

## NOTICE

Notice is hereby given that the 30th General Meeting of the Members of M/s. Kernex Microsystems (India) Limited will be held on Friday, the 30th day of September 2022 at 10:00 A.M. IST through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") facility to transact the following items of business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Standalone and Consolidated financial statements for the year ended on 31st March, 2022 together with the reports of the Board of Director's and Auditors thereon.
2. To appoint a director in place of Dr. Anji Raju Manthana (DIN: 01022368), Director, who retires by rotation and being eligible offers himself for re-appointment as a director in the company.
3. To appoint a director in place of Dr. Janardhana Reddy Vinta (DIN: 02414912), Director, who retires by rotation and being eligible offers himself for re-appointment as a director in the company.
4. **To Re-Appoint Statutory Auditors of the Company**

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:*

**"RESOLVED THAT** pursuant to Sections 139, 141 and 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the Act and pursuant to the SEBI (listing Obligations and Disclosure requirements) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. PRSV & Co LLP, Chartered Accountants (FRN: S200016), be and are hereby re-appointed as the Statutory Auditors of the Company for another period of five years commencing from the conclusion of this Annual General Meeting till the conclusion of thirty fifth Annual General Meeting at a remuneration of Rs. 4,00,000/- per annum, in addition to the re-imburement of actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively."

### **SPECIAL BUSINESS:**

5. **To consider and approve the transactions entered with Related Party**

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:*

**"RESOLVED that** pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), consent of the members be and is hereby accorded for obtaining unsecured loans and payment of interest on the unsecured loans already obtained or to be obtained in future to meet the working capital requirements and day-to-day operational expenses, from Related Party(ies) including from the promoters and directors and the details of present loans and interest paid are provided in the explanatory statement attached hereto."

**RESOLVED further that** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.



**6. Increase in Authorised Share Capital of the Company and consequential amendment in Memorandum of Association of the Company**

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:*

**“RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the Rules framed thereunder, consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 15,00,00,000 (Rupees Fifteen crores) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs.10/- each to Rs. 25,00,00,000 (Rupees Twenty-Five Crores) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs. 10/- each ranking pari-passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

**“RESOLVED FURTHER THAT** pursuant to Section 13, 15 and all other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place and stead the following: -

“V. The Authorised Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty-Five Crores) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs. 10/- each.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

By order of the Board  
**For Kernex Microsystems (India) Limited**

Place: Hyderabad  
Date: 04.09.2022

**Sd/-**  
**M B Narayana Raju**  
Whole-Time Director  
DIN: 07993925

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts relating to the business stated are annexed hereto.
2. The Ministry of Corporate Affairs (“MCA”) has, vide its circular dated May 5, 2022, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 (collectively referred to as “MCA Circulars”), permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (“the Act”) read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re- appointment at this AGM is annexed.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2022 to 30th September, 2022 (both days inclusive) for the purpose of giving effect to the transmission and transposition requests lodged with the Company.
  5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during the AGM will be provided by NSDL.
  6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
  7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
  8. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
  9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFin Technologies Private Limited ("KFin") for assistance in this regard.
  10. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
  11. To promote green initiative, Members who have not registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic form and with KFin, in case the shares are held in physical form.
  12. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to KFin in case the shares are held by them in physical form.
  13. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <https://www.kernex.in>. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to KFin in case the shares are held in physical form.
  14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or KFin, the details of such folios together with the share certificates for
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consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 25th September, 2022 through email on [acs@kernex.in](mailto:acs@kernex.in). The same will be replied by the Company suitably.
17. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
18. The Notice calling the AGM has been uploaded on the website of the Company at [www.kernex.in](http://www.kernex.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). All documents referred to in the accompanying Notice shall be open for inspection by the Members by writing an e-mail to the Company [acs@kernex.in](mailto:acs@kernex.in).
19. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 (collectively referred to as "MCA Circulars"), AGM Notice is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories as on 2nd September 2022. Members whose email IDs are not registered with the Company/Depositories are requested to follow the process provided further for registration of email IDs with the depositories for procuring user ID & password and registration of email IDs for e-voting for the resolutions set out in this notice.
20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

**Instructions for e-voting and joining the AGM are as follows:**

**The instructions for Members for Remote E-Voting are as under:-**

1. In view of the continuing Covid-19 pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide General Circular numbers 2/2022 dated May 5, 2022, 20/2021 dated 8th December, 2021, 10/2021 dated 23rd June, 2021, 39/2020 dated 31st December, 2020, 33/2020 dated 28th September, 2020, 22/2020 dated 15th June, 2020, 17/2020 dated 13th April, 2020, and 14/2020 dated 8th April, 2020 issued by the Ministry of Corporate Affairs (MCA) (collectively referred to as "MCA Circulars") and Circular Numbers SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI/H/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, and issued by Securities and Exchange Board of India ("SEBI Circular") permitted the holding of the Extra-Ordinary General Meeting ("EGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the EGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.





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2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 and the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with National Depository Services (India) Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at-least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.kernex.in](http://www.kernex.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and NSE at [www.nse.com](http://www.nse.com). The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

## **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

**The remote e-voting period begins on Tuesday, 27<sup>th</sup> September 2022 (9:00 a.m. IST) and ends on Thursday, 29<sup>th</sup> September 2022 (5:00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter.**

The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September 2022.

Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the Cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies.

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.           <div data-bbox="696 1228 948 1379" style="text-align: center;"> <p>NSDL Mobile App is available on</p> <p>  App Store                Google Play             </p>   </div> </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> </ol>



Type of shareholders	Login Method
	<ol style="list-style-type: none"> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

- Your User ID details are given below :



Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
4. Upon confirmation, the message “Vote cast successfully” will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csvanitha19@gmail.com](mailto:csvanitha19@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [acs@kernex.in](mailto:acs@kernex.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [acs@kernex.in](mailto:acs@kernex.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through

their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsd.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
3. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [acs@kernex.in](mailto:acs@kernex.in) from 24th September 2022 (9:00 a.m. IST) to 26th September 2022 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Members are encouraged to join the Meeting through Laptops for better experience.
6. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their names, demat account number/folio number, email id, mobile number at [acs@kernex.in](mailto:acs@kernex.in). The same will be replied by the company suitably.
9. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 23rd September 2022. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut- off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM.
10. The Company has appointed Smt. N Vanitha, P S Rao & Associates, Practicing Company Secretaries, Hyderabad, as the Scrutinizer to the e-voting process and voting at the AGM in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for same purpose.
11. The Chairman shall, at the general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutinizer, by using an electronic voting system for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.

A member can opt for only one mode of voting, i.e., either through remote e-voting or by Ballot. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.

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12. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the AGM, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than three days from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the results of voting forthwith.

The results declared along with the scrutinizer's report shall be placed on the Company's website: www.kernex.in and shall also be communicated to the stock exchanges. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed at the AGM of the Company scheduled to be held on 30th September 2022.

**Information pursuant to the Listing Regulations and Secretarial Standards in respect of Appointment/ Re-appointment of Directors**

Particulars	Dr. Anji Raju Manthena	Dr. Vinta Janardhana Reddy
Date of Birth	October 13, 1944	August 10, 1946
Date of Appointment	May 20, 2005	September 20, 2008
Qualifications	M.S. (General Surgery) from Andhra University and M.D. (USA)	MBBS and MD (USA)
Expertise in specific Functional area	M.S. (General Surgery) from Andhra University and M.D. (USA) He has been practicing for the last 44 years in the Texas and has been actively involved in software related activities in Corporate hospitals. He has served as a member of various committees in Clear Lake Regional Medical centre as well as managing partner of Anesthesia Associates and president professional corporation	He has 47 years' experience as Physician working in USA. He is a member of Texas Medical Association, USA. He worked as executive vice president TANA and convener for 7th TANA conference.
Directorship held in other public companies (excluding foreign companies)	NIL	NIL
Memberships / Chairmanships of committees of other Public companies (includes only Audit and Shareholders/ Investors Grievance Committee)	NIL	NIL
Number of shares held in the company	19,55,106	2,99,655

By order of the Board  
**For Kernex Microsystems (India) Limited**

**Sd/-**  
**M B Narayana Raju**  
Whole-Time Director  
DIN: 07993925

Place: Hyderabad  
Date: 04-09-2022

## EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all the material facts relating to the business mentioned under the accompanying Notice.

### Item No. 4:

In terms of Section 139 of the Companies Act, 2013 (“the Act”), and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the term of the present Statutory Auditors of the Company, M/s. PRSV & Co LLP, Chartered Accountants (FRN: S200016), will be expiring at the conclusion of the thirtieth Annual General Meeting.

The Board of Directors at its meeting held on 4th September 2022, after considering the recommendations of the Audit Committee, had recommended for the re-appointment of M/s. P R S V & Co LLP, Chartered Accountants, as the Statutory Auditors of the Company for approval of the members. The proposed Auditors shall hold office for a period of five consecutive years from the conclusion of the thirtieth Annual General Meeting till the conclusion of thirty fifth Annual General Meeting of the Company.

M/s. P R S V & Co LLP is a Chartered Accountancy Firm registered with Institute of Chartered Accountants of India with Firm Registration No S200016. It provides comprehensive professional services which include Audit, Tax Advisory, Management Consultancy, Financial Management, Accounting Services, Corporate Advisory, FEMA/RBI related services, etc. to a large and wide variety of clients throughout India. The firm is empaneled with CAG and RBI. Its clients include listed and non-listed public sector and private corporate & others and cover a broad spectrum of industries ranging from manufacturing, pharma, construction, insurance, banking, power, retail, hospitality, and information technology etc. and also it is focused on relationships, results and clients satisfaction. The capacity of the firm, the experience of team and process ability in coordinating the services will enable to deliver the service on time.

M/s. P R S V & Co LLP, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made thereunder.

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution.

Accordingly, approval of the members is sought for appointment of M/s. P R S V & Co LLP, Chartered Accountants as the Statutory Auditors of the Company and to authorize the Board of Directors, on the recommendation of the Audit Committee, to determine the remuneration payable to them.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is concerned or interested in the Resolution. The Board of Directors recommend the resolution for approval of the members.

### Item No. 5:

The Company has availed unsecured loan from Dr. Anji Raju Manthena for execution of projects and general corporate purpose for immediate requirements. As per provisions of Section 188 of the Companies Act, 2013 read with the rules made there under and pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members by way of an Ordinary Resolution is required for material related party transactions (i.e. transactions exceeding 10% of the consolidated turnover of the Company as per the latest audited financial statements). Transactions between your Company and Dr. Anji Raju Manthena exceeded the threshold limit of 10% of the annual consolidated turnover of the FY 2021-22 and the details of transactions are mentioned below.

- i. Name of the Related Party and Nature of Relationship: Dr. Anji Raju Manthena is a Director of the Company
- ii. Name of the director or key managerial personnel who is related, if any: Dr. Anji Raju Manthena, Ms. Sreelakshmi Manthena and Sri. Sitarama Raju Manthena Directors of the Company are related to each other.
- iii. The nature, duration of the contract and particulars of the contract or arrangement and the material terms of



the contract or arrangement including the value, if any; Dr. Anji Raju Manthena has given loan during the FY 2019-20, 2020-21 and 2021-22. Board has approved an interest payment of 18% p.a. on the loan amount. Dr. Anji Raju Manthena has waived off interest for the FY 2020-21. It is continuing until the payment made to him.

- iv. Any advance paid or received for the contract or arrangement, if any; NA.
- v. The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract; The Company has obtained an unsecured loan from Dr. Anji Raju Manthena and interest payment made to him as bank has not increasing the limits and scarcity of funds, the Company has obtained the loan from him.
- vi. Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; All factors have been considered

None of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way deemed to be interested or concerned in this Resolution except Dr. Anji Raju Manthena, Sri. Sitarama Raju Manthena and Ms. Sreelakshmi Manthena.

**Item No. 6:**

The present Authorised Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen crores) comprising of 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs.10/- each.

Considering the increased fund requirements of the Company, the Board at its Meeting held on 4th September 2022, had accorded its approval for increasing the Authorised Share Capital from Rs. 15,00,00,000 (Rupees Fifteen crores) to Rs. 25,00,00,000 (Rupees Twenty Five Crores) by creation of 1,00,00,000 (One Crore) additional equity share of Rs.10/- each, subject to approval of shareholders.

It is therefore proposed to increase the Authorised Share Capital of the Company from Rs. 15,00,00,000 (Rupees Fifteen crores) to Rs. 25,00,00,000 (Rupees Twenty Five Crores) by creation of 1,00,00,000 (One Crore) additional equity share of Rs.10/- each ranking pari-passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company. Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection during the business of hours of the Company in all days except Saturdays and Sundays at the registered office of the Company.

The Board recommends the resolution for approval of the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel and their relatives are interested or concerned in the said resolution except to the extent of their shareholding in the Company.

By order of the Board  
**For Kernex Microsystems (India) Limited**

**Sd/-**  
**M B Narayana Raju**  
Whole-Time Director  
DIN: 07993925

Place: Hyderabad  
Date: 04.09.2022

