



KERNEX MICROSYSTEMS (INDIA) LTD.

(An ISO-9001 : 2008 Certified Company)

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CIN : L30007TG1991PLC013211

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

KERNEX MICROSYSTEMS (INDIA) LIMITED
(AN ISO9001:2000 CERTIFIED COMPANY)

THRUSHNA Plot No 7 Software Units Layout, Infocity, Madhapur, Hyderabad- 500081, A.P India Ph +91-40-23113192/94
CIN No L30007TG1991PLC013211 Fax: +91-40-23113189/91 Email: rajulv@kernex.stph.net/ kernex@kernex.stph.net URL: http://www.kernex.in
Statement of Standalone Un-Audited Financial Results for the Quarter and Six Months ended 30th September, 2015

PART I

(₹ in lakhs)

Sl. No.	Particulars	Unaudited Results For					Audited Results
		Three Months Ended			Six months ended		Year ended
		30.Sep.15	30.Jun.15	30.Sep.14	30.Sep.15	30.Sep.14	31.Mar.15
1	Income from operations:						
	(a) Net Sales/Income from Operations (Net of Excise Duty)	482.12	537.90	569.99	1,020.02	1,030.55	2,140.59
	(b) Other operating income						
	Total Income from operations (net)	482.12	537.90	569.99	1,020.02	1,030.55	2,140.59
2	Expenses:						
	a. Cost of materials consumed	98.72	252.20	110.53	350.92	224.19	463.90
	b. Purchase of stock-in-trade			0.00			-
	c. Changes in inventories of finished goods, work in progress and stock in trade	168.57	44.01	(75.06)	212.58	(213.41)	(314.93)
	d. Employees benefits expense	207.22	208.93	241.98	416.15	475.77	929.68
	e. Depreciation and amortization expense	80.90	80.10	88.83	161.00	176.85	416.57
	f. Other expenses	259.01	219.71	230.22	478.72	467.96	1,419.68
	Total Expenses	814.42	804.95	596.51	1,619.38	1,131.36	2,914.89
3	Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2)	(332.30)	(267.05)	(26.52)	(599.35)	(100.81)	(774.30)
4	Other Income	78.62	44.51	82.98	123.14	114.59	159.53
	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(253.68)	(222.54)	56.46	(476.22)	13.78	(614.77)
5							
6	Finance Costs	93.49	90.38	84.60	183.87	180.89	339.67
	Profit /(Loss) from ordinary activities after finance costs but before exceptional items(5+6)	(347.17)	(312.92)	(28.14)	(660.09)	(167.11)	(954.44)
7							
8	Prior Period items						13.77
	Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	(347.17)	(312.92)	(28.14)	(660.09)	(167.11)	(968.21)
9							
10	Tax expense	(16.62)		(4.48)	(16.62)	(4.48)	(28.91)
11	Net Profit (+)/Loss(-) from Ordinary Activities after tax (9-10)	(330.54)	(312.92)	(23.66)	(643.47)	(162.63)	(939.30)
12	Extraordinary Item (net of tax expense Rs.....lakhs)						
	Net Profit (+)/Loss(-) for the period (11-12)	(330.54)	(312.92)	(23.66)	(643.47)	(162.63)	(939.30)
13							
14	Share of profit/(Loss) of associates						
15	Minority Interest						
	Net profit/(Loss) after taxes, minority interest and share of profit/(Loss) of Associates (13-14-15)	(330.54)	(312.92)	(23.66)	(643.47)	(162.63)	(939.30)
16							
17	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
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						10,598.39
19.i	Earnings Per Share (before extra ordinary items)	(2.64)	(2.50)	(0.19)	(5.15)	(1.30)	(7.51)
19.ii	Earnings Per Share (after extra ordinary	(2.64)	(2.50)	(0.19)	(5.15)	(1.30)	(7.51)
	Earnings Per Share (after extra ordinary	(2.64)	(2.50)	(0.19)	(5.15)	(1.30)	(7.51)

PAN : AAACK8312Q
CEX. Reg.: AAACK8312QXM002

TIN : 36380186260
BIN : AAACK8312QFT001

IEC : 5197001062
Ser.Tax : AAACK8312QST001



Kernex Microsystems (India) Ltd
 Clause 41 of the Listing Agreement for companies (Other than Banks)
 Standalone Statement of Assets and Liabilities

Sl No	Particulars	As at half Year ended on 30th September' 2015 Unaudited	As at year ended on 31st March '2015 Audited (₹ in lakhs)
A.	EQUITY AND LIABILITIES		
1	Shareholders Funds		
	a) Share Capital	1,249.97	1,249.97
	b) Reserves and Surplus	9,954.92	10,598.38
		11,204.89	11,848.35
2	Non-current liabilities		
	a) Long term borrowings	4.64	-
	b) Deferred tax liabilities (Net)		-
	c) Other long term liabilities		-
		4.64	-
3	Current Liabilities		
	a) Short term borrowings	2,750.98	2,179.91
	b) Trade Payables	1,236.83	1,330.06
	c) Other current liabilities	692.13	684.50
	d) Short term provisions	20.28	20.28
	Sub-total -Current Liabilities	4,700.22	4,214.75
	TOTAL	15,909.74	16,063.10
B	ASSETS:		
1	Non - Current Assets		
	a) Tangible Assets	5,123.21	5,275.32
	b) Intangible Assets	1.79	2.40
	c) Capital Work In progress	974.40	974.40
	d) Non-current investments	118.31	118.31
	e) Deferred Tax Assets (net)	51.67	35.05
	f) Long- term loans and advances	729.55	710.44
	g) Other non current assets	-	-
		6,998.93	7,115.92
2	Current Assets		
	a) Inventories	2,249.66	2,607.17
	b) Trade Receivables	5,734.63	5,243.03
	c) Cash and cash equivalents	508.61	559.72
	d) Short term loans and advances	347.21	481.20
	e) Other current assets	70.69	56.06
		8,910.80	8,947.18
	TOTAL	15,909.74	16,063.10



Part II							
SI No	PARTICULARS	Three months ended			Six months ended		Year Ended
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Selected information for the quarter and six months ended 30th September 2015							
A.	PARTICULARS OF SHAREHOLDING:						
1	Public shareholding						
	- Number of shares	7,536,782	7,536,832	7,536,832	6,703,844	7,536,832	7,729,832
	- Percentage of shareholding	60.30%	60.30%	60.30%	53.63%	60.30%	61.84%
2	Promoters and Promoter group Shareholding**						
	a) Pledged/Encumbered						
	-Number of Shares	225,000	225,000	225,000	225,000	225,000	225,000
	-Percentage of Shares(as a % of the total shareholding of Promoter and Promoter group)	4.53%	4.53%	4.53%	4.72%	4.53%	4.72%
	-Percentage of Shares(as a % of the total sharecapital of the Company)	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%
	b) Non-encumbered						
	-Number of Shares	4,737,823	4,737,823	4,737,823	4,544,823	4,737,823	4,544,823
	-Percentage of Shares(as a % of the total shareholding of Promoter and Promoter group)	95.47%	95.47%	95.47%	95.28%	95.47%	95.28%
	-Percentage of Shares(as a % of the total sharecapital of the Company)	37.90%	37.90%	37.90%	36.36%	37.90%	36.36%
	Particulars	3 months ended (dd/mm/yyyy)					
B.	INVESTOR COMPLAINTS:						
	Pending at the beginning of the quarter	NIL					
	Received during the quarter						
	Disposed during the Quarter						
	Remaining unresolved at the end of Quarter						



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 14.11.2015.
2. Limited Review as required under Clause 41 of the Listing Agreement has been completed by the 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**

**Place: Hyderabad
Date: 14.11.2015**

Limited Review Report

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

We have reviewed the accompanying statement of unaudited financial results of Kernex Micro Systems (India) Limited for the period ended 30th September, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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.

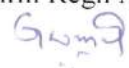
We would like to comment that for the period under review, trade debtor balances outstanding for more than 6 months are to the tune of Rs. 49.19 crores. In absence of confirmation and reconciliation in respect of Rs. 28.75 crores, we are unable to comment on the realisability of debtors and provision requirement for the half year ending 30th September'2015.

Based on our review conducted as above, nothing has come to our attention, except reconciliation and confirmation of balances in respect of receivables, that causes us to believe that the accompanying statement of unaudited 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 : 14th November, 2015



For GMK ASSOCIATES
Chartered Accountants
Firm Regn No.006945S


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