KERNEX MICROSYSTEMS (INDIA) LIMITED
(CIN - L30007TG1991PLC013211)
Registered office: "Thrushna", Plot No.7, Software Units Layout, Madhapur, Hyderabad-500081.
Phone: +91-40-23113192/94, Fax: +91-40-23113189/91,
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KERNEX is committed to maintaining high standards of corporate governance and has always been committed to good corporate governance practices. Company Corporate Governance envisages the attainment of the highest levels of transparency, professionalism and accountability in all facets of its operations and in its interactions with its stake holders, including shareholders, employees, the government and the lenders. The Company's objective remains to create long term value for shareholders.

We have three independent directors, including our chairman, out of nine Directors on the Board. The provisions of the listing agreement to be entered in to with the stock exchanges with respect to corporate governance will be applicable to our company immediately upon listing of our company's equity shares on the stock exchanges. Our company complies with such provisions, including appointment of independent directors on its board and constitution of various committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The primary responsibility to adopt high standards of corporate governance in all areas including providing necessary disclosures within the framework of legal provisions with commitment to enhance shareholders' value vests with the Board of Directors.

Audit Committee
Our audit committee consists of the following members:

- Sri A.V.Ratnam, Charted Accountant, Chairman
- Mr. M.Gopalakrishna, IAS (Retd), Member
- Sri Arun Kumar Sanwalka, Member
- Col.L.V.Raju (Retd), Member

The general objective of the audit committee is to establish a transparent and effective system of monitoring and control, to review annual plan of our company, and any special examination by internal audit and implementation of internal audit recommendations, to review quarterly, half yearly and annual financial statement before submission to the board and to conduct limited review, together with coverage of scope of activity prescribed under section 177 of companies Act 2013. The audit committee also considers and reviews ethical adherence and corporate governance principles.

Nomination and Remuneration Committee

Our Nomination and Remuneration Committee consists of the following members

1. Sri Arunkumar Sanwalka - Chairman

2. Sri.M.Gopalakrishna, IAS (Retd) - Member

3. Sri.Venkata Ratnam Anugolu - Member

4. Sri.Raju Narasa Manthena - Member

5. Sri.Anji Raju Manthena - Member

Role of Nomination and Remuneration Committee shall-

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
- Recommend to the Board their appointment and removal,
- Carry out evaluation of every director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and
- Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Stakeholders Relationship committee

Our Stakeholders Relationship committee consists of the following members

1. Sri Mantena Raju Narasa - Chairman

2. Sri.M.Gopalakrishna, IAS (Retd) -Member

3. Sri .Venkata Ratnam Anugolu – Member

4. Mr.N.Subhash - Compliance Officer

Role of Stakeholders Relationship committee is to promote and maintain cordial relationship with the investors and resolve the investors/shareholders grievances.

Risk Management Committee

Our Risk Management Committee consists of the following members

1. Sri. Arun Kumar Sanwalka - Chairman

2. Sri. Venkata Ratnam Anugolu - Member

3. Col.L.V.Raju (Retd) - Member

4. Sri.Murali Mohan Bandaru - Member

5. Sri. Mantena Raju Narasa - Member

6. Sri. Anji Raju Manthena - Member

The purpose of the committee is to assist the Board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company.