



KERNEX MICROSYSTEMS (INDIA) LTD.

(An ISO 9001-2015 Certified Company)

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Registered Office :

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Hyderabad - 501 510. Telangana, India.

28th May 2023

The Manager Listing Compliances,
BSE Limited
PhirozeJeejeebhoy Towers
Dalal Street,
Mumbai – 400 001

BSE Scrip Code: 532686

The Manager Listing Department
National Stock Exchange of India Ltd
Plot No.C/1, G Block,Exchange Plaza
Bandra – KurlaComplex, Bandra (E)
Mumbai – 400 051

NSE Symbol: KERNEX

Dear Sir/Madam,

Sub: Sub: Press Release

Dear Sirs,

Please find enclosed herewith as Annexure -"A", a copy of the press release being issued today.
Kindly take the same on record.

Thanking you,

Yours faithfully,

For Kernex Microsystems (India) Ltd

**Prasada Rao K
Company Secretary**



Kernex Built Unprecedented Order Book of Rs 563 Cr in FY'23

A Hyderabad based technology company, Kernex Microsystem, exhibited a stellar performance by building an order book of INR 563 crore during the FY 2022-23. This achievement would result in assured revenue stream for the company, for which the company had unwaveringly invested in strengthening its research & development, over past 14 years.

Your company, through its consortium with KEC, has also received multiple letters of acceptances from North Central Railway, during September 2022. The orders book accounts for over INR 537 crore and is expected to be executed over 650 days. Further, the company has also received a Letter of Award from Integral Coach Factory (ICF), Chennai for INR 26.74 crore for supply, installation, and commissioning of a Train Collision Avoidance System (TCAS) for 39 units and is expected to be completed by 31st July 2023.

The Company has posted a revenue of INR 200.36 Lakhs and net loss of INR 1938.07 Lakhs during the financial year 2022-23. The company reported revenue of INR43.30 Lakhs and net loss of INR724.56 Lakhs in Q4 of FY 2022-23

"The FY 2022-23 has been a landmark year for Kernex, wherein we secured a significant quantum of orders in a robust market, that is only expected to flourish, owing to Indian government's resolve and continued efforts towards making railway journeys safer for millions of passengers. We are not only confident of delivering our commitments in an efficient manner but also bagging more orders in the future. The FY 2023-24 will be another milestone year for Kernex, wherein it would be exhibiting a successful performance with the successful completion of the projects and revenue streamlining," said Sunny Sharma, Chief Financial Officer of Kernex.

The hard-work done by the highly skilled and motivated engineers of Kernex has started yielding results. The order book of INR 563 Crore that we have built over last FY is only the beginning of the vast opportunities provided by Indian Railways, which Kernex is well poised to harness. We are expecting to deliver an EBIT of over 30%, owing to the revenue we are expected to realise in these *Kavach* projects. Additionally, the pipeline of projects to be awarded by Indian Railways remain robust.

TCAS, also known as *Kavach*, is an indigenously developed Automatic Train Protection System to protect trains against excessive speed and collisions. Indigenously developed *Kovach* costs INR 50 lakhs per kilometer, compared to over INR 2 crore, for the solutions that global players offer. Indian Railways is estimated to implement *Kavach* for its 70,000 km long network. It has a potential to create INR 35,000 crore worth of opportunities for *Kavach* developers, like Kernex.