



KERNEX MICROSYSTEMS (INDIA) LTD.

(AN ISO-9001 : 2008 Certified Company)

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



CIN : L30007TG1991PLC013211

Registered Office :

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

Dated:09.08.2016

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

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 Sir/Madam,

SUB: Outcome of Board Meeting held on 09th August'2016.

We hereby inform the following outcome of our Board meeting held on 09th August'2016:-

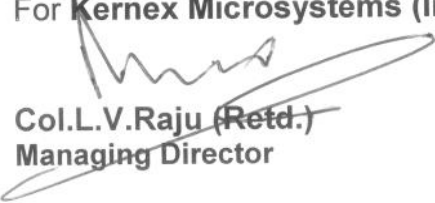
1. Resignation of Col.L.V.Raju (Retd.) as Managing Director and as Director w.e.f 30th Sept-2016
2. Resignation of Dr.Jyoti Raju as Non-Executive Director.
3. Approval of Directors Report, Management discussion and analysis & Corporate Governance.
4. Notice of AGM approved and Date of AGM fixed as 28th September'2016.
5. Book closure of AGM from 21.09.2016 to 28.09.2016 (Both days inclusive)
6. Approved un-audited financial results for 01st quarter ended 30th June'2016.
7. Consideration of Draft Auditor's Report for the financial year 2015-2016

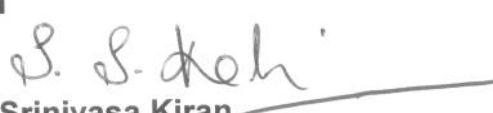
We request you to take on record the above.

Thanking you,

Yours faithfully

For **Kernex Microsystems (India) Limited**


Col.L.V.Raju (Retd.)
Managing Director


S Srinivasa Kiran
Company Secretary and Compliance Officer



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 30th June, 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.

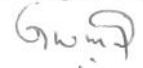
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial 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.

Based on our review conducted as above, nothing has come to our attention, other than reconciliation and confirmation of balances in respect of receivables of Rs.22.95 crores due from KRCL, Navi Mumbai as on 30th June'2016, 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 : 9th August, 2016



For GMK ASSOCIATES
Chartered Accountants
Firm Regn No.006945S


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



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Statement of Standalone Financial Results for the Quarter ended 30th June, 2016

(Rs. in lakhs)

Sl. No.	Particulars	STANDALONE		
		Quarter ended (Unaudited)		For the year ended
		30-Jun-16	30-Jun-15	31-March-16 (Audited)
1	Income from operations:			
	(a) Net Sales/Income from Operations (Net of Excise Duty)	164.17	537.90	1,214.20
	(b) Other operating income			
	Total Income from operations (net)	164.17	537.90	1,214.20
2	Expenses:			
	a. Cost of materials consumed	10.76	252.20	494.15
	b. Purchase of stock-in-trade			
	c. Changes in inventories of finished goods, work in progress and stock in trade	49.75	44.01	14.88
	d. Employees benefits expense	111.05	208.93	727.22
	e. Depreciation and amortization expense	66.87	80.10	321.01
	f. Other expenses	116.49	219.71	825.28
	Total Expenses	354.92	804.95	2,382.54
3	Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2)	(190.75)	(267.05)	(1,168.34)
4	Other Income	23.70	44.51	208.22
	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(167.05)	(222.54)	(960.12)
5				
6	Finance Costs	112.90	90.38	401.43
	Profit/(Loss) from ordinary activities after finance costs but before exceptional items(5+6)	(279.95)	(312.92)	(1,361.55)
7				
8	Prior Period items	-	-	-
	Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	(279.95)	(312.92)	(1,361.55)
9				
10	Tax expense			(32.61)
11	Net Profit (+)/Loss(-) from Ordinary Activities after tax (9-10)	(279.95)	(312.92)	(1,328.94)
12	Extraordinary Item (net of tax expense Rs.....lakhs)	-	-	-
	Net Profit (+)/Loss(-) for the period (11-12)	(279.95)	(312.92)	(1,328.94)
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)	(279.95)	(312.92)	(1,328.94)
16				
17	Paid-up equity share capital (Face value of Rs.10/- each)	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)	(2.24)	(2.50)	(10.63)
19.ii	Earnings Per Share (after extra ordinary items)	(2.24)	(2.50)	(10.63)
	Earnings Per Share (after extra ordinary items)	(2.24)	(2.50)	(10.63)





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Notes:

1. The above Unaudited Financial Results were reviewed by the Audit Committee and taken on record in their meeting held on 08.08.2016 and by the Board of Directors on 09.08.2016. 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. Provision for Differed Tax Asset/Liability is not considered during the quarter.
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.,


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



Place: Hyderabad
Date : 09.08.2016