

# KERNEX MICROSYSTEMS (INDIA) LTD.

(AN ISO-9001 : 2008 Certified Company)

CIN : L30007TG1991PLC013211

Phone : +91-40-23113192-94  
 Fax : +91-40-23114187  
 Email : kernex@kernexmail.in  
 Website : www.kernex.in



Registered Office :  
 'THRUSHNA', Plot No. 7,  
 Software Units Layout, Infocity  
 Madhapur, Hyderabad - 500 081.  
 Telangana, India.

Statement of Un-Audited Financial Results for the Quarter/Nine Months ended 31st December, 2015

(Rs. in lakhs)

Sl. No.	Particulars	STANDALONE					Audited Results Year ended 31-Mar-15
		Three Months Ended			Nine Months Ended		
		31-Dec-15	30-Sep-15	31-Dec-14	31-Dec-15	31-Dec-14	
1	<b>Income from operations:</b>	Un-Audited			Un-Audited		
	(a) Net Sales/Income from Operations (Net of Excise Duty)	86.79	482.12	390.66	1,106.81	1,421.21	2,140.59
	(b) Other operating income						
	<b>Total Income from operations (net)</b>	<b>86.79</b>	<b>482.12</b>	<b>390.66</b>	<b>1,106.81</b>	<b>1,421.21</b>	<b>2,140.59</b>
2	<b>Expenses:</b>						
	a. Cost of materials consumed	55.10	98.72	172.98	406.02	397.17	463.90
	b. Purchase of stock-in-trade			-			-
	c. Changes in inventories of finished goods, work in progress and stock in trade	(147.95)	168.57	(60.67)	64.63	(274.08)	(314.93)
	d. Employees benefits expense	139.89	207.22	231.71	556.04	707.48	929.68
	e. Depreciation and amortization expense	80.57	80.90	88.91	241.57	265.76	416.57
	f. Other expenses	161.73	259.01	266.63	640.45	734.58	1,419.68
	<b>Total Expenses</b>	<b>289.34</b>	<b>814.42</b>	<b>699.56</b>	<b>1,908.72</b>	<b>1,830.91</b>	<b>2,914.89</b>
3	<b>Profit from Operations before Other Income, Finance costs &amp; Exceptional Items (1-2)</b>	<b>(202.55)</b>	<b>(332.30)</b>	<b>(308.90)</b>	<b>(801.91)</b>	<b>(409.70)</b>	<b>(774.30)</b>
4	Other Income	36.84	78.62	49.36	159.97	163.95	159.53
	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>(165.72)</b>	<b>(253.68)</b>	<b>(259.54)</b>	<b>(641.93)</b>	<b>(245.75)</b>	<b>(614.77)</b>
5	Finance Costs	90.71	93.49	105.88	274.58	286.77	339.67
6	<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items(5+6)</b>	<b>(256.43)</b>	<b>(347.17)</b>	<b>(365.42)</b>	<b>(916.51)</b>	<b>(532.52)</b>	<b>(954.44)</b>
7	Prior Period items	-	-	8.37	-	8.37	13.77
8	<b>Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)</b>	<b>(256.43)</b>	<b>(347.17)</b>	<b>(373.79)</b>	<b>(916.51)</b>	<b>(540.89)</b>	<b>(968.21)</b>
9	Tax expense	(2.64)	(16.62)	(6.31)	(19.26)	(10.79)	(28.91)
10	<b>Net Profit (+)/Loss(-) from Ordinary Activities after tax (9-10)</b>	<b>(253.78)</b>	<b>(330.54)</b>	<b>(367.48)</b>	<b>(897.25)</b>	<b>(530.10)</b>	<b>(939.30)</b>
11	Extraordinary Item (net of tax expense Rs.....lakhs)						
12	<b>Net Profit (+)/Loss(-) for the period (11-12)</b>	<b>(253.78)</b>	<b>(330.54)</b>	<b>(367.48)</b>	<b>(897.25)</b>	<b>(530.10)</b>	<b>(939.30)</b>
13	Share of profit/(Loss) of associates						
14	Minority Interest						
15	<b>Net profit/(Loss) after taxes, minority interest and share of profit/(Loss) of Associates (13-14-15)</b>	<b>(253.78)</b>	<b>(330.54)</b>	<b>(367.48)</b>	<b>(897.25)</b>		<b>(939.30)</b>
16	Paid-up equity share capital (Face value of share to be indicated)	1,249.97	1,249.97	1,249.97	1,249.97	1,249.97	1,249.97
17	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						10,598.39
18	<b>Earnings Per Share (before extra ordinary items)</b>	<b>(2.03)</b>	<b>(2.64)</b>	<b>(2.94)</b>	<b>(7.18)</b>	<b>(4.24)</b>	<b>(7.51)</b>
19.i	Earnings Per Share (after extra ordinary items)	(2.03)	(2.64)	(2.94)	(7.18)	(4.24)	(7.51)
	Earnings Per Share (after extra ordinary items)	(2.03)	(2.64)	(2.94)	(7.18)	(4.24)	(7.51)



Reg. No. AAACK8312Q  
 Reg. No. AAACK8312QXM002

TIN : 36380186260  
 BIN : AAACK8312QFT001

IEC : 5197001062  
 Ser.Tx : AAACK8312QST001



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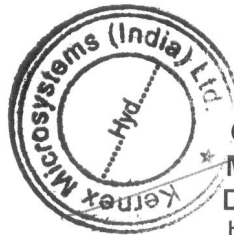


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Telangana, India.

## Notes:-

1. The above Un-Audited Financial results were reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on 14.02.2016.
2. The above Un-Audited Standalone Financial Results have been subjected to limited review by Statutory Auditors.
3. Number of Investor complaints left unresolved at the beginning of the quarter **Nil**, received during the quarter- **Nil** Disposed off during the quarter- **Nil** and pending - **Nil**.
4. The Company operates in one reportable segment i.e. Safety systems for railways and hence segment reporting as per AS-17 is not applicable.
5. Impact, if any, on account of contingent liabilities and legal cases pending will be reviewed at the end of the year.
6. Figures for the previous Periods have been regrouped/rearranged, wherever considered necessary.

By order of the Board of Directors  
FOR KERNEX MICROSYSTEMS (INDIA) LTD.,



COL. L.V. RAJU (RETD),  
MANAGING DIRECTOR  
DIN:00052102

H.No.19/B, GAUTHAM ENCLAVE, AWHO COLONY,, SIKH ROAD,,  
SECUNDERABAD, 500009, Andhra Pradesh, INDIA

Place: Hyderabad  
Date: 14.02.2016



**Limited Review Report**

Review Report to  
The Board of Directors  
Kernex Micro Systems (India) Limited  
Hyderabad

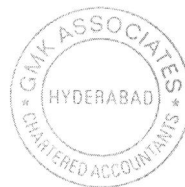
We have reviewed the accompanying statement of un-audited financial results of Kernex Microsystems (India) Limited for the period ended 31<sup>st</sup> December, 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* 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 financial statements are free of 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.

We would like to comment that for the period under review, trade debtor balances outstanding for more than 6 months are to the tune of Rs. 51.02 Crores. In absence of confirmation and reconciliation in respect of Rs. 24.11 crores, we are unable to comment on the realisability of debtors and provision requirement for the period ending 31<sup>st</sup> December 2015.

Based on our review conducted as above, nothing has come to our attention, other than reconciliation and confirmation of balances in respect of receivables, that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Hyderabad.  
Date : 14<sup>th</sup> February, 2016



For GMK ASSOCIATES  
Chartered Accountants  
Firm Regn No.006945S

**(G.Satyanarayana Murty)**  
Partner  
M.No.029919

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