

SUBEX LTD

Registered office: Adarsh Tech Park, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037

Statement of Consolidated Audited Results for the Year Ended March 31, 2012

PART - I		(Rs. In Lakhs except per share data)				
Particulars	CONSOLIDATED					
	Three Months ended	Preceding 3 months ended	Corresponding 3 months ended	For the year ended	Previous year ended	
	31/03/2012	31/12/2011	31/03/2011	31/03/2012	31/03/2011	
	Unaudited (Refer Note 2)	Unaudited	Unaudited (Refer Note 2)	Audited	Audited	
1	Income from Operations					
(a)	Net Sales/ Income from Operations					
	Product & Product related	9,628	11,728	10,237	42,949	41,812
	Services	1,170	1,414	1,494	4,834	6,463
	Total Income from Operations	10,798	13,142	11,731	47,783	48,275
2	Expenses					
(a)	Cost of Hardware, Software & Services	244	167	239	870	797
(b)	Employee benefits expense and Sub-contract charges	5,463	6,420	6,054	25,358	26,486
(c)	Other Expenditure	2,123	2,261	1,969	8,588	8,199
(d)	Depreciation and amortisation expense	171	190	240	780	1,045
	Total expenses	8,001	9,038	8,502	35,596	36,527
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	2,797	4,104	3,229	12,187	11,748
4	Other Income	209	145	115	1,096	1,004
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	3,006	4,249	3,344	13,283	12,752
6	Finance costs	1,083	1,104	977	4,285	4,262
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	1,923	3,145	2,367	8,998	8,490
8	Exceptional Items (Net) (Refer Note 3)	388	1,217	(87)	5,479	172
9	Profit / (Loss) from ordinary activities before tax (7+8)	1,535	1,928	2,454	3,519	8,318
10	Tax expense (Net)	16	291	52	335	441
11	Net Profit / (Loss) from ordinary activities after tax (9+10) (Refer Note 8 & 9)	1,519	1,637	2,402	3,184	7,877
12	Paid up Share Capital - Equity (Face value of Rs.10/-)	6,931	6,931	6,931	6,931	6,931
13	Reserve excluding Revaluation Reserves as per Balance Sheet				7,529	14,011
14	Earnings per share (before extraordinary items) (of Rs 10/- each) (not annualised in case of the three month periods):					
	Basic	2.19	2.36	4.10	4.59	12.47
	Diluted	2.18	2.33	2.64	4.59	8.62
PART - II						
A	PARTICULARS OF SHAREHOLDING					
1	Aggregate of Public shareholding:*					
	Number of shares	54,200,225	54,200,225	52,016,189	54,200,225	52,016,189
	Percentage of holding (to total shareholding)	78.20%	78.20%	75.05%	78.20%	75.05%
2	Promoters and promoter group					
	Shareholding					
a)	Pledged/Encumbered					
	- Number of shares	7,601,801	7,601,801	6,601,801	7,601,801	6,601,801
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	93.83%	93.83%	81.49%	93.83%	81.49%
	- Percentage of shares (as a % of the total share capital of the company)	10.97%	10.97%	9.53%	10.97%	9.53%
b)	Non-encumbered					
	- Number of Shares	500,000	500,000	1,500,000	500,000	1,500,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	6.17%	6.17%	18.51%	6.17%	18.51%
	- Percentage of shares (as a % of the total share capital of the company)	0.72%	0.72%	2.16%	0.72%	2.16%
* Total public shareholding as defined under clause 40.A of the listing agreement (excludes underlying shares for GDRs 7,008,746)						

SEGMENTAL REPORTING:		(Rs. In Lakhs)				
		Consolidated				
		Three Months ended	Preceding 3 months ended	Corresponding 3 months ended	For the year ended	Previous year ended
		31/03/2012	31/12/2011	31/03/2011	31/03/2012	31/03/2011
		Unaudited (Refer Note 2)	Unaudited	Unaudited (Refer Note 2)	Audited	Audited
1	Segmental Revenue:					
(a)	Products & Product related	9,628	11,728	10,237	42,949	41,812
(b)	Services	1,170	1,414	1,494	4,834	6,463
		10,798	13,142	11,731	47,783	48,275
2	Segmental Profit/(Loss) before tax, interest & exceptional Items					
(a)	Products & Product related	2,716	4,210	3,264	13,187	12,648
(b)	Services	290	39	80	96	104
		3,006	4,249	3,344	13,283	12,752
	Less: Interest (Net)	1,083	1,104	977	4,285	4,262
	Other Unallocable (Income)/Expenditure & Exceptional items [Net]	388	1,217	(87)	5,479	172
	Profit Before Taxation	1,535	1,928	2,454	3,519	8,318
3	Details of Capital Employed					
(a)	Products & Product related					
	Segment Assets	107,176	107,879	103,533	107,176	103,533
	Segment Liabilities	16,291	17,399	17,798	16,291	17,798
(b)	Services					
	Segment Assets	1,303	1,317	1,555	1,303	1,555
	Segment Liabilities	184	199	362	184	362

Particulars		Rs. In Lakhs	
		For the year ended	Previous year ended
		31/03/2012	31/03/2011
		Audited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
(a)	Share capital	6,931	6,931
(b)	Reserves and Surplus	7,529	14,011
	Sub-total - Shareholders' funds	14,460	20,942
2	Non-current Liabilities		
(a)	Long-term Borrowings	-	37
(b)	Deferred Tax Liabilities(net)	-	9
(c)	Long-term Provisions	585	826
	Sub-total - Non-current liabilities	585	872
3	Current Liabilities		
(a)	Short-term Borrowings	12,437	12,649
(b)	Trade Payables - Other than acceptances	8,009	10,201
(c)	Other Current Liabilities	74,204	49,287
(d)	Short-term Provisions	271	12,485
	Sub-total - Current liabilities	94,921	84,622
	TOTAL - EQUITY AND LIABILITIES (1+2+3)	109,966	106,436
B	ASSETS		
1	Non-current Assets		
(a)	Fixed Assets	773	1,304
(b)	Goodwill on Consolidation	86,569	86,569
(c)	Deferred tax assets (net)	141	122
(d)	Long-term Loans & Advances	2,408	2,283
(e)	Other Non-current Assets	-	-
	Sub-total - Non-current assets	89,891	90,278
2	Current Assets		
(a)	Trade Receivables	7,339	5,416
(b)	Cash and Cash Equivalents	242	411
(c)	Short-term Loans & Advances	1,212	1,521
(d)	Other Current Assets	11,282	8,810
	Sub-total - Current assets	20,075	16,158
	TOTAL - ASSETS (1+2)	109,966	106,436

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 23, 2012.					
2	The figures for the three months ended March 31, 2012 and March 31, 2011 are the balancing figures between the audited figures for the full financial years then ended and the year to date unaudited figures published upto the nine months period ended December 31, 2011 and December 31, 2010, respectively. Previous period / year figures have been re-grouped and/or re-arranged to conform with the current period/ year.					
3	Rs. In Lakhs					
	Exceptional items comprise -					
	Particulars	Three Months ended 31/03/2012	Preceding 3 months ended 31/12/2011	Corresponding 3 months ended 31/03/2011	For the year ended 31/03/2012	Previous year ended 31/03/2011
		Unaudited (Refer Note 2)	Unaudited	Unaudited (Refer Note 2)	Audited	Audited
	Exchange Loss/(Gain) arising on restatement of Foreign Currency Convertible Bonds & restatement/settlement of intra group foreign currency loans and advances (Refer Note 10 below)	388	1,025	(87)	5,343	172
	Reversal of stock compensation expenses recorded earlier pursuant to voluntary surrender of options by employees during the current quarter	-	(404)	-	(404)	-
	Gain on Sale of Assets pertaining to Activation business during the quarter ended September 30, 2011 net of Redundancy costs	-	-	-	(56)	-
	Other Redundancy costs	-	596	-	596	-
	TOTAL	388	1,217	(87)	5,479	172
4	During the three months and the year ended March 31, 2012, the Company has granted 11,700 and 2,481,024 options respectively under its ESOP schemes.					
5	Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the three month ended March 31, 2012 : Opening Balance - Nil, Received - Nil, Attended - Nil, Closing Balance - Nil					
6	Summary of Key Standalone Financial results is as follows -					
	Rs. In Lakhs					
	Particulars	Three Months ended 31/03/2012	Preceding 3 months ended 31/12/2011	Corresponding 3 months ended 31/03/2011	For the year ended 31/03/2012	Previous year ended 31/03/2011
		Unaudited (Refer Note 2)	Unaudited	Unaudited (Refer Note 2)	Audited	Audited
	Net Sales/ Income from Operations	8,132	9,267	7,802	32,901	31,355
	Profit / (Loss) from ordinary activities before tax	959	1,597	2,124	204	7,256
	Profit / (Loss) from ordinary activities after tax	1,105	1,597	2,124	240	7,151
7	The Company has outstanding foreign currency convertible bonds (FCCBs) having face value of USD 938 Lakhs which were originally redeemable on 9th March 2012 and subsequently extended with RBI approval to 9th July 2012, along with premium of USD 373 Lakhs and related costs that are determinable on redemption. The Company is in discussions with the bond holders to meet this obligation by way of a cashless exchange offer of new bonds with a maturity in July 2017. The Company has also obtained the approval from Reserve Bank of India in support of this restructuring, based on which it expects to conclude this restructuring by the date for redemption of the existing FCCBs.					
8	As permitted under the Proposal approved by the Hon'ble High court of Karnataka, the Company, during the three month and year ended March 31, 2012, transferred certain amounts standing to the credit of Capital Reserve to the Business Restructuring Reserve and utilised the same for permitted utilisations to the extent of Rs. 225 Lakhs (Net). Had the Proposal not provided for the above accounting treatment :					
	(Rs. In Lakhs except per share data)					
	Particulars	3 Months ended 31/03/2012	Preceding 3 months ended 31/12/2011	Corresponding 3 months ended 31/03/2011	For the Year ended 31/03/2012	Previous year ended 31/03/2011
		Unaudited (Refer Note 2)	Unaudited	Unaudited (Refer Note 2)	Audited	Audited
	Other Expenditure would have been higher by	-	-	1,000	-	1,000
	Loss under Exceptional Items would have been higher / (lower by)	(225)	-	17,304	(225)	17,304
	Net profit would have been lower/ (higher) by	(225)	-	18,304	(225)	18,304
	Earnings / (Loss) Per Share would have been					
	-Basic	2.52	2.36	(27.16)	4.92	(16.50)
	- Diluted	2.51	2.33	(27.16)	4.91	(16.50)
9	Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate affairs, the Company has opted to adopt the transitional provisions under para 46A of Accounting Standard 11 'The Effects of Changes in Foreign Exchange rates' with effect from April 1, 2011. Accordingly, exchange differences arising on restatement of all Long-term monetary foreign currency assets and liabilities at rates different from those at which they were initially recorded or reported in previous financial statements (whichever is later) are accumulated in the Foreign Currency Monetary Item Translation Difference Account and are amortised over the balance period of such Long-term asset / liability. Consequent to the above, exchange fluctuation losses (net) arising on restatements of such items have been deferred to the extent of Rs. 357 Lakhs at March 31, 2012 and the profit for the year is higher by a corresponding amount.					
10	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.					
	<i>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.</i>					
By Order of the Board						
Bangalore May 23, 2012		Subash Menon Founder Chairman, Managing Director & CEO				
<i>For further details on the results, please visit our website: www.subex.com</i>						

SUBEX LTD						
Registered office: Adarsh Tech Park, Outer Ring Road, Devarabisanahalli, Bangalore - 560 037						
Statement of Standalone Audited Results for the Year Ended March 31, 2012						
PART I		(Rs. In Lakhs except per share data)				
Particulars	STANDALONE					
	3 Months ended	Preceding 3 months ended	Corresponding 3 months ended	For the year ended	Previous year ended	
	31/03/2012	31/12/2011	31/03/2011	31/03/2012	31/03/2011	
	Unaudited (Refer Note 2)	Unaudited	Unaudited (Refer Note 2)	Audited	Audited	
1	Income from Operations					
(a)	Net Sales/ Income from Operations	8,132	9,267	7,802	32,901	31,355
	Total Income from Operations	8,132	9,267	7,802	32,901	31,355
2	Expenses					
(a)	Cost of Hardware, Software & Services	106	45	43	865	147
(b)	Employee benefits expense	1,717	1,802	2,033	7,892	7,982
(c)	Marketing and Allied Service Charges	3,296	2,929	2,142	11,449	9,598
(d)	Other Expenditure	1,158	1,037	840	3,996	3,338
(e)	Depreciation and amortisation expense	87	91	126	365	555
	Total expenses	6,364	5,904	5,184	24,567	21,620
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1,768	3,363	2,618	8,334	9,735
4	Other Income	570	61	359	1,002	1,578
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	2,338	3,424	2,977	9,336	11,313
6	Finance costs	1,045	1,025	965	4,039	4,119
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	1,293	2,399	2,012	5,297	7,194
8	Exceptional items (Net) (Refer Note 3)	334	802	(112)	5,093	(62)
9	Profit / (Loss) from ordinary activities before tax (7+8)	959	1,597	2,124	204	7,256
10	Tax expense (Net)	(146)	-	-	(36)	105
11	Net Profit / (Loss) from ordinary activities after tax (9+10) (Refer Note 7 & 8)	1,105	1,597	2,124	240	7,151
12	Paid up Share Capital - Equity (Face value of Rs.10/-)	6,931	6,931	6,931	6,931	6,931
13	Reserve excluding Revaluation Reserves as per Balance Sheet				14,373	24,244
14	Earnings per share (before extraordinary items) (of Rs 10/- each) (not annualised in case of the three month periods):					
(a)	Basic	1.59	2.30	3.17	0.35	11.32
(b)	Diluted	1.59	2.27	2.15	0.35	7.88
PART II						
A	PARTICULARS OF SHAREHOLDING					
1	Aggregate of Public shareholding:*					
	Number of shares	54,200,225	54,200,225	52,016,189	54,200,225	52,016,189
	Percentage of shareholding (to total shareholding)	78.20%	78.20%	75.05%	78.20%	75.05%
2	Promoters and promoter group shareholding					
(a)	Pledged/Encumbered					
	- Number of shares	7,601,801	7,601,801	6,601,801	7,601,801	6,601,801
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	93.83%	93.83%	81.49%	93.83%	81.49%
	- Percentage of shares (as a % of the total share capital of the company)	10.97%	10.97%	9.53%	10.97%	9.53%
(b)	Non-encumbered					
	- Number of Shares	500,000	500,000	1,500,000	500,000	1,500,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	6.17%	6.17%	18.51%	6.17%	18.51%
	- Percentage of shares (as a % of the total share capital of the company)	0.72%	0.72%	2.16%	0.72%	2.16%

* Total public shareholding as defined under clause 40.A of the listing agreement (excludes underlying shares for GDRs 7,008,746)

STATEMENT OF ASSETS AND LIABILITIES

Rs. In Lakhs

	Particulars	For the year ended	Previous year ended
		31/03/2012	31/03/2011
		Audited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
(a)	Share capital	6,931	6,931
(b)	Reserves and Surplus	14,373	24,244
	Sub-total - Shareholders' funds	21,304	31,175
2	Non-current Liabilities		
(a)	Long-term Borrowings	-	37
(b)	Long-term Provisions	532	777
	Sub-total - Non-current liabilities	532	814
3	Current Liabilities		
(a)	Short-term Borrowings	10,894	11,029
(b)	Trade Payables - Other than acceptances	6,421	5,733
(c)	Other Current Liabilities	69,774	44,415
(d)	Short-term Provisions	63	12,263
	Sub-total - Current liabilities	87,152	73,440
	TOTAL - EQUITY AND LIABILITIES(1+2+3)	108,988	105,429
B	ASSETS		
1	Non-current Assets		
(a)	Fixed Assets	475	637
(b)	Non-current Investments	77,234	77,234
(c)	Deferred Tax Assets (net)	134	122
(d)	Long-term Loans & Advances	2,339	1,914
(e)	Other Non-current Assets	5	-
	Sub-total - Non-current assets	80,187	79,907
2	Current Assets		
(a)	Trade Receivables	22,439	17,785
(b)	Cash and Cash Equivalents	156	87
(c)	Short-term Loans & Advances	2,427	4,975
(d)	Other Current Assets	3,779	2,675
	Sub-total - Current assets	28,801	25,522
	TOTAL - ASSETS (1+2)	108,988	105,429

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 23, 2012.					
2	The figures for the three months ended March 31, 2012 and March 31, 2011 are the balancing figures between the audited figures for the full financial years then ended and the year to date unaudited figures published upto the nine months period ended December 31, 2011 and December 31, 2010, respectively. Previous period / year figures have been re-grouped and/or re-arranged to conform with the current period/ year.					
3	Exceptional items comprise -					Rs. In Lakhs
	Particulars	3 Months ended 31/03/2012	Preceding 3 months ended 31/12/2011	Corresponding 3 months ended 31/03/2011	For the year ended 31/03/2012	Previous year ended 31/03/2011
		Unaudited (Refer Note 2)	Unaudited	Unaudited (Refer Note 2)	Audited	Audited
	Exchange Loss/(Gain) arising on restatement of Foreign Currency Convertible Bonds & restatement/settlement of intra group foreign currency loans and advances (Refer Note 8 below)	334	1,017	(112)	5,308	(62)
	Reversal of stock compensation expenses recorded earlier pursuant to voluntary surrender of options by employees	-	(215)	-	(215)	-
	TOTAL	334	802	(112)	5,093	(62)
4	During the three months and the year ended March 31, 2012, the Company has granted 11,700 and 2,481,024 options respectively under its ESOP schemes.					
5	Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the three month ended March 31, 2012 : Opening Balance - Nil, Received - Nil, Attended - Nil, Closing Balance - Nil					
6	The Company has outstanding foreign currency convertible bonds (FCCBs) having face value of USD 938 Lakhs which were originally redeemable on 9th March 2012 and subsequently extended with RBI approval to 9th July 2012, along with premium of USD 373 Lakhs and related costs that are determinable on redemption. The Company is in discussions with the bond holders to meet this obligation by way of a cashless exchange offer of new bonds with a maturity in July 2017. The Company has also obtained the approval from Reserve Bank of India in support of this restructuring, based on which it expects to conclude this restructuring by the date for redemption of the existing FCCBs.					
7	As permitted under the Proposal approved by the Hon'ble High Court of Karnataka, the Company, during the three month and year ended March 31, 2012, transferred certain amounts standing to the credit of Capital Reserve to the Business Restructuring Reserve (BRR) and utilised the balances in the BRR for permitted utilisations under the Proposal to the extent of Rs. 2,575 Lakhs (Net). Had the Proposal not provided for the above accounting treatment :					
	(Rs. In Lakhs except per share data)					
	Particulars	3 Months ended 31/03/2012	Preceding 3 months ended 31/12/2011	Corresponding 3 months ended 31/03/2011	For the year ended 31/03/2012	Previous year ended 31/03/2011
		Unaudited (Refer Note 2)	Unaudited	Unaudited (Refer Note 2)	Audited	Audited
	Other Expenditure would have been higher by	-	-	1,000	-	1,000
	Loss under Exceptional Items would have been higher by	2,575	-	14,504	2,575	14,504
	Net profit would have been lower by	2,575	-	15,504	2,575	15,504
	Earnings / (Loss) Per Share would have been					
	-Basic	(2.12)	2.30	(19.94)	(3.37)	(13.22)
	- Diluted	(2.12)	2.27	(19.94)	(3.37)	(13.22)
8	Pursuant to the notification dated December 29, 2011 issued by the Ministry of Corporate affairs, the Company has opted to adopt the transitional provisions under para 46A of Accounting Standard 11 "The Effects of Changes in Foreign Exchange rates" with effect from April 1, 2011. Accordingly, exchange differences arising on restatement of all Long-term monetary foreign currency assets and liabilities at rates different from those at which they were initially recorded or reported in previous financial statements (whichever is later) are accumulated in the Foreign Currency Monetary Item Translation Difference Account and are amortised over the balance period of such Long-term asset / liability. Consequent to the above, exchange fluctuation losses (net) arising on restatements of such items have been deferred to the extent of Rs. 357 Lakhs at March 31, 2012 and the profit for the year is higher by a corresponding amount.					
9	Segment results have not been disclosed in the Standalone results since the Company operates in only one Segment viz Products and Products related business.					
	<i>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.</i>					

Bangalore
May 23, 2012

By Order of the Board

Subash Menon
Founder Chairman, Managing Director & CEO

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