

KERNEX MICROSYSTEMS (INDIA) LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31st 2009						
						Rs.in Lakhs
Sl.No.	Particulars	UN AUDITED	UN AUDITED	UN AUDITED	UN AUDITED	AUDITED
		3 months ended 31.12.2009	Corresponding 3 months ended in the previous year 31.12.2008	Year to date figures for current period ended 31.12.2009	Year to date figures for current period ended 31.12.2008	Previous accounting Year ended 31.03.2009
1	Sales					
	(a) Net Sales/Income from Operations	61.37	543.66	617.67	1,580.02	2,060.37
	(b) Net Sales/ Income of Previous Period	(274.64)	-	(274.64)	-	-
		(213.27)	543.66	343.03	1,580.02	2,060.37
2	Expenditure					
	a. Increase/decrease in stock in trade and work in progress	(28.08)	(15.00)	(91.20)	(45.44)	(45.44)
	b. Consumption of raw materials etc	87.80	96.47	303.99	257.18	362.29
	c. Purchase of traded goods	0.00	0.18	0.59	4.88	8.48
	d. Employees cost	128.95	216.27	523.36	578.84	831.40
	e. Depreciation	34.98	46.38	104.85	138.07	181.90
	f. Other expenditure	94.72	117.71	304.89	405.38	519.02
	g. Total	318.37	462.01	1,146.48	1,338.91	1,857.65
	(Any item exceeding 10% of the total expenditure to be shown separately)					
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	(531.64)	81.65	(803.45)	241.11	202.72
4	Other Income	61.90	100.67	202.55	279.83	366.89
5	Profit before Interest & Exceptional Items	(469.74)	182.32	(600.90)	520.94	569.61
6	Interest	59.82	40.83	170.76	87.43	105.96
7	Profit after Interest but before Exceptional	(529.56)	141.49	(771.66)	433.51	463.65
8	Exceptional Items	-	-	-	-	-
9	Profit (+)/ Loss (-) from Ordinary Activities	(529.56)	141.49	(771.66)	433.51	463.65
10	Tax expense	-	52.73	30.86	134.48	183.74
11	Net Profit (+)/Loss(-) from Ordinary Activities	(529.56)	88.76	(802.52)	299.03	279.91
12	Extraordinary Item (net of tax expense)	-	-	-	-	-
13	Net Profit ()/Loss(-) for the period (11-12)	(529.56)	88.76	(802.52)	299.03	279.91
14	Paid up equity share capital	1249.97	1249.97	1249.97	1249.97	1249.97
	(1,24,99,655 shares of Rs.10 each aggregating to Rs.12,49,96,550)					
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year					11,781.74
16	Earnings Per Share (EPS)	(4.24)	0.71	(6.42)	2.39	2.24
	(a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)					
	(b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)					
17	Public shareholding					
	- Number of shares	5,740,974	5,360,725	5,740,974	5,360,725	5,468,524
	- Percentage of shareholding	45.93	42.89	45.93	42.89	43.75
	*Strike off whichever is not applicable					
18	Promoters and Promoter group Shareholding**					
	a) Pledged/Encumbered	-	-	-	-	-
	-Number of Shares	-	-	-	-	-
	-Percentage of Shares(as a % of the total shareholding of	-	-	-	-	-
	Promoter and Promoter group	-	-	-	-	-
	-Percentage of Shares(as a % of the total sharecapital of	-	-	-	-	-
	the Company					
	b) Non-encumbered					
	-Number of Shares	6,758,681	7,138,930	6,758,681	7,138,930	7,031,131
	-Percentage of Shares(as a % of the total shareholding of	100	100	100	100	100
	Promoter and Promoter group					
	-Percentage of Shares(as a % of the total sharecapital of	54.07	57.11	54.07	57.11	56.25
	the Company					

Notes

- 1 The above Un-audited financial results were reviewed by the Audit Committee and taken on record by the Board of Directors in their meeting held on 30.01.2010
- 2 Auditors have carried out limited review of the financial results for the quarter ended 31st December 2009 as required under Clause 41 of the listing agreement.
- 3 The Company operates in one reportable segment i.e. Safety systems for Railways as such segment reporting as per AS-17 is not applicable.
- 4 Pursuant to the share holders approval obtained in the 14th Annual General meeting, the company has redrawn its plans to carry on the expansion programme, wherever required, in regard to scheduled time of completion, estimated amount and quantity.

A sum of Rs. 8510.24 lacs has been spent out of the IPO proceeds up to 31st December 2009 against the projected deployment of Rs 9910.11 lacs. The balance issue proceeds are placed with the Monitoring Agency.
- 5 The Phase-I of development of ACD System has been completed and Pilot project commissioned. The Railways have accepted the ACD system for deployment in the Railways and in the first instance selected the three Zones, namely Southern, South Central and South Western.
- 6 The Company has signed a contract in November, 2008 with Egyptian National Railways, Egypt for supply and Development of 136 automatic level crossing gates. The Contract is under execution.
- 7 The Company has executed an Operational and Comprehensive Maintenance Contract Agreement with M/s Konkan Railway Corporation Ltd, Mumbai for ACD Net working systems supplied to North Frontier Railways by M/s Konkan Railway Corporation Limited on 21st January, 2010. The Value of the Contract and supplies is approximately Rs 35.76 crores. In view of the delay in the commencement of the new contract there has been a drop in income from operations for the period .
- 8 Number of Investor complaints left unresolved at the beginning of the Quarter- Nil, received during the Quarter - 2 Disposed off during the Quarter- 2 and pending - Nil.
- 9 Figures for the previous periods have been regrouped/rearranged, wherever considered necessary.

**By order of the Board of Directors
for KERNEX MICROSYSTEMS (INDIA) LIMITED**

Sd/-
**COLL.V.RAJU(RETD.)
MANAGING DIRECTOR**

**Place: Hyderabad
Date : 30-01-2010**