



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.

KMIL/2016/Q3/175

28th January'2017

To
The General Manager
The Department of Corporate Services
Bombay stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

To
The Manager
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

Dear Sirs,

Sub: Submission of un-audited financial results for the quarter and nine months ended December 31,2016, along with Limited Review Reports thereon.

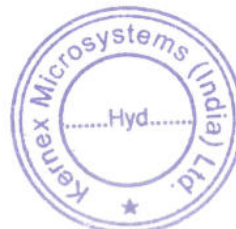
Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), we enclose hereto, for your information and record, the un-audited financial results of our company for the quarter and nine months ended December 31, 2016, duly approved by the Board of Directors of the Company at its meeting held today, January 28, 2017 . We also submit herewith Limited Review Reports dated January 28,2017, issued by the statutory Auditors of the company. on the said financial results of the company, which were duly placed before the Board at the aforesaid meeting, which commenced at 05.00 P.M. and concluded at 7.00 p.m.

Request you to kindly take the above information on record and acknowledgement.

Thanking you,

Yours faithfully
For KERNEX MICROSYSTEMS (INDIA) LIMITED


K KRISHNAM RAJU
DIRECTOR INCHARGE



PAN : AAACK8312Q
CEX. Reg.: AAACK8312QXM002

TIN : 36380186260
BIN : AAACK8312QFT001

IEC : 5197001062
Ser.Tax : AAACK8312QST001



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EXTRACT OF STANDALONE UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH DECEMBER 2016
(Rs. in lakhs)

Sl. No.	Particulars	STANDALONE					
		Quarter ended			For the Nine Months ended		For the year ended
		31-Dec-16	30-Sep-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Mar-16
	Un- Audited	Un- Audited	Un- Audited	Un- Audited	Un- Audited	Un- Audited	
1	Income from operations:						
	(a) Net Sales/Income from Operations (Net of Excise Duty)	186.17	51.12	86.79	401.46	1,106.81	1,214.20
	(b) Other operating income	-	-	-	-	-	-
	Total Income from operations (net)	186.17	51.12	86.79	401.46	1,106.81	1,214.20
2	Expenses:						
	a. Cost of materials consumed	343.73	96.90	55.10	451.38	406.02	494.15
	b. Purchase of stock-in-trade	-	0.00	-	-	-	-
	c. Changes in inventories of finished goods, work in progress and stock in trade	103.87	0.00	(147.95)	153.61	64.63	14.88
	d. Employees benefits expense	131.53	163.09	139.89	405.67	556.04	727.22
	e. Depreciation and amortization expense	62.26	66.06	80.57	195.18	241.57	321.01
	f. Other expenses	395.07	119.68	161.73	631.23	640.45	825.28
	Total Expenses	1,036.44	445.72	289.34	1,837.08	1,908.72	2,382.54
3	Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2)	(850.26)	(394.59)	(202.55)	(1,435.62)	(801.91)	(1,168.34)
4	Other Income	49.19	10.43	36.84	83.32	159.97	208.22
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(801.07)	(384.17)	(165.72)	(1,352.30)	(641.93)	(960.12)
6	Finance Costs	101.96	70.66	90.71	285.52	274.58	401.43
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items(5+6)	(903.03)	(454.82)	(256.43)	(1,637.82)	(916.51)	(1,361.55)
8	Prior Period items	-	-	-	-	-	-
9	Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	(903.03)	(454.82)	(256.43)	(1,637.82)	(916.51)	(1,361.55)
10	Tax expense	527.98	4.37	(2.64)	532.35	(19.26)	(32.61)
11	Net Profit (+)/Loss(-) from Ordinary Activities after tax (9-10)	(1,431.01)	(459.19)	(253.78)	(2,170.17)	(897.25)	(1,328.94)
12	Extraordinary Item (net of tax expense Rs.....lakhs)-Income on sale of asset	(2,274.98)	-	-	(2,274.98)	-	-
13	Net Profit (+)/Loss(-) for the period (11-12)	843.96	(459.19)	(253.78)	104.81	(897.25)	(1,328.94)
14	Share of profit/(Loss) of associates	-	-	-	-	-	-
15	Minority Interest	-	-	-	-	-	-
16	Net profit/(Loss) after taxes, minority interest and share of profit/(Loss) of Associates (13-14-15)	843.96	(459.19)	(253.78)	104.81	(897.25)	(1,328.94)
17	Paid-up equity share capital (Face value of Rs. 10/- each)	1,249.97	1,249.97	1,249.97	1,249.97	1,249.97	1,249.97
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	9,194.99
19.i	Earnings Per Share (before extra ordinary items)	(11.45)	(3.67)	(2.03)	(17.36)	(7.18)	(10.63)
19.ii	Earnings Per Share (after extra ordinary items)	6.75	(3.67)	(2.03)	0.84	(7.18)	(10.63)
	Earnings Per Share (after extra ordinary items)	6.75	(3.67)	(2.03)	0.84	(7.18)	(10.63)

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PAN : AAACK8312Q
CEX. Reg.: AAACK8312QXM002

TIN : 36380186260
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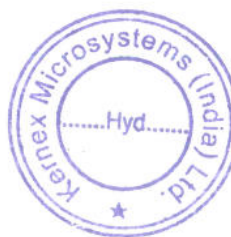
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Notes:-

1. The above Unaudited Financial Results were reviewed by the Audit Committee and taken on record by the Board of Directors in their meeting held on 28.01.2017. The Statutory Auditors have carried out a limited review of the above Financial Results.
2. 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.
3. The Company operates in one reportable segment i.e. Safety systems for Railways and hence segment reporting as per AS-17 is not applicable.
4. Extra-Ordinary Item includes profit of Rs.22.75 Crores on sale of immovable property situated at Madhapur, Hyderabad.
5. Figures for the previous Periods have been regrouped/rearranged, wherever considered necessary.

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



K. Krishnam Raju
K KRISHNAM RAJU,
DIRECTOR IN-CHARGE
DIN: 01427121

Place: Hyderabad
Date: 28.01.2017



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 31st Dec, 2016. 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 are unable to comment on the provision requirement of Rs.22.36 crores due from Konkan Railway Corporation Limited (KRCL) in absence of confirmation and reconciliation, for the period ending 31st Dec, 2016.

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 Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Hyderabad.
Date : 28th January, 2017



For GMK ASSOCIATES
Chartered Accountants
Firm Regn No.006945S

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