KERNEX MICROSYSTEMS (INDIA) LTD.

(An ISO 9001-2015 Certified Company)

CIN : L30007TG1991PLC013211
Tel : +91 8414-667600
Fax : +91 8414-667695
email : kernex@kernex.in
Website : www.kernex.in

Registered Office :
"TECHNOPOLIS", Plot Nos : 38-41,
Hardware Technology Park,
TSIIC Layout, Raviryal (V),
Hyderabad – 501 510. Telangana, India.

14th November 2026

To	To
The Listing / Compliance Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001	The Listing / Compliance Department 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**

Sir / Madam,

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')
Sub: Outcome of the Board Meeting

Pursuant to Regulation 30 read with Part A of Schedule III, of the SEBI (LODR) Regulations, 2015, we hereby inform you that the Board of Directors of the Company at its meeting held on 14th November 2026, had, *inter-alia* transacted the following items of the business:

i) Approved the Un-Audited Standalone and Consolidated Financial Results/Statements for the quarter and half year ended on 30th September 2026 together with statement of Assets and Liabilities as on 30th September 2026 and Cash Flow statement for the half year ended on 30th September 2026.
ii) Took note of the Limited Review Report on un-audited Standalone and Consolidated Financial results of the Company for the quarter ended on 30th September, 2026 as required under Regulation 33 of SEBI (LODR) Regulations, 2015.
iii) Grant of 25,000 ESOP to eligible employees

The aforesaid Board Meeting commenced at 06:30 P.M. and concluded at 08:25 P.M.

Kindly take the above information on record and acknowledge.

Thanking you,

Yours faithfully,
For**Kernex Microsystems (India) Limited**

Prasada Rao K
Company Secretary & Compliance Officer

KERNEX MICROSYSTEMS (INDIA) LIMITED
CIN:L30007TG1991PLC013211
Technopolis, Plot Nos: 38-41,Hardware Technology Park TSIIC Layout,
Raviryal Maheshwaram, Ranga Reddy,Hyderabad Telangana, India- 501510.
Statement of Consolidated Financial Results for the quarter and Half year ended September 30, 2026

(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2026	June,30 2026	September 30, 2025	September 30, 2026	September 30, 2025	March 31, 2026
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
Income						
I. Revenue from operations	54,263.17	50,358.23	4,711.68	1,04,621.40	10,304.67	43,022.12
II. Other income	74.73	48.52	48.81	123.25	84.95	224.66
III. Total Income (I+II)	**54,337.90**	**50,406.74**	**4,760.48**	**1,04,744.65**	**10,389.61**	**43,246.78**
IV.Expenses:						
(a) Cost of materials consumed	19,521.49	26,803.30	6,875.60	46,324.79	9,908.66	39,476.27
(b) Changes in inventories of finished goo and work-in-progress	6,072.19	(2,135.47)	(5,043.40)	3,936.72	(5,303.63)	(22,256.70)
(c) Project execution expenses	5,078.20	4,019.13	492.22	9,097.33	1,203.86	5,378.54
(d) Employee benefits expense	1,410.98	1,393.29	738.59	2,804.27	1,397.15	3,243.82
(e) Finance costs	1,515.96	1,322.77	468.51	2,838.73	723.89	2,815.07
(f) Depreciation and amortization expenses	216.20	194.41	97.11	410.61	180.87	582.22
(g) Other expenses	3,102.00	4,093.93	311.50	7,195.93	627.71	2,653.56
(h) Amount transferred to capital expenditure	(51.65)	(98.34)	(90.03)	(149.99)	(214.44)	(350.26)
Total Expenses(IV)	**36,865.37**	**35,593.03**	**3,850.11**	**72,458.39**	**8,524.07**	**31,542.52**
V.Profit before exceptional items and tax (III - IV)	**17,472.53**	**14,813.71**	**910.36**	**32,286.26**	**1,865.54**	**11,704.26**
VI. Exceptional Items	-	-				-
VII.Profit before tax (V-VI)	**17,472.53**	**14,813.71**	**910.36**	**32,286.26**	**1,865.54**	**11,704.26**
VIII.Tax expense:						
(a) Current tax expense	5,034.53	4,688.31		9,722.84		2,271.38
(b) Adjustment of tax relating to earlier periods	-	-				48.42
(c) Deferred tax credit	(462.83)	(859.17)	258.27	(1,322.00)	472.24	560.16
Total Tax Expense/(Credit) net (VIII)	**4,571.70**	**3,829.14**	**258.27**	**8,400.84**	**472.24**	**2,879.96**
IX.Profit for the period/year (VII-VIII)	**12,900.83**	**10,984.57**	**652.09**	**23,885.41**	**1,393.30**	**8,824.30**
Profit for the period attributable to:						
Owners of the company	**12,901.20**	**10,984.60**	**657.43**	**23,885.80**	**1,403.91**	**8,833.63**
Non- Controlling Interest	**(0.36)**	**(0.03)**	**(5.34)**	**(0.39)**	**(10.61)**	**(9.33)**
X.Other comprehensive income/(loss)						
A.Items that will not be reclassified to Statement of Profit and loss						
i.Remeasurement gains/(losses) of the defined benefit plans	(0.06)	(0.25)	(2.91)	(0.31)	(2.91)	(86.82)
ii.Income tax effect on the above	-	-				20.75
A.Items that will be reclassified to Statement of Profit and loss	-	-				-
Total other comprehensive income/(loss) (X)	**(0.06)**	**(0.25)**	**(2.91)**	**(0.31)**	**(2.91)**	**(66.07)**
XI.Total comprehensive income for the period/year (IX+X)	**12,900.77**	**10,984.32**	**649.18**	**23,885.10**	**1,390.38**	**8,758.24**
Profit for the year attributable to:						
Owners of the Company	12,901.19	10,984.35	654.52	23,885.49	1,400.99	8,767.57
Non-controlling interests	(0.36)	(0.03)	(5.34)	(0.39)	(10.61)	(9.33)
Paid-up equity share capital (Equity Shares of face value ₹10 Each)	1,680.36	1,680.36	1,675.94	1,680.36	1,675.94	1,680.24
Other equity excluding Revaluation reverse				47,026.22	15,697.86	23,131.24
Earnings per equity share (EPS)						
Basic EPS Face Value of ₹ 10/- each- ₹	**76.78**	**65.37**	3.87	**142.15**	8.38	52.71
Diluted EPS Face Value of ₹ 10/- each- ₹	**76.78**	**65.37**	3.86	**142.15**	8.36	52.67
	Not Annualised	***Not Annualised***	***Not Annualised***	***Not Annualised***	***Not Annualised***	***Annualised***

KERNEX MICROSYSTEMS (INDIA) LTD.

Notes:Notes to the Unaudited Consolidated Financial Results for the quarter ended September 30, 2026

1.The Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2026 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 14, 2026. The Consolidated Financials results are limited reviewed by the statutory auditors in compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended..

2.The Unaudited Consolidated Financial Results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Act, 2013 read with the relevant rules issued here under ('Ind AS') and other accounting principles generally accepted in India.

3.The Company is engaged in the manufacture and sale of Safety Systems and Software services for railways. The Company has business operations mainly in India, Egypt and USA. The Company is a public limited Company incorporated and domiciled in India and has its registered office at Plot No.38 (part) to 41, Survey No.1/1, Hardware Park, Raviryal Village, Maheswaram Mandal, Hyderabad - 501 510. The Company has its primary listings on the BSE Limited and National Stock Exchange in India. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.The company operates on one reportable segement,hence segment reporting as per Ind AS 108 is not applicable

4.Emphasis of Matter – Management's Assessment of Certain Financial Assets

The Statutory Auditors have included an Emphasis of Matter in their audit report regarding the Company's assessment of the recoverability of certain financial assets, as detailed below.

(a) Trade receivables from customers amount to ₹422.73 lakhs (Previous Year: ₹422.73 lakhs), with an Expected Credit Loss (ECL) provision of ₹413.30 lakhs for the current quarter (Previous Year: ₹ 309.59 lakhs). These receivables have been outstanding for more than three years.

(b) Bank guarantees amounting to ₹265.03 lakhs given to one of the customers are currently under arbitration/conciliation proceedings

5.During the first half year, the company has allotted 1,200 equity shares of ₹ 10 each fully paid-up, on exercise of stock options by employees in accordance with the company's stock option scheme.

6.The consolidated financial results of Kernex Microsystems (India) Limited include the financial results of its Wholly Owned Subsidiary, Avant-Garde Infosystems Inc. (USA) its Controlled Entities, namely Kernex TCAS JV (Kernex's share: 80%) and KERNEX–VRRC JV (Kernex's share: 80%), and its Joint Operations, namely VRRC KERNEX CE RVR JV (Kernex's share: 35%) and KERNEX–BHEPL JV (Kernex's share: 51%), consolidated in accordance with the applicable provisions of Ind AS 110, Consolidated Financial Statements, and Ind AS 111, Joint Arrangements, respectively.

7.As at the reporting date, the Company's aggregate outstanding order book is ₹ 3068 Crores (Including GST), with CLW being the major order under execution against which supplies have been completed to the extent of 60% as on date of 30 the September 2026.

8.The figures for the corresponding previous periods have been regrouped/ reclassified wherever necessary, to make them comparable.

9.The above Consolidated Financial Results for the quarter and Half yar ended September 30, 2026, are available on the company's website and stock exchanges websites BSE (www.bseindia.com) and NSE (www.nseindia.com),in compliance with SEBI LODR Regulations.

For And On Behalf Of The Board Of Directors of
Kernex Microsystems (India) Limited

Sreelakshmi Manthena
Managing Director
DIN:07996443

Hyderabad
14 Th November 2026

KERNEX MICROSYSTEMS (INDIA) LIMITED
CIN:L30007TG1991PLC013211
Technopolis, Plot Nos: 38-41,Hardware Technology Park TSIIC Layout,
Raviryal Maheshwaram, Ranga Reddy,Hyderabad Telangana, India- 501510.

Statement of Consolidated Balance Sheet as at September 30, 2026

(All amounts are in ₹ Lakhs, where otherwise stated

Particulars	As at 30 September 2026 (Unaudited)	As at 31 March 2026 (Audited)
ASSETS :		
(1) Non-Current Assets		
a) Property plant and equipment	2,831.81	2,718.13
b) Other intangible assets	518.96	658.45
c) Intangible assets under development	90.00	-
d) Financial assets		
(i) Investments		-
(ii) Loans		-
(i) Other financial assets	1,965.01	1,645.61
e) Deferred tax assets (net)	2,551.24	1,229.24
Sub-total-Non-current assets	**7,957.01**	**6,251.43**
(2) Current Assets		
a) Inventories	37,072.62	37,132.06
b) Contract assets	6,994.99	6,828.32
c) Financial assets		
(i) Trade receivables	68,316.07	31,626.15
(ii) Cash and cash equivalents	2,438.78	145.91
(iii) Bank balances other than (ii) above	2,840.02	2,554.31
(iv) Other financial assets	341.68	286.52
d) Income tax assets (net)	586.40	512.28
e) Other current assets	10,355.42	6,576.55
Sub-total-Current assets	**1,28,945.99**	**85,662.09**
TOTAL ASSETS	**1,36,903.01**	**91,913.52**
EQUITY AND LIABILITIES:		
(1) Equity		
a) Equity share capital	1,680.36	1,680.24
b) Other equity	47,026.22	23,131.24
Equity attributable to owners of the Company	48,706.59	24,811.48
Non-controlling interests	(69.57)	(69.18)
TOTAL EQUITY	**48,637.01**	**24,742.30**
(2) Liabilities		
Non-Current Liabilities		
a) Financial liabilities		
i) Borrowings	548.00	38.76
b) Provisions	7,777.87	1,890.00
Sub-total- Non-current liabilities	**8,325.87**	**1,928.76**
Current liabilities		
a) Contract liabilities	-	-
b) Financial liabilities		
(i) Borrowings	35,058.10	16,172.36
(ii) Trade payables		
a) Total outstanding dues of micro and small enterprises	307.63	1,115.41
b) Total outstanding dues of creditors other than micro and small enterprises	35,423.20	43,140.74
(iii) Other financial liabilities	3,693.83	2,391.60
c) Other current liabilities	1,486.05	358.88
d) Provisions	82.13	110.07
e) Current tax liabilities (net)	3,889.17	1,953.39
Sub-total- current liabilities	**79,940.12**	**65,242.46**
TOTAL LIABILITIES	**88,266.00**	**67,171.22**
TOTAL EQUITY AND LIABILITIES	**1,36,903.01**	**91,913.52**

For And On Behalf Of The Board Of Directors of
Kernex Microsystmes(india) Limited

Sreelakshmi Manthena
Managing Director
DIN:07996443

Hyderabad
14th November 2026

KERNEX MICROSYSTEMS (INDIA) LIMITED
CIN:L30007TG1991PLC013211
Technopolis, Plot Nos: 38-41,Hardware Technology Park TSIIC Layout,
Raviryal Maheshwaram, Ranga Reddy,Hyderabad Telangana, India- 501510.

Consolidated Statement of Cash Flows for the Half-year ended September 30, 2026

(All amounts are in ₹ Lakhs unless otherwise stated)

	Particulars	Half Year end '30 Th September 2026(Unaudited)	Year ended '31 March 2026(Audited)
A.	**Cash flows from operating activities**		
	Profit before tax from continuing operations	32,286.26	11,704.26
	Adjustments to reconcile profit before tax to net cash flows :		
	- Depreciation and amortisation expenses	410.61	582.22
	- Share-based payment expense	1.68	247.17
	- Net foreign exchange differences (unrealised)	7.69	(9.42)
	- Interest Income	(85.23)	(191.09)
	- Finance costs	2,838.73	2,815.07
	- Provision for doubtful debts (Lifetime expected credit loss)	200.51	180.69
	- Loss on write-down of Inventory to NRV	-	374.42
	- Provision for warranties	5,904.05	1,376.60
	Operating profit before working capital changes	**41,564.30**	**17,079.92**
	Changes in Working Capital		
	- (increase)/decrease in other financial assets	(374.56)	35.74
	- (increase)/decrease in inventories	59.44	(32,248.11)
	- (increase)/decrease in contract assets	(166.66)	(3,852.82)
	- (increase)/decrease in trade receivables	(36,890.44)	(30,818.52)
	- Changes in other bank balances	(285.71)	(623.72)
	- (increase)/decrease Other current assets	(3,778.87)	(4,423.03)
	- increase/(decrease) in provisions	(44.11)	1,474.46
	- increase/(decrease) in contract liabilities	-	(16.50)
	- increase/(decrease) in trade payables	(8,525.32)	42,206.16
	- increase/(decrease) in other financial liabilities	1,302.23	1,264.26
	- increase/(decrease) in Other current liabilities	1,127.17	114.07
	- Interest Income	85.23	191.09
	Cash flow (used in) / generated from operating activities	**(5,927.32)**	**(9,617.01)**
	- Direct taxes paid	(7,861.19)	(357.02)
	Net cash flow (used in) / generated from operating activities	**(13,788.51)**	**(9,974.03)**
B.	**Cash flows from investing activities**		
	Payment for Purchase of property, PLANT and equipment (net of movement in ca	(384.79)	(1,459.88)
	- Receipt on Sale of Purchase of property, plant and equipment	-	-
	- (increase)/decrease in Intangible assets under development	(90.00)	702.96
	Net cash (used in) investing activities	**(474.79)**	**(756.92)**
C.	**Cash flow from financing activities**		
	-Proceeds from issuance of equity shares on exercise of employee stock options	0.12	4.30
	-Securities premium	0.20	6.45
	-Increase/(decrease) in Non-Controlling Interest	(0.39)	0.20
	-Proceeds from borrowings from directors and others		(131.92)
	-Repayment of term loans and other borrowings	974.16	22.40
	-Proceeds from Inter corporate deposit (ICD)	(998.13)	1,465.47
	-Increase in utilisation of working capital borrowings from banks	19,418.13	10,822.91
	-Finance cost	(2,837.93)	(2,815.07)
	Net cash from financing activities	**16,556.17**	**9,374.74**
	Net increase/ (decrease) in cash and cash equivalents	**2,292.87**	**(1,356.21)**
	Cash and cash equivalents at the beginning of the period	145.91	1,502.12
	Cash and cash equivalents at the end of the Period	**2,438.78**	**145.91**
	A.Components of cash and cash equivalents:		
	Cash and cash equivalents includes:		
	Cash on hand	0.33	0.33
	Balances with banks in current accounts	2,438.46	145.58
		2,438.78	**145.91**

1.Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

2.Previous year's figures have been regrouped/reclassified wherever applicable.

For And On Behalf Of The Board Of Directors of
Kernex Microsystmes(india) Limited

KERNEX MICROSYSTEMS (INDIA) LTD. HYD

Sreelakshmi Manthena
Managing Director
DIN:07996443

Hyderabad
November 14, 2026.

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of M/s Kernex Microsystems (India) Limited ("the Company") for the quarter ended 30 September 2026 and year to date from 1 April 2026 to 30 September 2026 Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of M/s Kernex Microsystems (India) Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of **Kernex Microsystems (India) Limited** (hereinafter referred to as "the Parent"), and its Joint Operations and Subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2026 and the year to date results for the period from 1 April 2026 to 30 September 2026 ("the Statement"), attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

2. The Holding Company's management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the Master Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

NSVR & ASSOCIATES LLP * Chartered Accountants * Firm Reg. No. 008801S/S200060

4. The Statement includes the results of the following entities:

   - **Holding Company** - Kernex Microsystems (India) Limited.
   - **Wholly Owned Subsidiary** - Avant Garde Infosystems Inc. USA
   - **Controlled entity (Subsidiary)** - Kernex TCAS JV
   - **Controlled entity (Subsidiary)** - KERNEX VRRC JV
   - **Joint Operation** - VRRC KERNEX CE RVR JV
   - **Joint Operation** - KERNEX-BHEPL JV

Emphasis of Matter

We draw your attention to the Note 4 to the Statement of Consolidated Financial Results, which describes the company's assessment towards the recoverability of the following financial assets which are outstanding for long period of time:

a) Trade Receivables from customers Rs. 422.73 Lakhs (PY 422.73 Lakhs) and respective Expected Credit Loss (ECL) provision for the CY Rs. 413.30 Lakhs (PY Rs. 309.59Lakhs). The said receivable is outstanding for more than three years.

b) Bank guarantees amounting to Rs. 265.03 lakhs given to one of the customers are currently under arbitration / conciliation proceedings.

Such assessments are based on current facts and circumstances and may not necessarily reflect future uncertainties and events and the final recoverable amounts may vary for the reasons mentioned therein.

Our conclusion on the statement is not qualified in respect of these matters.

Other Matter

1. We did not review the interim financial statements / financial information / financial results of **KERNEX TCAS JV** (Controlled entity (Subsidiary)) whose financial statements / financial information / financial results reflect total revenue of Rs. 1.35 lakhs and Rs. 1.35 lakhs, total net profit/(loss) after tax of Rs. 0.46 lakhs and Rs. 0.85 lakhs and total comprehensive income/(loss) of Rs. 0.46 lakhs and Rs. 0.85 lakhs for the quarter and half year ended 30 September 2026 respectively, as considered in the consolidated financial results. These financial statements / financial information / financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this entity is based solely on the reports of the other auditors and the procedures performed by us as stated above.

Our conclusion on the Statement is not qualified in respect of the matters.

NSVR & ASSOCIATES LLP ★ Chartered Accountants ★ Firm Reg. No. 008801S/S200060

2. We did not review the interim financial statements / financial information / financial results of **VRRC KERNEX CE RVR JV** (Joint Operation) whose financial statements / financial information / financial results reflect total revenue of.nil and Rs. 187.34 lakhs, total net profit/(loss) after tax of Rs.nil and Rs. 0.39 lakhs and total comprehensive income/(loss) of Rs.nil and Rs. 0.39 lakhs for the quarter and half year ended 30 September 2026 respectively, as considered in the consolidated financial results. These financial statements / financial information / financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on the reports of the other auditors and the procedures performed by us as stated above.

Our conclusion on the Statement is not qualified in respect of the matters.

3. We did not review the interim financial statements / financial information / financial results of **KERNEX VRRC JV** (Controlled entity (Subsidiary)) whose financial statements / financial information / financial results reflect total revenue of Rs. (15.7) lakhs and 89.14 lakhs, total net profit/(loss) after tax of Rs. (2.26) lakhs and Rs. (2.79) lakhs and total comprehensive income/(loss) of Rs. (2.26) lakhs and Rs. (2.79) lakhs for the quarter and half year ended 30 September 2026 respectively, as considered in the consolidated financial results. These financial statements / financial information / financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on the reports of the other auditors and the procedures performed by us as stated above.

Our conclusion on the Statement is not qualified in respect of the matters.

4. The consolidated financial results include the interim financial results of **Avant-Garde Infosystems Inc** (wholly owned subsidiary) which have not been reviewed by us and their auditors, whose interim financial results reflect total revenue of Rs. 211.29 lakhs and Rs. 366.24 lakhs, total net profit/(loss) after tax of Rs. 34.81 lakhs and Rs. 62.37 lakhs and total comprehensive income/(loss) of Rs. 34.75 lakhs and Rs. 62.06 lakhs for the quarter and half year ended 30 September 2026 respectively, as considered in the consolidated financial results. According to the information and explanations given to us by the Management, these financial statements / financial information / financial results are not material to the Group.

Our conclusion on the Statement is not qualified in respect of the matters.

5. We did not review the interim financial statements / financial information / financial results of **KERNEX-BHEPL JV** (Controlled entity (Subsidiary)) whose financial statements / financial information / financial results reflect nil revenue, net profit/(loss) after tax and total comprehensive income/(loss) for the quarter and half year ended 30 September 2026, respectively, as considered in the consolidated financial results. These financial statements / financial information / financial results have not been reviewed by us, and accordingly, no amounts or disclosures in respect of this joint venture have been considered in the consolidated financial results.

NSVR & ASSOCIATES LLP ★ Chartered Accountants ★ Firm Reg. No. 008801S/S200060

Our conclusion on the Statement is not qualified in respect of the matters.

Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For NSVR & Associates LLP
Chartered Accountants
FRN: 008801S/S200060

V. G. dhar Rao N



V Gangadhar Rao N
Partner
Membership No: 219486
UDIN: 26219486U2PSH06548

Place: Hyderabad
Date: 14-11-2026

KERNEX MICROSYSTEMS (INDIA) LTD.

(An ISO 9001-2015 Certified Company)

CIN : L30007TG1991PLC013211
Tel : +91 8414-667600
Fax : +91 8414-667695
email : kernex@kernex.in
Website : www.kernex.in

Registered Office :
"TECHNOPOLIS", Plot Nos : 38-41,
Hardware Technology Park,
TSIIC Layout, Raviryal (V),
Hyderabad – 501 510. Telangana, India.

KERNEX MICROSYSTEMS (INDIA) LIMITED
CIN:L30007TG1991PLC013211
Technopolis, Plot Nos: 38-41,Hardware Technology Park TSIIC Layout,
Raviryal Maheshwaram, Ranga Reddy,Hyderabad Telangana, India- 501510
Statement of Standalone Financial Results for the quarter and half year ended September 30, 2026

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025	March 31, 2026
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
I. Revenue from operations	54,051.89	50,203.27	4,534.92	1,04,255.16	9,874.69	42,580.96
II. Other income	74.02	47.88	75.52	121.90	137.42	276.56
III. Total Income (I+II)	**54,125.91**	**50,251.15**	**4,610.44**	**1,04,377.06**	**10,012.11**	**42,857.52**
IV.Expenses:						
(a) Cost of materials consumed	19,359.20	26,680.78	6,736.01	46,039.98	9,567.20	39,134.81
(b) Changes in inventories of finished goods,stock-in-trade and work-in-progress	6,072.19	(2,135.47)	(5,043.40)	3,936.72	(5,303.63)	(22,256.70)
(c) Project execution expenses	5,076.70	4,019.13	492.22	9,095.83	1,203.86	5,375.90
(d) Employee benefits expense	1,410.98	1,393.29	738.43	2,804.27	1,388.42	3,235.09
(e) Finance costs	1,515.93	1,322.49	468.41	2,838.42	723.48	2,814.22
(f) Depreciation and amortization expenses	216.20	194.41	97.11	410.61	180.87	582.22
(g) Other expenses	3,086.99	4,088.56	703.08	7,175.55	1,007.24	3,379.76
(h) Amount transferred to capital expenditure	(51.65)	(98.34)	(90.03)	(149.99)	(214.44)	(350.26)
Total Expenses(IV)	**36,686.52**	**35,464.86**	**4,101.82**	**72,151.37**	**8,552.99**	**31,915.04**
V.Profit before exceptional items and tax (III - IV)	**17,439.39**	**14,786.29**	**508.62**	**32,225.69**	**1,459.12**	**10,942.47**
VI. Exceptional Items	-	-	-		-	-
VII.Profit before tax (V-VI)	**17,439.39**	**14,786.29**	**508.62**	**32,225.69**	**1,459.12**	**10,942.47**
VIII.Tax expense:						
(a) Current tax expense	5,034.53	4,688.31	-	9,722.84	-	2,271.38
(b) Adjustment of tax relating to earlier periods	-	-	-	-	-	48.42
(c) Deferred tax credit	(462.83)	(859.17)	258.27	(1,322.00)	472.24	560.16
Total Tax Expense/(Credit)	**4,571.70**	**3,829.14**	**258.27**	**8,400.84**	**472.24**	**2,879.96**
IX.Profit for the period/year (VII-VIII)	**12,867.69**	**10,957.16**	**250.34**	**23,824.85**	**986.87**	**8,062.52**
X.Other comprehensive income/(loss)						
A.Items that will not be reclassified to Statement of Profit and loss						
i.Remeasurement gains/(losses) of the defined benefit plans	-	-	-	-	-	(82.44)
ii.Income tax effect on the above	-	-	-	-	-	20.75
Total other comprehensive income/(loss) (X)	-	-	-	-	-	**(61.69)**
XI.Total comprehensive income for the period/year (IX+X)	**12,867.69**	**10,957.16**	**250.34**	**23,824.85**	**986.87**	**8,000.82**
XII. Paid-up equity share capital (Equity Shares of face value ₹10 Each)	1,680.36	1,680.36	1,675.94	1,680.36	1,675.94	1,680.24
XIII.Other equity excluding revaluation reserves				**47,784.78**	**16,869.52**	**23,950.29**
XIV. Earnings per equity share (EPS)						
Basic EPS - Face Value of ₹10/- each - ₹	76.58	65.21	1.49	141.79	5.89	48.07
Diluted EPS -Face Value of ₹10/- each - ₹	76.58	65.21	1.49	141.79	5.87	48.07
	Not Annualised	*Not Annualised*	*Not Annualised*	*Not Annualised*	*Not Annualised*	*Annualised*

KERNEX MICROSYSTEMS (INDIA) LTD. *HYD*

Notes to the Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2026

1.The Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2026 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 14, 2026. The standalone Financials results are limited reviewed by the statutory auditors in compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.

2.The Unaudited Standalone Financial Results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Act, 2013 read with the relevant rules issued here under ('Ind AS') and other accounting principles generally accepted in India.

3.The Company is engaged in the manufacture and sale of Safety Systems and Software services for railways. The Company has business operations mainly in India and Egypt . The Company is a public limited Company incorporated and domiciled in India and has its registered office at Plot No.38 (part) to 41, Survey No.1/1, Hardware Park, Raviryal Village, Maheswaram Mandal, Hyderabad - 501 510. The Company has its primary listings on the BSE Limited and National Stock Exchange in India. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.The company operates on one reportable segement,hence segment reporting as per Ind AS 108 is not applicable.

4.Emphasis of Matter – Management's Assessment of Certain Financial Assets

The Statutory Auditors have included an Emphasis of Matter in their audit report regarding the Company's assessment of the recoverability of certain financial assets, as detailed below.

(a) Trade receivables from customers amount to ₹422.73 lakhs (Previous Year: ₹422.73 lakhs), with an Expected Credit Loss (ECL) provision of ₹413.30 lakhs for the current quarter (Previous Year: ₹ 309.59 lakhs). These receivables have been outstanding for more than three years.

(b) Bank guarantees amounting to ₹265.03 lakhs given to one of the customers are currently under arbitration/conciliation proceedings

5.During the first half year, the company has allotted 1,200 equity shares of ₹ 10 each fully paid-up, on exercise of stock options by employees in accordance with the company's stock option scheme.

6.As at the reporting date, the Company's aggregate outstanding order book is **₹ 3068** Crores (Including GST), with CLW being the major order under execution against which supplies have been completed to the extent of 60% as on date of 30 Th September 2026.

7 The figures for the corresponding previous periods have been regrouped/ reclassified wherever necessary, to make them comparable.

8 The above Financial Results for the for the quarter and half year ended September 30, 2026, are available on the company's website and stock exchanges websites BSE (www.bseindia.com) and NSE (www.nseindia.com),in compliance with SEBI LODR Regulations.

For and on behalf of the Board of Directors of
Kernex Microsystems (India) Limited

KERNEX MICROSYSTEMS (INDIA) LTD. HYD

Sreelakshmi Manthena
Managing Director
DIN: 07996443

Hyderabad.
14th November 2026.

KERNEX MICROSYSTEMS (INDIA) LIMITED
CIN:L30007TG1991PLC013211
Technopolis, Plot Nos: 38-41,Hardware Technology Park TSIIC Layout,
Raviryal Maheshwaram, Ranga Reddy,Hyderabad Telangana, India- 501510.
Statement of standalone Assets and Liabilities as at September 30, 2026

(All amounts are in ₹ Lakhs unless otherwise stated)

Particulars	As at 30 September 2026 (Unaudited)	As at 31 March 2026 (Audited)
ASSETS:		
1.Non-Current Assets		
a) Property plant and equipment	2,831.81	2,718.13
b) Other intangible assets	518.96	658.45
c) Intangible assets under development	90.00	-
d) Financial assets		
(i) Investments	923.91	923.91
(ii) Loans	252.80	234.80
(iii) Other financial assets	1,752.51	1,443.77
e) Deferred tax assets (net)	2,551.24	1,229.24
Sub-total- Non -Current assets	**8,921.24**	**7,208.30**
2.Current Assets		
a) Inventories	37,072.62	37,132.06
b) Contract assets	6,994.99	6,828.32
c) Financial assets		
(i) Trade receivables	68,313.45	31,598.36
(ii) Cash and cash equivalents	2,236.96	21.11
(iii) Bank balances other than (ii) above	2,793.96	2,526.14
(iv) Other financial assets	341.68	286.52
d) Income tax assets (net)	583.39	512.28
e) Other current assets	10,014.83	6,427.34
Sub-total- Current assets	**1,28,351.87**	**85,332.13**
TOTAL ASSETS	**1,37,273.11**	**92,540.43**
EQUITY AND LIABILITIES:		
1.Equity		
a) Equity share capital	1,680.36	1,680.24
b) Other equity	47,784.78	23,950.29
Total Equity	**49,465.14**	**25,630.54**
2.Liabilities		
i.Non-Current Liabilities		
a) Financial liabilities		
i) Borrowings	528.68	19.95
b) Provisions	7,777.87	1,890.00
Sub-total- Non -Current liabilities	**8,306.55**	**1,909.96**
ii.Current Liabilities		
a) Contract liabilities	-	-
b) Financial liabilities		
(i) Borrowings	35,058.11	16,172.36
(ii) Trade payables		
a) Total outstanding dues of micro and small enterprises	306.23	1,151.07
b) Total outstanding dues of creditors other than micro and	35,419.37	43,100.85
(iii) Other financial liabilities	3,693.83	2,309.09
c) Other current liabilities	1,052.58	203.11
d) Provisions	82.13	110.07
e) Current tax liabilities (net)	3,889.17	1,953.39
Sub-total- Current liabilities	**79,501.42**	**64,999.94**
TOTAL LIABILITIES	**87,807.97**	**66,909.90**
TOTAL EQUITY AND LIABILITIES	**1,37,273.11**	**92,540.43**

For And On Behalf Of The Board Of Directors of
Kernex Microsystems (India) Limited

KERNEX MICROSYSTEMS (INDIA) LTD. *HYD*

Sreelakshmi Manthena
Managing Director
DIN:07996443

Hyderabad
14th November 2026

KERNEX MICROSYSTEMS (INDIA) LIMITED
CIN:L30007TG1991PLC013211
Technopolis, Plot Nos: 38-41,Hardware Technology Park TSIIC Layout,
Raviryal Maheshwaram, Ranga Reddy,Hyderabad Telangana, India- 501510.

Standalone Statement of Cash Flows for the half year ended September 30 ,2026

(All amounts are in ₹ Lakhs unless otherwise stated)

	Particulars	Half Year ended September 30,2026 (Unaudited)	Year ended March 31, 2026 (Audited)
(A)	**Cash flows from operating activities**		
	Profit before tax from continuing operations	32,225.69	10,942.47
	Profit before tax	**32,225.69**	**10,942.47**
	Adjustments to reconcile profit before tax to net cash flows :		
	Depreciation and amortisation expenses	410.61	582.22
	Share-based payment expense	1.70	247.17
	Net foreign exchange differences (unrealised)	7.76	(5.05)
	Interest income	(83.88)	(242.99)
	Finance costs	2,838.42	2,814.22
	Provision for doubtful debts (lifetime expected credit loss)	200.51	583.76
	Loss on write-down of inventory to NRV	-	30.00
	Provision for warranties	5,904.05	1,376.60
	Provision for Impairments	-	360.86
	Operating Profit before working capital changes	**41,504.85**	**16,689.27**
	Working capital adjustments:		
	(Increase) in Loans & advances	(18.00)	(61.98)
	(Increase)/Decrease in Other financial assets	(363.91)	34.64
	Decrease/(Increase) in Inventories	59.44	(31,982.24)
	(Increase) in Contract assets	(166.66)	(3,852.82)
	(Increase) in Trade receivables	(36,915.61)	(29,878.26)
	(Increase) in Margin money towards bank guarantees with bank	(267.82)	(621.03)
	(Increase) in Other current assets	(3,587.48)	(4,453.95)
	(Decrease)/Increase in Provisions	(44.11)	97.86
	(Decrease) in Contract liabilities	-	(16.50)
	(Decrease)/Increase in Trade payables	(8,526.32)	42,687.47
	Increase in Other financial liabilities	1,384.74	1,300.46
	Increase in Other current liabilities	849.46	81.57
	Interest received	83.88	242.99
	Cash generated from operations	**(6,007.54)**	**(9,732.54)**
	Income tax paid	(7,858.98)	(357.02)
	Net cash (used in) operating activities	**(13,866.52)**	**(10,089.57)**
B	**Cash flows from Investing activities**		
	Purchase of property plant and equipment & intangible assets	(384.80)	(1,459.88)
	Sale proceeds of property plant and equipment & intangible assets	-	-
	Decrease/(increase) in intangible assets under development	(90.00)	702.96
	(Increase) in investments	-	(0.80)
	Net cash (used in) investing activities	**(474.80)**	**(757.72)**
C	**Cash flows from Financing activities**		
	Proceeds from issue of equity shares on exercise of employee stock options	0.12	4.30
	Securities premium	0.18	6.45
	Proceeds from borrowings from Directors and Others	-	-
	Proceeds/(Repayment) of term loan and other borrowings	974.47	(86.44)
	(Repayment)/Proceeds from Inter corporate deposit (ICD)	(998.13)	1,465.47
	Increase in utilisation of working capital borrowings from banks	19,418.13	10,822.91
	Finance cost	(2,837.60)	(2,814.22)
	Net cash from financing activities	**16,557.17**	**9,398.46**
	Net increase/(decrease) in cash and cash equivalents	**2,215.84**	**(1,448.82)**
	Cash and cash equivalents at the beginning of the period	21.11	1,469.93
	Cash and cash equivalents at the end of the period	**2,236.96**	**21.11**
	A.Components of cash and cash equivalents:		
	Cash and cash equivalents		
	Cash on hand	0.11	0.11
	Balances with banks in current account	2,236.85	21.00
	Total	2,236.96	21.11

Notes

1.Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
2.Previous year's figures have been regrouped/reclassified wherever applicable.

For And On Behalf Of The Board Of Directors of
Kernex Microsystems (India) Limited

Sreelakshmi Manthena
Managing Director
DIN:07996443

Hyderabad,
14 Th November 2026.

Independent Auditor's Review Report on Quarter ended 30th September 2026 and year to date 1st April 2026 to 30th September 2026 Unaudited Standalone Financial Results of M/s. KERNEX MICROSYSTEMS (INDIA) LIMITED, pursuant to Regulation 33 of the SEBI (Listing and Obligations and Disclosure Requirements) Regulations, 2015, as amended

To The Board of Directors of **M/s. KERNEX MICROSYSTEMS (INDIA) LIMITED**

1. We have reviewed the accompanying statement of standalone unaudited financial results of **Kernex Microsystems (India) Limited** ("the Company") for the quarter ended 30th September, 2026 and the year to date results for the period from 1st April 2026 to 30th September 2026 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Company's Management and has been approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS 34') and other recognized accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standards on Review Engagement (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the entity' 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 results are free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical and other review procedures applied to financial data and thus provide less assurance than an audit conducted in accordance with Standards on Auditing consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

NSVR & ASSOCIATES LLP ★ Chartered Accountants ★ Firm Reg. No. 008801S/S200060

Emphasis of Matter

We draw your attention to the Note 4 to the Statement of Standalone Financial Results, which describes the company's assessment towards the recoverability of the following financial assets which are outstanding for long period of time:

(a) Trade Receivables from customers amount to Rs. 422.73 lakhs (previous year Rs. 422.73 lakhs) with an Expected Credit Loss (ECL) provision of Rs. 413.30 lakhs for the current period (previous year Rs. 309.59 lakhs). These receivables have been outstanding for more than 3 years.

(b) Bank guarantees amounting to Rs. 265.03 lakhs given to one of the customers are currently under arbitration / conciliation proceedings.

Such assessments are based on current facts and circumstances and may not necessarily reflect future uncertainties and events, and the final recoverable amounts may vary for all reasons mentioned therein.

Our conclusion on the statement is not modified in respect of the above matter.

For NSVR & Associates LLP
Chartered Accountants
FRN: 008801S/S200060

V. Gangadhara Rao. N

NSVR & ASSOCIATES LLP
Firm Reg. No. 008801S/S200060
Chartered Accountants

V. Gangadhara Rao. N
Partner
Membership No: 219486
UDIN: 26219486NLMSWG5240

Place: Hyderabad
Date: 14.11.2026