capital<br>- Equity (Face value of Rs 10/-)                                                            | 18,292                                | 17,476                   | 16,664                                | 18,292                | 16,664                |
| 13 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year                              | -                                     | -                        | -                                     | -                     | 10,720                |
| 14 Loss per share (of Rs 10/- each) (not annualised in case of the interim periods):                                    |                                       |                          |                                       |                       |                       |
| (a) Basic                                                                                                               | 0.13                                  | (0.30)                   | (1.63)                                | (1.65)                | (1.77)                |
| (b) Diluted                                                                                                             | 0.13                                  | (0.30)                   | (1.61)                                | (1.65)                | (1.77)                |
| <b>PART II</b>                                                                                                          |                                       |                          |                                       |                       |                       |
| <b>A PARTICULARS OF SHAREHOLDING</b>                                                                                    |                                       |                          |                                       |                       |                       |
| 1 <b>Aggregate of Public Shareholding* (Refer Note 4(b))</b>                                                            |                                       |                          |                                       |                       |                       |
| - Number of shares                                                                                                      | 180,106,578                           | 169,481,066              | 158,366,608                           | 180,106,578           | 158,366,608           |
| - Percentage of shareholding (to total shareholding)                                                                    | 99.33%                                | 99.29%                   | 95.04%                                | 99.33%                | 95.04%                |
| 2 <b>Promoters and promoter group shareholding (Refer Note 4)</b>                                                       |                                       |                          |                                       |                       |                       |
| - Pledged/Encumbered                                                                                                    |                                       |                          |                                       |                       |                       |
| - Number of shares                                                                                                      | 974,044                               | 974,044                  | 6,474,044                             | 974,044               | 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%               |
| - Percentage of shares (as a % of the total share capital of the company)                                               | 0.54%                                 | 0.56%                    | 3.89%                                 | 0.54%                 | 3.89%                 |
| (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%                 |
| - Percentage of shares (as a % of the total share capital of the company)                                               | 0.00%                                 | 0.00%                    | 0.00%                                 | 0.00%                 | 0.00%                 |
| * Total public shareholding as defined under clause 40.4 of the listing agreement (excludes underlying shares for GDRs) |                                       |                          |                                       |                       |                       |
| <b>Global Depository Receipts</b>                                                                                       |                                       |                          |                                       |                       |                       |
|                                                                                                                         | 3 months ended                        | Preceding 3 months ended | Corresponding 3 months ended          | Year ended            | Previous Year ended   |
|                                                                                                                         | 31/03/2015                            | 31/12/2014               | 31/03/2014                            | 31/03/2015            | 31/03/2014            |
| - Number of underlying Equity Shares                                                                                    | 243,207                               | 243,207                  | 1,799,310                             | 243,207               | 1,799,310             |
| - Percentage of Share Holding                                                                                           | 0.13%                                 | 0.14%                    | 1.08%                                 | 0.13%                 | 1.08%                 |
| <b>Particulars</b>                                                                                                      |                                       |                          |                                       |                       |                       |
|                                                                                                                         | 3 months ended                        |                          |                                       |                       |                       |
|                                                                                                                         | 31/03/2015                            |                          |                                       |                       |                       |
| <b>B INVESTOR COMPLAINTS</b>                                                                                            |                                       |                          |                                       |                       |                       |
| 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                                   |                          |                                       |                       |                       |

**STATEMENT OF ASSETS AND LIABILITIES**

| Particulars                                  | (Rs. in Lakhs)                 |                                |
|----------------------------------------------|--------------------------------|--------------------------------|
|                                              | As At<br>31/03/2015<br>Audited | As At<br>31/03/2014<br>Audited |
| <b>EQUITY AND LIABILITIES</b>                |                                |                                |
| <b>1 Shareholders' Funds</b>                 |                                |                                |
| (a) Share capital                            | 18,202                         | 16,664                         |
| (b) Reserves and Surplus                     | 10,000                         | 10,720                         |
| <b>Sub-total - Shareholders' funds</b>       | <b>28,892</b>                  | <b>27,384</b>                  |
| <b>2 Non-current Liabilities</b>             |                                |                                |
| (a) Long-term Borrowings                     | 52,456                         | 54,253                         |
| (b) Deferred Tax Liabilities (net)           | 8,287                          | 5,075                          |
| (b) Other Long-term Liabilities              | 512                            | 428                            |
| (c) Long-term Provisions                     | 61,235                         | 59,756                         |
| <b>Sub-total - Non-current liabilities</b>   |                                |                                |
| <b>3 Current Liabilities</b>                 |                                |                                |
| (a) Short-term Borrowings                    | 12,507                         | 14,817                         |
| (b) Trade Payables - Other than acceptances  | 46,497                         | 51,448                         |
| (c) Other Current Liabilities                | 2,331                          | 2,318                          |
| (d) Short-term Provisions                    | 33                             | 8                              |
| <b>Sub-total - Current liabilities</b>       | <b>61,368</b>                  | <b>68,591</b>                  |
| <b>TOTAL - EQUITY AND LIABILITIES(1+2+3)</b> | <b>151,515</b>                 | <b>155,731</b>                 |
| <b>ASSETS</b>                                |                                |                                |
| <b>1 Non-current Assets</b>                  |                                |                                |
| (a) Fixed Assets                             | 550                            | 317                            |
| (b) Non-current Investments                  | 77,234                         | 77,234                         |
| (c) Deferred Tax Assets (net)                | 4,512                          | 4,094                          |
| (d) Long-term Loans & Advances               | 13,047                         | 14,999                         |
| (e) Other Non-current Assets                 | 95,343                         | 96,644                         |
| <b>Sub-total - Non-current assets</b>        |                                |                                |
| <b>2 Current Assets</b>                      |                                |                                |
| (a) Trade Receivables                        | 52,984                         | 56,989                         |
| (b) Cash and Bank Balances                   | 146                            | 86                             |
| (c) Short-term Loans & Advances              | 869                            | 557                            |
| (d) Other Current Assets                     | 2,173                          | 1,455                          |
| <b>Sub-total - Current assets</b>            | <b>56,172</b>                  | <b>59,087</b>                  |
| <b>TOTAL - ASSETS (1+2)</b>                  | <b>151,515</b>                 | <b>155,731</b>                 |

**Notes :**

1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on May 14th, 2015.

2 Exceptional items comprise -

| Particulars                                                     | 3 months ended<br>31/03/2015<br>Audited (Refer Note 10) | Preceding 3<br>months ended<br>31/12/2014<br>Unaudited | Corresponding<br>3 months ended<br>31/03/2014<br>Audited (Refer Note<br>10) | Year ended<br>31/03/2015<br>Audited | Previous Year ended<br>31/03/2014<br>Audited |
|-----------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------------|----------------------------------------------|
| Exceptional Provision for Doubtful trade and other receivables* | -                                                       | -                                                      | -                                                                           | 1,497                               | 1,497                                        |
| <b>TOTAL</b>                                                    | <b>-</b>                                                | <b>-</b>                                               | <b>-</b>                                                                    | <b>1,497</b>                        | <b>1,497</b>                                 |

\*During the Year ended March 31, 2014, the Company carried out an assessment of its receivables and an amount of Rs. 1,497 Lakhs was provided towards certain doubtful receivables. Considering that the amount of provision towards doubtful receivables was significant and relevant in understanding the financial performance, it was disclosed separately under exceptional item.

3 As permitted under the Proposal approved by the Honble High Court of Karnataka, which was given effect in the year ended March 31, 2010, 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 :

| Particulars                                  | 3 months ended<br>31/03/2015<br>Audited (Refer Note 10) | Preceding 3<br>months ended<br>31/12/2014<br>Unaudited | Corresponding<br>3 months ended<br>31/03/2014<br>Audited (Refer Note<br>10) | Year ended<br>31/03/2015<br>Audited | Previous Year ended<br>31/03/2014<br>Audited |
|----------------------------------------------|---------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------------|----------------------------------------------|
| Other Expenditure would have been higher by  | -                                                       | -                                                      | -                                                                           | -                                   | (81)                                         |
| Net loss would have been (higher) / lower by | -                                                       | -                                                      | -                                                                           | -                                   | (81)                                         |
| Loss Per Share would have been               |                                                         |                                                        |                                                                             |                                     |                                              |
| - Basic                                      | 0.13                                                    | (0.30)                                                 | (1.61)                                                                      | (1.65)                              | (1.77)                                       |
| - Diluted                                    | 0.13                                                    | (0.30)                                                 | (1.61)                                                                      | (1.65)                              | (1.77)                                       |

4(a) Pursuant to the approval of the holders of "US\$ 180 Million 2% convertible unsecured bonds", [of which US\$ 39 Million was outstanding ("FCCBs I")] and "US\$ 98.7 Million 3% convertible unsecured bonds", [of which US\$ 54.8 Million was outstanding ("FCCBs II")], at their respective meetings held on July 5, 2012 and exchange offers received under the exchange offer memorandum dated June 13, 2012, holders of US\$ 38 Million out of FCCBs I and US\$ 53.4 Million out of FCCBs II offered their bonds for exchange. Consequently, secured bonds with a face value of US\$ 127,721 Million ("FCCBs III") were issued with maturity date of July 07, 2017, having an interest rate of 5.70% p.a. payable semi-annually, an exchange rate for conversion of Rs. 56.05/US\$ and an equity conversion price of Rs. 22.79 per equity share. In accordance with the terms of FCCBs III, principal amount of US\$ 36,321 Million were mandatorily converted into equity shares at the aforesaid conversion price on July 07, 2012. Further, pursuant to the approval of the Reserve Bank of India dated April 27, 2012 and requisite approvals of the bond holders, the maturity period of the un-exchanged portion of FCCBs I of US\$ 1 Million and FCCBs II of US\$ 1.4 Million stands extended to March 09, 2017, with its other terms and conditions remaining unchanged.

4(b) The face value of FCCB's outstanding as on March 31, 2015 are as follows :

| Particulars  | US\$ Million | Rs. in Lakhs  |
|--------------|--------------|---------------|
| FCCB I       | 1.00         | 625           |
| FCCB II      | 1.40         | 875           |
| FCCB III     | 81.53        | 50,956        |
| <b>Total</b> | <b>83.93</b> | <b>52,456</b> |

Of the outstanding FCCB's III of US\$ 91.4 Million, during the year 2012-13, and the year ended March 31, 2015 FCCB's III with a face value of US\$ 3.25 Million, and US\$ 6.62 Million respectively, were converted resulting in issuance of 7,993,731 and 16,282,613 equity shares, respectively. Of the conversion during the year, in case of 13,987,45 shares the conversion was recorded by the registrar on April 10, 2015 and hence not considered in Part II above. Subsequent to the year ended March 31, 2015 the company has received an intimation for conversion of FCCB's III of US\$ 5 Million, which would result in issuance of 12,298,046 shares, leaving a current outstanding of FCCB III bond of face value of US\$ 76.53 Million.

4(c) The Board in its meeting today has also approved the reset of conversion price of the FCCB III which are convertible into equity shares of the Company, from Rs.22.79 to Rs.13.00 per equity share. As a result of the reset of conversion price, subject to necessary approvals. The said bonds as currently outstanding of face value of US\$ 76.53 million would potentially be converted into 329,988,530 shares at an exchange rate of Rs 56.05.

5 In the opinion of the management, considering the future operational plan and cash flows, dues from its subsidiaries viz., Subex Americas Inc of Rs. 17,291 Lakhs on account of trade receivables and Rs. 1,814 Lakhs of advances are considered good and recoverable. Further, based on the management's assessment, there is no diminution, other than temporary, in the carrying value of its investment in the said subsidiary of Rs. 12,496 Lakhs and accordingly, no provision is required to be made at this stage. This is a 'matter of emphasis' in the Audit Report of the Statutory Auditors.

6 The Company operates in only one segment viz products and products related business hence segment results have not been disclosed in the Standalone results.

7 Consequent to the applicability of the relevant provisions of the Companies Act, 2013, the Company has reassessed the useful lives of all the assets. This has resulted in change in the useful life of Computers and related equipment compared to the previous estimates. On account of the above, the depreciation for the year and quarter ended March 31, 2015 is higher by Rs.51.32 Lakhs and Rs. 12.65 Lakhs respectively. As per provision of Part C of Schedule II of the Companies Act, 2013 an amount of Rs. 9 Lakhs has been debited to the opening balance of the retained earnings as at April 01, 2014 towards the carrying amount of assets, where the remaining useful life of these assets is Nil.

8 Details of Promoters and promoter group shareholding is as per the reports furnished by the Registrar and Transfer Agents of the Company.

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

10 The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.

By Order of the Board

Mumbai  
Date: 14th May, 2015

Sujeet Singh  
Managing Director & CEO

For further details on the results, please visit our website: [www.subex.com](http://www.subex.com)