

KERNEX MICROSYSTEMS (INDIA) LTD.

(An ISO 9001-2015 Certified Company)

Tel : +91 8414-667600
Fax : +91 8414-667695
email : kernex@kernex.in
Website : www.kernex.in



Registered Office :

"TECHNOPOLIS", Plot Nos : 38-41,
Hardware Technology Park,
TSIC Layout, Raviryal (V),
Hyderabad - 501 510. Telangana, India.

KMIL/SE/Q1/22-23/042

13th August 2022

To
The Listing / Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001
BSE Scrip Code: 532686

To
The Listing / Compliance Department
National Stock Exchange of India Ltd
Plot No. C/1, G Block, Exchange Plaza
Bandra – Kurla Complex, Bandra (E)
Mumbai – 400 051
NSE Symbol: KERNEX

Sir / Madam,

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Sub: Outcome of the Board Meeting.

Pursuant to Regulation 30 read with Part A of Schedule III, of the SEBI (LODR) Regulations, 2015, we hereby inform you that the Board of Directors of the Company at its 211th Meeting held on 13th August 2022, had, *inter-alia* transacted the following items of the business:

- Approved the Un-Audited Standalone and Consolidated Financial Results of the Company for the first quarter ended 30th June, 2022.
- Took note of the Limited review Report on un-audited Standalone and Consolidated Financial results of the Company for the first quarter ended on 30th June, 2022 as required under Regulation 33 of SEBI (LODR) Regulations, 2015.

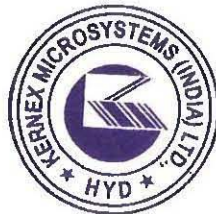
The aforesaid Board Meeting commenced at 08:00 A.M. and concluded at 11:00 A.M.

Kindly take the above information on record and acknowledge.

Thanking you,
Yours faithfully,

For Kernex Microsystems (India) Limited

M B Narayana Raju
Whole-Time Director
DIN: 07993925





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KMIL/SE/Q1/22-23/043

13th August 2022

To The Listing / Compliance Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001	To The Listing / Compliance Department National Stock Exchange of India Ltd Plot No.C/1, G Block, Exchange Plaza Bandra – Kurla Complex, Bandra (E) Mumbai – 400 051
BSE Scrip Code: 532686	NSE Symbol: KERNEX

Sir / Madam,

Sub: Submission of Audited Financial Results of the Company, Statement of Assets and Liabilities as per the provisions of SEBI (LODR) Regulations, 2015.

Please find enclosed herewith the following documents in terms of Regulation 33 of SEBI (LODR) Regulations, 2015:

1. Un-Audited Standalone and Consolidated Financial Results of the Company for the first quarter ended 30th June, 2022.
2. Limited Review Report on Standalone and Consolidated Financial results of the Company for the first quarter ended on 30th June, 2022 as required under Regulation 33 of SEBI (LODR) Regulations, 2015

This is for your information and necessary records.

Yours faithfully

For Kernex Microsystems (India) Limited

M B Narayana Raju
Whole-Time Director
DIN: 07993925





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KERNEX MICROSYSTEMS (INDIA) LIMITED

Unaudited STANDALONE Statement of financial results for the quarter ended 30th June, 2022

(All amounts in Indian Rupees, except share data and where otherwise stated)

Particulars	Quarter ended			Year ended
	30-Jun-22	31-Mar-22	30-Jun-21	31-Mar-22
	Unaudited	Audited	Unaudited	Audited
Income				
Revenue from operations	90,80,955	76,43,305	1,45,38,230	5,35,88,798
Other Income	22,01,893	34,09,026	22,43,800	1,80,26,286
Total income	1,12,82,848	1,10,52,331	1,67,82,030	7,16,15,084
Expenses				
Cost of materials consumed	77,76,716	60,59,727	1,59,47,423	2,57,66,108
Changes in inventories of finished goods, work in progress and stock in trade	-	13,14,366	(87,81,039)	84,84,389
Employee benefit expense	1,34,04,601	1,49,89,322	1,40,56,240	5,77,86,052
Finance cost	44,70,250	54,20,257	52,02,090	2,40,00,479
Depreciation and amortization expense	31,96,634	28,02,974	39,17,979	1,43,59,133
Other expenses	1,22,66,915	1,87,02,876	1,86,50,115	5,92,02,175
Total expenses	4,11,15,116	4,92,89,522	4,89,92,808	18,95,98,336
Profit/(loss) before extraordinary, exceptional items and tax	(2,98,32,268)	(3,82,37,191)	(3,22,10,779)	(11,79,83,252)
Extraordinary items				
Exceptional items	-	(4,42,58,000)		(4,42,58,000)
Profit/(loss) before tax	(2,98,32,268)	(8,24,95,191)	(3,22,10,779)	(16,22,41,252)
Tax expense				
(i) Current tax				
(ii) Previous years tax				
(iii) Deferred tax	3,21,873	9,75,832	5,45,496	35,11,132
Net profit/(loss) for the year	(3,01,54,141)	(8,34,71,023)	(3,27,56,275)	(16,57,52,384)
Other comprehensive income				
Items that will not be reclassified to Statement of Profit and loss				
(i) Remeasurement gains/(losses) of the defined benefit plans	-	(13,62,293)		(13,62,293)
(ii) Income tax effect on the above				
Total comprehensive income for the year	(3,01,54,141)	(8,48,33,316)	(3,27,56,275)	(16,71,14,677)
Earnings per equity share (EPS)				
Paid up Equity Share Capital (Face value of Rs.10/- each per equity share)	13,79,96,550	12,49,96,550	12,49,96,550	12,49,96,550
Basic and Diluted Earnings per share of Rs.10/- each (not annualised) Rs.	(2.19)	(6.68)	(2.62)	(13.26)

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Notes:

1. The above Un-Audited Standalone Financial Results were reviewed and recommended by the Audit Committee are considered and approved by the Board of Directors at their meeting held on 13th August 2022. These results are as per Regulation 33 of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No.C1R/CFD/FAC/62/2016 dated 05th July'16. The Statutory Auditors of the Company have carried out a Limited Review of the aforesaid results.
2. The Company operates in one reportable segment i.e. Safety Systems for Railways and hence segment reporting as per Ind AS-108 is not applicable.
3. These financials results have been prepared in accordance with the Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015 as amended and other accounting principles generally accepted in India.
4. Figures for the previous periods have been regrouped/rearranged, wherever considered necessary, in line with the current period presentation.
5. The results for the quarter ended 30th June, 2022 are also available on websites of BSE Limited, National Stock Exchange of (India) Limited and on the Company's Website

Place **Houston**

By order of the Board of Directors
For **Kernex Microsystems (India) Limited**

Date **13th August 2022**



M.B.Narayana Raju
Whole Time Director
DIN: 07993925



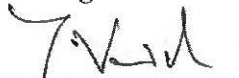
Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To The Board of Directors of KERNEX MICROSYSTEMS (INDIA) LIMITED

We have reviewed the accompanying Statement of unaudited standalone financial results of **KERNEX MICROSYSTEMS (INDIA) LIMITED** for the quarter ended June 30, 2022 (the "statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulation) as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2020 (the Circular).

1. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review
2. We conducted our review of the statement in accordance with the Standards 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 from 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 aforesaid Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed

For PRSV & Co. LLP
Chartered Accountants
Firm Registration No: S200016

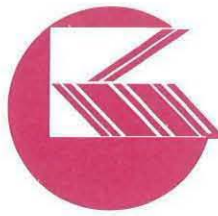

Y. Venkateswarlu

Partner
Membership No: 222068



Place: Hyderabad
Date: 13-08-2022

UDIN: 2222068AOYBYJ9139



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KERNEX MICROSYSTEMS (INDIA) LIMITED				
Unaudited CONSOLIDATED Statement of financial results for the quarter ended 30th June, 2022				
Particulars	Quarter ended			Year ended
	30-Jun-22	31-Mar-22	30-Jun-21	31-Mar-22
	Unaudited	Audited	Unaudited	Audited
Revenue from operations	99,37,563	84,46,166	1,63,27,448	6,65,14,846
Other Income	11,07,766	34,31,933	14,50,571	1,73,07,892
Total income	1,10,45,329	1,18,78,099	1,77,78,019	8,38,22,738
Expenses				
Cost of materials consumed	77,76,716	60,59,727	1,60,83,260	2,78,62,007
Purchases of stock in trade	-	-	-	-
Changes in inventories of finished goods, work in progress and stock in trade	-	13,14,366	(87,81,039)	84,84,389
Employee benefit expense	1,46,04,601	1,61,89,322	1,52,56,240	6,25,86,052
Finance cost	60,08,214	93,24,978	54,65,210	3,29,46,514
Depreciation and amortization expense	31,98,839	28,05,134	39,20,082	1,43,67,644
Other expenses	1,25,48,277	1,88,93,284	1,91,48,097	6,19,22,569
Total expenses	4,41,36,648	5,45,86,811	5,10,91,850	20,81,69,175
Profit/(loss) before extraordinary, exceptional items and tax	(3,30,91,319)	(4,27,08,713)	(3,33,13,831)	(12,43,46,437)
Extraordinary items				
Exceptional items	-	-44258000		(4,42,58,000)
Profit/(loss) before tax	(3,30,91,319)	(8,69,66,713)	(3,33,13,831)	(16,86,04,437)
Tax expense				
{i} Current tax				
{ii} Previous years tax				
{ii} Deferred tax	3,21,873	9,75,832	5,45,496	35,11,132
Net profit/(loss) for the period/year	(3,34,13,192)	(8,79,42,545)	(3,38,59,327)	(17,21,15,569)
Attributable to				
Shareholders of the Company	(3,35,23,560)	(8,80,26,502)		
Non controlling interest	(1,10,368)	(83,957)		
	(3,34,13,192)	(8,79,42,545)		
Other comprehensive income				
A (i) Items that will not be reclassified to Statement of Profit and loss	-	-13,62,293.00	-	(13,62,293)
(ii) Income tax relating to items that will not be reclassified to Statement of Profit and loss	-	-	-	-
B (i) Items that will be reclassified to Statement of Profit and loss	15,69,942	18,00,461	23,21,190	88,43,365
(ii) Income tax relating to items that will be reclassified to Statement of Profit and loss				
Total comprehensive Income	(3,18,43,250)	(8,75,04,377)	(3,15,38,137)	(16,46,34,498)
Attributable to				
Shareholders of the Company	(3,17,32,882)	(8,74,20,420)	(3,15,83,187)	(16,45,04,168)
Non controlling interest	(1,10,368)	(83,957)	45,050	(1,30,329)
Earnings per equity share (EPS)				
Paid up Equity Share Capital (Face value of Rs.10/- each per equity share)	13,79,96,550	12,49,96,550	12,49,96,550	12,49,96,550
Basic and Diluted Earnings per share of Rs.10/- each (not annualised) Rs.	(2.42)	(7.04)	(2.71)	(13.77)

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Notes:

1. The above Un-Audited Consolidated Financial Results were reviewed and recommended by the Audit Committee are considered and approved by the Board of Directors at their meeting held on 13th August 2022. These results are as per Regulation 33 of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No.C1R/CFD/FAC/62/2016 dated 05th July'16.
2. The Company operates in one reportable segment i.e. Safety Systems for Railways and hence segment reporting as per Ind AS-108 is not applicable.
3. These financials results have been prepared in accordance with the Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015 as amended and other accounting principles generally accepted in India.
4. Figures for the previous periods have been regrouped/rearranged, wherever considered necessary, in line with the current period presentation.
5. The results for the quarter ended 30th June, 2022 are also available on websites of BSE Limited, National Stock Exchange of (India) Limited and on the Company's Website

Place **Houston**

By order of the Board of Directors
For **Kernex Microsystems (India) Limited**

Date **13th August 2022**



M.B.Narayana Raju
Whole Time Director
DIN: 07993925



Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To

Board of Directors of **KERNEX MICROSYSTEMS (INDIA) LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **KERNEX MICROSYSTEMS (INDIA) LIMITED** (The Parent) and its subsidiary (The parent and its subsidiary referred to as the "Group") for the quarter ended 30 June 2022 ("the statement"), being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("the Regulation") as amended, read with SEBI Circular No.CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
2. This Statement, which is the responsibility of the parent's management and approved by the parent Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the statement in accordance with the Standards 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 from material misstatement. A review is Limited primarily to inquiries of the 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("the Regulation") as amended to the extent applicable.

4. The Statement includes the results of the following entities.

Holding/Parent Company

Kernex Microsystems (India) Ltd

Wholly owned subsidiary

Avant-Garde Infosystems Inc

Controlled entity (Joint Venture)

Kernex TCAS JV

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 aforesaid Accounting Standards prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatements.

T. V. S. D.




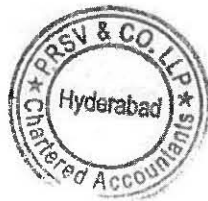


Other Matter

1. We did not review the interim financial information of 1 wholly owned subsidiary included in the unaudited consolidated financial results, whose unaudited interim financial information reflect total revenues of Rs. Nil, total net loss after tax of Rs.27,07,210 and total comprehensive income/(loss) of Rs.(11,37,268) for the quarter ended June 30, 2022, as considered in the statement. This interim financial information has been reviewed by other auditor whose report has been furnished to us by the management and our conclusion on the statement in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the reports of other auditors and the procedures performed by us as stated above.
2. The statement also includes interim financial results of 1 Joint Venture (Controlled Entity) whose unaudited interim financial results include total revenues of Rs. 87,13,772 and net loss after tax of Rs. 5,51,841 and total comprehensive income/(loss) of Rs. (5,51,841) for the quarter ended June 30, 2022, as considered in the consolidated financial statements. These interim financial results and other financial information are unaudited and have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this Joint Venture, is based solely on that unaudited financial statement/financial information furnished by the Management.

For PRSV & Co LLP
Chartered Accountants
Firm Registration No. S200016


Y. Venkateswarlu
Partner
M. No. 222068



Place: Hyderabad
Date: 13-08-2022

UDIN: 22222068AOYCBA9175