

**KERNEX MICROSYSTEMS (INDIA) LIMITED**

**Standalone unaudited financial results for the quarter and half year ended 30th September 2014**

**PART I**

**(Rs. in lakhs)**

S.No	Particulars	Quarter ended			Half Year ended		Year ended
		30-Sep-14	30-Jun-14	30-Sep-13	30-Sep-14	30-Sep-13	31-Mar-14
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income from operations:</b>						
	(a) Net Sales/Income from Operations (Net of Excise Duty)	569.99	460.56	946.92	1,030.55	1,254.84	2,982.99
	(b) Other operating income					-	
	<b>Total Income from operations (net)</b>	<b>569.99</b>	<b>460.56</b>	<b>946.92</b>	<b>1,030.55</b>	<b>1,254.84</b>	<b>2,982.99</b>
2	<b>Expenses:</b>						
	a. Cost of materials consumed	110.53	113.66	127.76	224.19	154.42	232.71
	b. Purchase of stock-in-trade	0.00		124.70		124.70	292.23
	c. Changes in inventories of finished goods, work in progress and stock in trade	(75.06)	(138.35)	(127.56)	(213.41)	(275.20)	(397.77)
	d. Employees benefits expense	241.98	233.79	232.47	475.77	456.54	936.51
	e. Depreciation and amortization expense	88.83	88.02	101.62	176.85	202.14	403.18
	f. Other expenses	230.22	237.74	502.28	467.96	734.60	1,746.83
	<b>Total Expenses</b>	<b>596.51</b>	<b>534.85</b>	<b>961.27</b>	<b>1,131.36</b>	<b>1,397.21</b>	<b>3,213.69</b>

3	<b>Profit from Operations before Other Income, Finance costs &amp; Exceptional Items (1-2)</b>	<b>(26.52)</b>	<b>(74.29)</b>	<b>(14.35)</b>	<b>(100.81)</b>	<b>(142.37)</b>	<b>(230.70)</b>
4	Other Income	82.98	31.60	54.84	114.59	226.41	329.18
5	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>56.46</b>	<b>(42.68)</b>	<b>40.49</b>	<b>13.78</b>	<b>84.04</b>	<b>98.48</b>
6	Finance Costs	84.60	96.29	79.23	180.89	163.33	308.84
7	<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items(5-6)</b>	<b>(28.14)</b>	<b>(138.97)</b>	<b>(38.74)</b>	<b>(167.11)</b>	<b>(79.29)</b>	<b>(210.36)</b>
8	Exceptional Items						
9	<b>Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)</b>	<b>(28.14)</b>	<b>(138.97)</b>	<b>(38.74)</b>	<b>(167.11)</b>	<b>(79.29)</b>	<b>(210.36)</b>
10	Tax expense	<b>(4.48)</b>	-	<b>(0.77)</b>	<b>(4.48)</b>	<b>(0.77)</b>	<b>(39.93)</b>
11	Net Profit (+)/Loss(-) from Ordinary Activities after tax (9-10)	<b>(23.66)</b>	<b>(138.97)</b>	<b>(37.97)</b>	<b>(162.63)</b>	<b>(78.52)</b>	<b>(170.43)</b>
12	Extraordinary Item (net of tax expense Rs.....lakhs)						
13	<b>Net Profit (+)/Loss(-) for the period (11-12)</b>	<b>(23.66)</b>	<b>(138.97)</b>	<b>(37.97)</b>	<b>(162.63)</b>	<b>(78.52)</b>	<b>(170.43)</b>
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)	(23.66)	(138.97)	(37.97)	(162.63)	(78.52)	(170.43)
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						11,651.14
19.i	Earnings Per Share (before extra ordinary items)	(0.19)	(1.11)	(0.30)	(1.30)	(0.63)	(1.36)
19ii	Earnings Per Share (after extra ordinary items)	(0.19)	(1.11)	(0.30)	(1.30)	(0.63)	(1.36)
	Earnings Per Share (after extra ordinary items)	(0.19)	(1.11)	(0.30)	(1.30)	(0.63)	(1.36)

**Kernex Microsystems (India) Ltd**

**Clause 41 of the Listing Agreement for companies (Other than Banks)**

**Standalone statement of assets and liabilities**

(Rs. in lakhs)

Sl No	Particulars	As at half Year ended on 30th September, 2014 (Unaudited)	As at year ended on 31st March ,2014 (Audited)
<b>A.</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholder's Funds</b>		
	a) Share Capital	1,249.97	1,249.97
	b) Reserves and Surplus	11,488.51	11,651.14
	c) Money received against share warrants		
	<b>Sub-total - Shareholder's Funds</b>	<b>12,738.47</b>	<b>12,901.10</b>
2	<b>Current Liabilities</b>		
	a) Short term borrowings	2,198.18	2,078.79
	b) Trade Payables	1,098.22	1,233.93
	c) Other current liabilities	699.20	779.47
	d) Short term provisions	20.28	21.91
	<b>Sub-total - Current Liabilities</b>	<b>4,015.87</b>	<b>4,114.10</b>
	<b>TOTAL -EQUITY AND LIABILITIES</b>	<b>16,754.34</b>	<b>17,015.20</b>
<b>B</b>	<b>ASSETS:</b>		
1	<b>Non - Current Assets</b>		
	a) Fixed Assets	6,559.84	6,736.69
	b) Goodwill on consolidation		
	c) Non-current investments	118.31	118.31
	d) Deferred Tax Assets (net)	10.62	6.14
	e) Long- term loans and advances	706.62	1,019.41
	f) Other non current assets		
	<b>Sub - total - non current assets</b>	<b>7,395.39</b>	<b>7,880.55</b>

2	<b>Current Assets</b>		
	a) Current Investments		
	b) Inventories	2,358.97	2,147.64
	c) Trade Receivables	5,313.52	5,507.18
	d) Cash and cash equivalents	767.36	674.06
	e) Short term loans and advances	774.12	680.49
	f) Other current assets	144.98	125.29
	<b>Sub-total - Current Assets</b>	<b>9,358.95</b>	<b>9,134.65</b>
	<b>TOTAL ASSETS</b>	<b>16,754.34</b>	<b>17,015.20</b>

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 14.11.2014.
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 hence segment reporting as per AS-17 is not applicable.
5. The Income from Operations includes an amount of Rs.189.14 Lakhs for Software Services exported to Avant-Garde Infosystems Inc., USA (100% Subsidiary) on Cost plus Contract Basis, during the period under review.
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: 14.11.2014**