

File No. _

KERNEX MICROSYSTEMS (INDIA) LTD.

(AN ISO-9001 : 2008 CERTIFIED COMPANY)

Phone: +91-40-23113192-94 Fax : +91-40-23114187

: +91-40-23113191

Email: kernex@kernexmail.in







Registered Office:

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

Fax: +91-40-23113189/91 Email: rajulv@kernex.stph.net/kernex.stph.net/kernex.stph.net/URL: http://www.kernex.in

| 1 | PART | Unaudited Financial Results (S | | - quarter end | eu september 3 | | . | |
|--|--------|--|---|--------------------------------------|----------------------------|---|---------------|----------------|
| Second | | | 1. 2565. · | Section 1 | V | | | |
| Income from operations: | e N. | | 100 1 March 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | All 9000 1 11000 | In the same of the same of | Six Mont | hs Ended | and the second |
| (a) Net Sales/Income from Operations (Net) 946.92 307.92 599.04 1,254.84 1,277.95 2,823.2 | 3.NO | Particulars | 30-Sep-13 | 30-Jun-13 | 30-Sep-12 | 30-Sep-13 | 30-Sep-12 | 3∥⊮Mar-1 |
| Section Sect | | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| (b) Other operating income 2 | 1 | | | | | , | | |
| Total Income from operations (net) 946.92 307.92 599.04 1,294.84 1,277.95 2,823 | | | 946.92 | 307.92 | 599.04 | 1,254.84 | 1,277.95 | 2,823.22 |
| 2 Expenses: a. Cost of materials consumed. b. Purchase of stock-in-trade c. Changes in ventories of finished goods, work in progress and stock in trade d. Employees benefits expense d. Employees benefits expense 232.47 | | | <u> </u> | | | | | |
| 2 2 2 2 2 2 2 2 2 2 | | Total Income from operations (net) | 946.92 | 307.92 | 599,04 | 1,254,84 | 1.277.95 | 2 823 22 |
| 5. Pyrichiase of stock-in-frade 124.70 0.07 0.07 | | expenses: | | | | - | 1,21,700 | 2,020.2 |
| c. Changes in iventories of finished goods, work in progress and stock in trade d. Employes benefits expense 232.47 224.07 163.31 456.54 361.58 761. d. Employes benefits expense 232.47 224.07 163.31 456.54 361.58 761. e. Depreciation and amortization expense 101.62 100.52 34.75 202.14 50.35 276.9 f. Other expenses 502.26 232.32 278.55 734.60 544.47 1,121.0 Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2) (14.35) (128.01) 63.69 (142.37) 252.47 237.8 d. Other Income 54.34 171.55 75.39 226.41 114.91 321.0 Profit from Ordinary activities before finance costs and exceptional items (3+4) 367.08 558.9 Frofit (1.0ss) from ordinary activities after finance costs and exceptional items (3+4) (40.55) 64.19 (79.29) 200.75 174.8 Exceptional Items Profit (1) Loss (-) from Ordinary Activities before tax (38.74) (40.55) 64.19 (79.29) 200.75 174.8 Profit (-) Loss (-) from Ordinary Activities after tax (9- (0.77) 15.00 (0.77) 40.00 110.1 Net Profit (-) Loss (-) from Ordinary Activities after tax (9- (0.77) 40.05) 49.19 (78.52) 160.75 64.61 Extraordinary item (net of tax expense Rs lakhs) 15 Share of profit (Loss) of associates (13-14-15) (37.97) (40.55) 49.19 (78.52) 160.75 64.61 Milmority Interest Not profit (Loss) of associates (13-14-15) (37.97) (40.55) 49.19 (78.52) 160.75 64.61 Milmority Interest Not profit (Loss) of Associates (13-14-15) (37.97) (40.55) 49.19 (78.52) 160.75 64.61 Profit (-) Loss (-) for the period (11-12) (37.97) (40.55) 49.19 (78.52) 160.75 64.61 Extraordinary item (net of tax expense Rs lakhs) (37.97) (40.55) 49.19 (78.52) 160.75 64.61 Extraordinary item (net of tax expense Rs lakhs) (37.97) (40.55) 49.19 (78.52) 160.75 64.61 Extraordinary item (net of tax expense Rs lakhs) (37.97) (40.55) 49.19 (78.52) 160.75 64.61 Extraordinary item (net of tax expense Rs lakhs) (37.97) (40.55) 49.19 (78.52) 160.75 64.61 Extraordinary item (net of tax expense rs per balance sheet of previous accounting year activation expense (40.50) (40.5 | | a. Cost of materials consumed | | <u>26</u> .67 | | 154.42 | 79.60 | 236,47 |
| d Employees benefits expense 232.47 224.07 163.31 456.54 361.58 761. e Depreciation and amortization expense 101.62 100.52 34.75 202.14 50.35 275.9 f Qther expenses 502.25 232.32 278.66 734.60 544.47 1,121.0 Total Expenses 961.27 435.93 535.35 1,397.21 1,025.76 2,565. Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2) (14.35) (128.01) 63.69 (142.37) 252.17 237.8 Other Income 54.84 171.56 75.39 228.41 114.91 321.0 Profit!(Loss) from ordinary activities before finance costs and exceptional items (3+4) 43.55 139.08 34.04 367.08 558.9 Finance Costs 79.23 34.10 74.89 165.33 166.33 384.0 Profit!(Loss) from ordinary activities after finance costs but before exceptional items (5+6) (40.55) 64.19 (79.29) 200.75 174.8 Exceptional items 8 Exceptional items (40.55) | | C. Changes in iventaries of finished goods work in | | | | | 0.07 | 142.60 |
| e. Depreciation and amortization expense 101.62 100.52 34.75 202.74 50.35 275.9 275.9 276.06 1. Other expenses 502.26 232.32 278.66 734.60 544.47 1,121.0 503.75 202.74 50.35 275.9 276.06 734.60 544.47 1,121.0 505.76 202.75 202.75 202.77 277.8 255.75 202.77 278.60 734.60 544.47 1,121.0 505.75 202.77 278.60 544.47 1,121.0 505.75 202.77 278.60 544.47 1,121.0 505.75 202.77 278.60 55.9 278.60 734.60 544.47 1,121.0 55.85 56.9 576.17 57.39 226.41 114.91 321.0 576.39 226.41 114.91 321.0 576.39 226.41 114.91 321.0 576.39 576.39 576.39 576.30 5 | | progress and stock in trade | (127.56) | (147,64) | 11,94 | (275.20) | (10,29) | 28.23 |
| e. Depreciation and amortization expense 101.62 100.52 34.75 202.74 50.35 275.9 275.9 276.06 1. Other expenses 502.26 232.32 278.66 734.60 544.47 1,121.0 503.75 202.74 50.35 275.9 276.06 734.60 544.47 1,121.0 505.76 202.75 202.75 202.77 277.8 255.75 202.77 278.60 734.60 544.47 1,121.0 505.75 202.77 278.60 544.47 1,121.0 505.75 202.77 278.60 544.47 1,121.0 505.75 202.77 278.60 55.9 278.60 734.60 544.47 1,121.0 55.85 56.9 576.17 57.39 226.41 114.91 321.0 576.39 226.41 114.91 321.0 576.39 226.41 114.91 321.0 576.39 576.39 576.39 576.30 5 | _:_ | d. Employees benefits expense | 232.47 | 224 07 | 163 21 | 458 E4 | 261.50 | 70.0 |
| 1. Other expenses | | Depreciation and amortization expense | \neg | | | | | |
| Total Expenses Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2) 4 Other Income Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4) 5 Finance Costs Profit /(Loss) from ordinary activities after finance costs and exceptional items (3+4) 6 Finance Costs Profit /(Loss) from ordinary activities after finance costs and exceptional items (3+4) 7 Exceptional items Profit /(Loss) from ordinary activities after finance costs but before exceptional items(5+6) 8 Exceptional items Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (+)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Loss (-) from Ordinary Activities before tax Profit (-)/ Los | | · · | | .00,02 | 34.70 | 202,14 | 50,35 | 2/5.96 |
| Total Expenses 961.27 435.93 535.36 1,397.21 1,025.78 2,595. | | | 502.28 | 232,32 | 278.58 | 734.60 | 544.47 | 1 124 00 |
| Profit (From Operations before Other Income, Finance costs & Exceptional Items (1-2) (14.35) (128.01) 63.69 (142.37) 252.47 237.8 | | Total Expenses | 961,27 | | | | T-1,2 | |
| Other Income | 3 | Profit from Operations before Other Income, Finance costs & Exceptional Items (1-2) | | | - | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | 1,020.10 | 2,000.0 |
| Profit(Loss) from ordinary activities before finance costs and exceptional items (3+4) 43.55 139.08 34.04 367.08 558.9 | 4 | 734b I | | (128.01) | 63.69 | (142.37) | 252.17 | 237.87 |
| Fortific (Loss) from Ordinary activities after finance costs and exceptional items (3+4) 163.33 166.33 384.0 1679.29 200.75 174.8 174.8 17 | | | - | 171.56 | 75.39 | 226.41 | 114.91 | 321.04 |
| Profit /(Loss) from ordinary activities after finance costs but before exceptional items(5+6) Exceptional items Profit (+)/ Loss (-) from Ordinary Activities before tax (38.74) (40.55) 64.19 (79.29) 200.75 174.8 Exceptional items Profit (+)/ Loss (-) from Ordinary Activities before tax (38.74) (40.55) 64.19 (79.29) 200.75 174.8 I ax expense I Net Profit (+)/ Loss (-) from Ordinary Activities after tax (9- (37.97) (40.55) 49.19 (78.52) 160.75 64.6 Extraordinary item (net of tax expense Rs. lakhs) I ax expense Net Profit (+)/ Loss (-) from Drdinary Activities after tax (9- (37.97) (40.55) 49.19 (78.52) 160.75 64.6 Net Profit (+)/ Loss (-) for the period (11-12) (37.97) (40.55) 49.19 (78.52) 160.75 64.6 Net Profit (-)/ Loss (-) for the period (11-12) (37.97) (40.55) 49.19 (78.52) 160.75 64.6 Net Profit (Loss) after taxes, minority interest and share of profit/(Loss) of Associates (13-14-15) Peid-up equity share capital (Face value of share to be indicated) Peid-up equity share capital (Face value of share to be indicated) Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year 1,249.97 | 5 | costs and exceptional items (3+4) | 40.49 | 43.55 | 139.08 | 84.04 | | 558.92 |
| Profit /(Loss) from ordinary activities after finance costs but before exceptional items(5+6) 7 8 Exceptional items Profit (+)/ Loss (-) from Ordinary Activities before tax (38.74) (40.55) 64.19 (79.29) 200.75 174.8 (77.8) 10 Tax expense (0.77) - 15.00 (0.77) 40.00 110.1 (0.77) 100 (0.77) 40.00 110.1 (0.78.52) 160.75 64.6 (0.79) 100 (0 | | Finance Costs | 79.23 | 84 10 | 74 89 | 160 30 | 466.00 | 201.07 |
| Costs but before exceptional items(5+6) Exceptional items | - 1 | Profit /(Loss) from ordinary activities after finance | WALL | | | | | |
| Profit (+)/ Loss (-) from Ordinary Activities before tax (38.74) (40.55) 64.19 (79.29) 200.75 174.8 10 Tax expense | 7 | costs but before exceptional items(5+6) | . 1 | , , | | (73.23) | | 174.65 |
| 1748 10 12x expense (0.77) 15.00 (0.77) 40.00 110.11 12x expense (0.77) 40.00 110.11 13x expense (0.77) 40.00 140.11 140.15 150.00 (0.77) 40.00 140.15 160.75 64.61 160.75 | | | | | - | | | |
| Net Profit (+)/Loss(-) from Ordinary Activities after tax (9- (37.97) (40.55) 49.19 (78.52) 160.75 64.6i | 9 (| (7+8) | (38.74) | (40.55) | 64.19 | (79.29) | 200.75 | 174.85 |
| Net Profit (+)/Loss(-) from Ordinary Activities after tax (9-10) (37.97) (40.55) 49.19 (78.52) 160.75 64.6i | | | (0.77) | | 15.00 | (0.77) | 40 00 | 440.47 |
| 12 | - 1 | 10) | | (40.55) | - | | | 64.68 |
| 13 14 Share of profit/(Loss) of associates 15 Minority Interest 15 Minority Interest 16 Minority Interest 16 Minority Interest 16 Minority Interest 17 Minority Interest 18 Market of profit/(Loss) of Associates (13-14-15) 18 Paid-up equity share capital (Face value of share to be indicated) 1,249.97 | 12 | <u> </u> | | | ,,,,, | ,, | "74. | |
| Minority Interest Met profit/(Loss) after taxes, minority Interest and share of profit/(Loss) after taxes, minority Interest and share of profit/(Loss) of Associates (13-14-15) (40.55) 49.19 (78.52) 160.75 64.6 | 13 | | (37.97) | (40.55) | 49.19 | (78.52) | 160.75 | 64.68 |
| Net profit/(Loss) after taxes, minority Interest and share of profit/(Loss) of Associates (13-14-15) Paid-up equity share capital (Face value of share to be indicated) Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year Serial profit/(Loss) after taxes, minority Interest and (37.97) (40.55) 1,249.97 (1,249.97 1,24 | | | | n' | | | İ | |
| Share of profit/(Loss) of Associates (13-14-15) Paid-up equity share capital (Face value of share to be indicated) 1,249.97 | | | | | | | | • |
| 17 indicated) 1,249.97 1, | 16 | Net profit/(Loss) after taxes, minority Interest and share of profit/(Loss) of Associates (13-14-15) | (37.97) | (40.55) | 49.19 | (78.52) | 160.75 | 64.68 |
| 11,761.06 | 17 li | ndicated) | 1,249.97 | 1,249.97 | 1,249.97 | 1,249.97 | 1,249.97 | 1,249.97 |
| [9] Earnings Per Share (after extra ordinary items) (0.30) (0.32) 0.39 (0.63) 1.29 0.52 Earnings Per Share (after extra ordinary items) (0.30) (0.32) 0.39 (0.63) 1.29 (0.52) | 18 4 | of previous accounting year | | | _ | | | 11,761.08 |
| Earnings Per Share (after extra ordinary items) (0.32) | | | (0.30) | (0.32) | 0.39 | (0.63) | 1.29 | 0.52 |
| Earnings Per Share (after extra ordinary items) (0.32) | 19ii E | amings Per Share (after extra ordinary items) | (0.30) | (0.32) | 0.39 | (0.62) | 44 29 | 0.62 |
| | [E | arnings Per Share (after extra ordinary items) | (0.30) | (0.32) | | - (XXX)/1 | + *** | 0.52 |



File No. _

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| | | | | | | | |

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

| Date | | | | |
|------|--|--|--|--|
| | | | | |

| | | Quarter Ended | | | Six Months Ended | | Year Ended | |
|------|---|---------------|-------------|-------------|------------------|-------------|------------|--|
| S.No | Particulars | 30-Sep-13 | 30-Jun-13 | 30-Sep-12 | 30-Sep-13 | 30-Sep-12 | 31-Mar-13 | |
| | PART-II | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) | |
| A. | PARTICULARS OF SHAREHOLDING; | | | | | | | |
| 1 | Public shareholding | | | | | | | |
| | - Number of shares | 7729832 | 7,531,177 | 7,964,871 | 7729832 | 7,694,871 | 7,859,340 | |
| VI | - Percentage of shareholding | 61.84 | 60.25 | | 61.84 | | 62.88 | |
| 2 | Dromotoro and Daniel Charles and Charles | | | | | | | |
| | Promoters and Promoter group Shareholding** | | | | | | | |
| | a) Pledged/Encumbered | | | | | | | |
| | -Number of Shares | 225000 | 225,000 | 225,000 | 225000 | 225,000 | 225,000 | |
| | -Percentage of Shares(as a % of the total shareholding of | 4.71 | 4.53 | 4,68 | 4.71 | 4.68 | 4.84 | |
| | Promoter and Promoter group) | | " "- | | | | | |
| | -Percentage of Shares(as a % of the total sharecapital of | 1,81 | 1.80 | 1.80 | 1.81 | 1.80 | 1.80 | |
| | the Company) | | | | | 1,122 | | |
| | b) Non-encumbered | | | | | | | |
| | Number of Shares | 4544823 | 4,743,478 | 4,579,784 | 4544823 | 4,579,784 | 4,415,315 | |
| | -Percantage of Shares(as a % of the total shareholding of | 95.29 | 95.47 | 95.32 | 95,29 | 95.32 | 95.16 | |
| | Promoter and Promoter group | 00.20 | 99.47 | 90.02 | 99.29 | 95.52 | 95.16 | |
| | -Percantage of Shares(as a % of the total sharecapital of | 98.2 | 98.20 | 98.20 | 98.2 | 98,20 | 98.20 | |
| • | the Company | | | 00.20 | | 50,50 | | |
| | Particulars | | | 3 month | s ended (dd/m | m/vvvv) | | |
| В. | INVESTOR COMPLAINTS: | 1811 | | | 3 | · · · · · · | | |
| | Pending at the beginning of the quarter | 0 | | | 0 | | | |
| | Received during the quarter | 0 | , | | . 0 | | | |
| | Disposed during the Quarter | 0 | -u- | | 0 | | | |
| | Remaining unresolved at the end of Quarter | 0 | | | 0 | | | |





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Registered Office:

'THRUSHNA', Plot No. 7, Software Units Layout, Infocity

Madhapur, Hyderabad - 500 081. A.P. India.

| File NoKernex Microsystems (India) I to | Date | |
|---|------|---|
| Neinex Microsysiems (India) i ta | | _ |

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

| | | · · | (₹ in lakhs) |
|------------|---|-------------------------|--------------------------|
| SI No | Particulars Particulars | As at 30th Sept,2013 | As at 31st March,2013 |
| <u> A.</u> | EQIUITY AND LIABILITIES | | Wat C11,2013 |
| | Shareholders Funds | | |
| | a) Share Capital | 1,249.97 | 1,249.97 |
| | b) Reserves and Surplus | 11,682.56 | 11,761.08 |
| | c) Money received against share warrants | 1,1002.00 | |
| | Sub-total - Shareholders Funds | 12,932.52 | 13,011.04 |
| 2 | Share Application Money pending allotment | | |
| 3 | Minority Interest | | |
| | | | |
| | Non-current liabilities | | |
| | a) Long term borrowings | | |
| | b) Deferred tax liabilities (Net) | 33.02 | 33.79 |
| | c) Other long term liabilities | | - |
| | d) Long-term provisions | | - |
| | Sub-total-non current liabilities | 33.02 | 33.79 |
| 5 | Current Liabilities | | |
| | a) Short term borrowings | 1,649.51 | 4.004.00 |
| | b) Trade Payables | 1,339.86 | 1,634.92 |
| | c) Other current liabilities | 719.36 | 836.60 |
| | d) Short term provisions | 60.49 | 683.21 |
| | Sub-total -Current Liabilities | 3,769.22 | 78.14 3,232.88 |
| - | TOTAL -EQUITY AND LIABILITIES | 16,734.77 | |
| | | 10,734,77 | 16,277.71 |
| _ B/ | ASSETS: | | |
| 1 I | Non - Current Assets | | |
| | a) Fixed Assets | 601414 | 7.000.45 |
| k | o)Goodwill on consolidation | 6,914.14 | 7,022,15 |
| | c) Non-current inverstments | 118.31 | 440.04 |
| | d) Deferred Tax Assets (net) | 110.31 | 118.31 |
| | E)Long- term loans and advances | 1,098.54 | 1,249.59 |
| f | Other non current assets | 1,000.04 | 1,248.08 |
| | Sub - total - non current assets | 8,130.98 | 8,390.05 |



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

| SI No | Particulars | As at 30th Sept,2013 | As at 31st March,2013 |
|-------|----------------------------------|-------------------------|--------------------------|
| 2 | Current Assets | | |
| | a) Current Investments | | |
| | b)Inventories | 1,855.88 | 1,570.19 |
| | c) Trade Receivables | 5,254.94 | 4,677.23 |
| | d) Cash and cash equivalents | 796.65 | 839.55 |
| | e) Short term loans and advances | 602.54 | 726.03 |
| | f) Other current assets | 93.78 | 74.66 |
| | Sub-total - Current Assets | 8,603.79 | 7,887.66 |
| | TOTAL ASSETS | 16,734.77 | 16,277.71 |





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| Data | | | |
|------|--|--|--|
| Late | | | |

Notes:

File No. _

- 1. Auditors have conducted the limited review Audit as recommended by the Audit Committee; the Board of Directors of the Company has approved the above results at their meeting held on November 14, 2013.
- 2. The Company operates in one reportable segment i.e. Safety systems for railways hence segment reporting as per AS-17 is not applicable.
- 3. Figures for the previous Periods have been regrouped/rearranged, wherever considered necessary.
- 4. KRCL has intimated KMIL that the MOU and Agreement regarding development & Manufacture of ACD is treated as discharged in context of TCAS development. However KMIL has contested and taken up the matter with KRCL
- 5. Number of Investor complaints left unresolved at the beginning of the quarter Nil, received during the quarter- Nil Disposed off during the quarter- and pending Nil.

By order of the Board of Directors FOR KERNEX MICROSYSTEMS (INDIA) LTD.,

> COLL.V.RAJU (RETD), MANAGING DIRECTOR

Place: Hyderabad

Date: November 14, 2013

GMK ASSOCIATES

Chartered Accountants



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, 2013 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.

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 recognised 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, 2013

ASSOCIATION AND ASSOCIATION ASSOCIATIO

For GMK ASSOCIATES Chartered Accountants Firm Regn No.006945S

Gums

(G.Satyanarayana Murty)

Partner

LM.No.029919