

REPORT OF SCRUTINIZER

(Pursuant to Section 108 and 110 of the Companies Act 2013 and Rule 20 and 22 of Companies (Management and Administration) Rules 2014 and Regulation 44 of the (Listing Obligation and Disclosure Requirements) Regulation 2015

To
The Whole Time Director
Kernex Microsystems (India) Limited
CIN: L30007TG1991PLC013211
Registered Office: Plot No 38 (part) -41, Survey No 1/1, Kancha Imarat, Raviryal
Village, Maheswaram Mandal, Ranga Reddy District, Hyderabad-500 005

Consolidated Scrutinizers Report on Postal Ballot Voting including voting by electronic means in respect of Passing of the Special resolutions contained in the Postal Ballot Notice dated 17th January 2018

Dear Sir,

I, A.J.Sharma Proprietor of A.J.Sharma & Associates, Company Secretaries was appointed as Scrutinizer by the Board of Directors of Kernex Microsystems (India) Limited for Scrutinizing the Postal Ballot voting including voting by electronic means in a fair and transparent manner in respect of the Special resolutions contained in the Notice of Postal Ballot dated 17th January 2018 proposed to be passed by the shareholders of the Company

The Management of the Company is responsible in respect of compliance with the requirement of the relevant provisions of the Companies Act, 2013 and the Rules made thereunder and SEBI (Listing obligations and Disclosure Requirements) Regulations 2015 in respect of passing of resolutions by Postal Ballot including voting by electronic means. My responsibility as a Scrutinizer is limited to making a Scrutinizer's report of the votes cast by the members for the resolutions contained in the Notice dated 17th January 2018, on the basis of the report generated from the e-voting system provided by the authorized agency, Karvy Computershare Private Limited engaged by the Company to provide e-voting facility and scrutiny of the Physical Ballots received till the time fixed for closing of the voting process i.e. 5.00 P.M on 16th February 2018

I SUBMIT MY CONSOLIDATED REPORT OF VOTING BY POSTAL BALLOT AND E-VOTING AS UNDER

1. The Company pursuant to Section 110 of the Companies Act 2013 has completed dispatch of the Postal Ballot forms on 18th January 2018 together with the Postal Ballot Notice and Explanatory statement setting out material facts pursuant to section 102 of the Companies Act, 2013 along with self addressed prepaid



business reply envelope to those members of the Company whose names appeared on the Register of members on 12.01.2018. The said documents were sent by e-mail to all the members whose names appeared on the Register of beneficial owners maintained by the Depository participants on January 12, 2018, the cutoff date

2. Members whose names were recoded in the Register of members of the Company or in the Register of beneficial owners maintained by the Depositories as on January 12, 2018 being the cutoff date were entitled to cast their votes by Postal Ballot or e-voting
3. The voting through Postal Ballot commenced on January 18, 2018 and ended on Friday the 16th February 2018(5.00 p.m).The e-voting commenced on 22nd January 2018 at 09.00A.M and ended on 15th February 2018 at 05.00 P.M. The e-voting was blocked at 5.00 p.m on 15th February 2018 by Karvy Computershare Private Limited, the agency engaged by the Board of Directors of the Company. I have unblocked the electronic votes after the voting period in presence of two witnesses not in the employment of the Company and downloaded the details of shareholders who voted for or against each of the resolutions that were put to vote
4. The Postal Ballot Forms received from the members were kept in a locked ballot box before commencement of the scrutiny
5. After the time fixed for closing of the e-voting ie 5.00 p.m on Thursday the February 15, 2018 a final electronic report of the e-voting was generated by accessing the data made available to me by the authorized agency , Karvy Computershare Private Limited. The e-voting data was diligently scrutinized
6. The Physical postal ballots received till the time fixed for closing the Postal Ballot ie 5.00 p.m on February 16 2018 were diligently scrutinized and reconciled with the records maintained by the Company through Karvy Computershare Private Limited the Registrar and Transfer Agents of the Company and the authorizations lodged with the Company
7. No ballot papers were found defective or incomplete There were no defaced or mutilated ballot papers
8. The particulars of all the votes cast by Postal Ballot and e-voting have been recorded in a separate register



The summary of the votes cast by e-voting and Postal Ballot is as under

S.No	Particulars	No of Postal Ballots/e-voting options	No of shares
1.	Total Postal Ballots received	7	8,64,462
	Total e-voting options received	24	28,85,339
	TOTAL	31	37,49,801
2.	Less Invalid Postal Ballots	0	0
3.	Net Valid Postal Ballots	7	8,64,462
	Net valid e-voting options	24	28,85,339
	TOTAL	31	37,49,801

9. The result of the scrutiny of the above postal ballot voting including voting by electronic means in respect of passing of the resolution contained in the Notice dated 17th January 2018 through Postal Ballot is as under

RESULT OF E-VOTING OPTION

S.No	Particulars of Resolution	Type of Resolution	Votes in favour	Votes in favour %	Votes against	Votes against %
1.	Issue of equity shares on preferential basis to Dr Anji Raju Manthena – Promoter - Individual	Special	28,85,261	99.997	78	0.003
2.	Issue of equity shares on preferential basis to Dr Raju Narasa Mantena – Promoter – Individual	Special	28,85,261	99.997	78	0.003
3.	Issue of equity shares on preferential basis to Mr. K.Krishnam Raju – Non-Promoter - Individual	Special	28,77,061	99.713	8,278	0.287
4.	Issue of equity shares on preferential basis to Mrs K.Sweta – Non-Promoter – Individual	Special	28,77,061	99.713	8,278	0.287
5.	Issue of equity shares on preferential basis to Dr Vinta Janardhan Reddy – Non-Promoter – Individual	Special	28,85,261	99.997	78	0.003



