

SUBEX LTD

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

Statement of Standalone Unaudited Results for the Quarter Ended June 30 2015

PART I		(₹ in Lakhs unless otherwise stated)			
Particulars	3 months ended June 30, 2015 Unaudited	Standalone			Previous year ended March 31, 2015 Audited
		Preceding 3 months ended March 31, 2015 Audited (refer note 6)	Corresponding 3 months ended June 30, 2014 Unaudited		
1	Income from operations				
	Net sales/ income from operations	6,430	9,526	5,442	30,567
	Total income from operations (net)	6,430	9,526	5,442	30,567
2	Expenses				
(a)	Cost of hardware, software and support charges	3	1,132	2	1,530
(b)	Employee benefits expense and sub- contract charges	2,026	1,800	1,868	7,406
(c)	Marketing and allied service charges	2,821	2,474	3,013	11,788
(d)	Other expenditure	1,073	1,536	843	5,308
(e)	Depreciation and amortisation expense	66	64	67	259
(f)	Exchange fluctuation loss (net)	254	1,062	378	2,068
	Total expenses	6,243	8,068	6,171	28,359
3	Profit/(Loss) from operations before other income, finance costs and tax (1-2)	187	1,458	(729)	2,208
4	Other income	77	67	46	278
5	Profit/(Loss) from ordinary activities before finance costs and tax (3+4)	264	1,525	(683)	2,486
6	Finance costs				
(a)	Interest on FCCBs (refer note 2(b) & 2(c))	(475)	839	846	3,352
(b)	Other finance costs	292	415	491	1,819
7	Profit/(Loss) from ordinary activities after finance costs before tax (5-6)	447	271	(2,020)	(2,685)
8	Tax expense (net)	50	50	9	155
9	Net Profit/(Loss) for the period/year (7-8)	397	221	(2,029)	(2,840)

	Particulars	3 months ended		Preceding 3 months ended		Corresponding 3 months ended		Previous year ended	
		June 30, 2015		March 31, 2015		June 30, 2014		March 31, 2015	
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
10	Paid up share capital - Equity (face value of ₹ 10/-)	19,891	18,292	-	-	16,910	18,292	-	-
11	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	10,600	-	-	-	10,600	-	-
12	Earnings/(Loss) per share (of ₹ 10/- each) (not annualised in case of the interim periods):	-	-	-	-	-	-	-	-
(a)	- Basic	0.20	0.13	0.20	0.13	(1.20)	(1.65)	(1.20)	(1.65)
(b)	- Diluted	0.20	0.13	0.20	0.13	(1.20)	(1.65)	(1.20)	(1.65)
PART II									
		3 months ended June 30, 2015		Preceding 3 months ended March 31, 2015		Corresponding 3 months ended June 30, 2014		Previous year ended March 31, 2015	
A PARTICULARS OF SHAREHOLDING									
1	Public shareholding:* (Refer Note 2(e))								
	- Number of shares	197,692,784		180,106,578		162,382,320		180,106,578	
	- Percentage of shareholding (to total shareholding)	99.39%		99.33%		96.03%		99.33%	
2	Promoters and promoter group shareholding (Refer Note 5)								
(a)	Pledged/Encumbered								
	- Number of shares	974,044		974,044		4,974,044		974,044	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%		100.00%		76.83%		100.00%	
	- Percentage of shares (as a % of the total share capital of the company)	0.49%		0.54%		2.94%		0.54%	
(b)	Non-encumbered								
	- Number of Shares	-		-		1,500,000		-	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%		0.00%		23.17%		0.00%	
	- Percentage of shares (as a % of the total share capital of the company)	0.00%		0.00%		0.89%		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 June 30, 2015	Preceding 3 months ended March 31, 2015	Corresponding 3 months ended June 30, 2014	Previous year ended March 31, 2015
- Number of underlying equity shares		243,207	243,207	243,207	243,207
- Percentage of share holding		0.12%	0.13%	0.14%	0.13%

INVESTOR COMPLAINTS	
Particulars	3 Months ended June 30, 2015
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 August 12, 2015.
2 (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 5% convertible unsecured bonds", [of which US\$ 54.8 Million was outstanding ("FCCBs II")], at their respective meetings held on July 05, 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 ₹ 56.05/US\$ and an equity conversion price of ₹ 22.79 per equity share. In accordance with the terms of FCCBs III, principal amount of US\$ 36.321 Million was 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.
(b) The bond holders in their respective meetings have approved the deferral of aggregate interest of US\$ 12.85 Million (₹ 8180.23 Lakhs) in respect of FCCBs III for the period July 6, 2012 to January 5, 2016 till redemption date of the bonds, being July 07, 2017. Accordingly, interest on FCCBs III included under finance costs in the above results is due for payment on July 07, 2017.
(c) Interest on FCCBs is net off interest accrued but not due amounting to ₹ 1182.06 lakhs in relation to FCCBs III which has been written back during the quarter as the same is considered no longer payable due to the conversion of such FCCBs III with a face value of US\$ 16.37 Million into equity shares of the Company during the period September 2012 to June 2015.
(d) The Board in its meeting held on May 14, 2015 has approved the reset of conversion price of the FCCBs III which are convertible into equity shares of the Company, from ₹ 22.79 to ₹13.00 per equity share. Subsequently the reset of the conversion price has been approved by the shareholders in the annual general meeting held on June 19, 2015 and the bondholders in their meeting held on August 5, 2015. As a result of the aforesaid reset of conversion price, the said bonds with outstanding face value of US \$ 75.03 Million would potentially be converted into 323,520,703 equity shares at an exchange rate of ₹ 56.05 with a conversion price of ₹13 per equity share.

(e) The face value of FCCBs outstanding as on June 30, 2015 are as follows :

Particulars	US\$ Million	₹ in Lakhs
FCCB I	1.00	636.45
FCCB II	1.40	891.03
FCCB III	75.03	47,752.84
Total	77.43	49,280.32

Of the outstanding FCCBs III of US\$ 91.4 Million, during the financial years 2012-13, 2014-15 and the quarter ended June 30, 2015, FCCBs III with a face value of US\$ 3.25 Million, US\$ 6.62 Million and US\$ 6.5 Million respectively, were converted at an exchange rate of ₹ 56.05/US\$ and an equity conversion price of ₹ 22.79 resulting in issuance of 7,993,931, 16,282,613 and 15,987,461 equity shares, respectively. With regard to conversion of 1,598,745 equity shares during the quarter and year ended March 31, 2015 as the conversion was recorded by the registrar on April 10, 2015, it has not been included in part II (Particulars of shareholding) above.

3 During the financial year ended March 31, 2015, considering the future operational plan and cash flows, management of Subex Limited considered it's dues from its subsidiary viz., Subex Americas Inc., pertaining to trade receivables and advances as good and recoverable. Further based on the management's assessment, there was no diminution, other than temporary, in the carrying value of its investment in the said subsidiary of ₹ 12,495.74 Lakhs and accordingly, no provision was required to be made. There is no change in management's assessment as regards recoverability of trade receivables of ₹ 17,586.43 Lakhs, advances of ₹ 1,892.07 Lakhs and carrying value of investment of ₹ 12,495.74 Lakhs in Subex Americas Inc., as at June 30, 2015. This is an 'Emphasis of Matter' in the Limited Review Report of the Statutory Auditors on the Unaudited Standalone Results.

4 The Company has only single business segment with respect to software products and related services and hence has not made any additional segment disclosure.

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

6 The figures for the quarter ended March 31, 2015 are the balancing figures between audited figures for the year ended March 31, 2015 and unaudited figures for the nine months ended December 31, 2014.

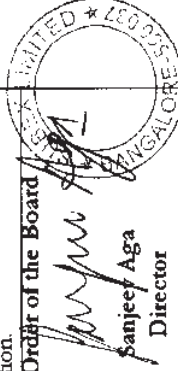
7 The figures of the previous period upto March 31, 2015 were audited/ reviewed by a firm of Chartered Accountants other than S.R. Batliboi & Associates LLP. Previous period/year figures have been regrouped/ reclassified, wherever necessary to confirm to current period's classification.

By Order of the Board

Mumbai

Date: August 12, 2015

Sanjeev Aga
Director



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