



APOLLO MICRO SYSTEMS LIMITED

CIN: L72200TG1997PLC026556

Regd. Off: Plot No 128/A, Road No. 12, Bel Road IDA Mallapur, Uppal Mandal, Hyderabad - 500076

Email id: cs@apollo-micro.com Website: www.apollo-micro.com

NOTICE

NOTICE is hereby given that an Extra-ordinary General Meeting of the Members of Apollo Micro Systems Limited will be held on Friday, the 16th August, 2024 AT 11:30 A.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

SPECIAL BUSINESS:

Item 1: Issue of Convertible Equity Warrants on preferential basis to Promoter Group and to certain identified non-promoter persons/entities

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

RESOLVED THAT pursuant to the provisions of Section 23(1)(b), 42, 62 and other applicable provisions, if any, of the Companies Act 2013 read with the rules made there-under (including any statutory modifications) or the re-enactment thereof for the time being in force ("**Act**") and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**ICDR Regulations**") and Securities and Exchange Board of India (Substantial Acquisitions and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**") and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended (the "**LODR Regulations**") and other rules, regulations, guidelines notifications and circulars issued there under from time to time by the Government of India, the Reserve Bank of India, Securities and Exchange Board of India ("**SEBI**") and any other guidelines and clarifications issued by any other appropriate authorities whether in India or abroad, from time to time, to the extent applicable including the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to such approvals, concerns, permissions and sanctions as may be necessary or required, from regulatory or other appropriate authorities, including but not limited to SEBI, National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**"), and subject to such conditions and modifications as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "**The Board**") which term shall be deemed to include any exiting Committee(s) constituted / to be constituted by the Board to exercise its powers, including the powers conferred by this resolution, subject to any other alterations, modifications, conditions, corrections and changes and variations that may be decided by the Board absolute discretion, the consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer and allot, from time to time in one or more tranches 2,45,00,700 (Two Crores Forty Five Lakhs Seven Hundred Only) Convertible Equity Warrants ("**Warrants**") on preferential basis ("**Preferential Offer**") to promoters group and certain other non-promoter entities/persons as mentioned below ("**Warrant Holders**" / "**Proposed Allottees**") at a price of ₹ 108.15 (Indian Rupees One Hundred and Eight and Paise Fifteen Only) each (including the warrant subscription price and the warrant exercise price) aggregating upto ₹ 2,64,97,50,705/- (Indian Rupees Two Hundred and Sixty Four Crores Ninety Seven Lakhs Fifty Thousand Seven Hundred and Five Only) or such higher price as may be arrived at in accordance with the ICDR Regulations, on preferential allotment basis in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, think fit.

S. No.	Proposed Allottees -	Maximum number of Warrants to be allotted
A	Promoter Group	
1	Baddam Kanishka Reddy	20,40,300
2	Baddam Chanakya Reddy	20,40,300
B	Non-promoter Group	
3	Anudeep Adiraju	5,00,000

4	Rajshri Karwa	9,00,000
5	V Swarna Latha	5,000
6	Bhagyalaxmi Chiluveru	4,00,000
7	Reena Karwa	27,00,000
8	Superstar Investments Private Limited	9,00,000
9	Eminence Global Fund	50,00,000
10	North Star Opportunities Fund	50,00,000
11	AG Dynamic Funds	50,00,000
12	Enugu Ramya	4,800
13	Bairagoni Nishwanth	5,150
14	Aerpula Krishna	5,150
Total		2,45,00,700

RESOLVED FURTHER THAT the Equity Shares allotted on exercise of the Warrants shall upon conversion rank pari passu with the existing shares of the Company and in such form and manner and upon such terms and conditions as may be determined by the Board in accordance with the ICDR Regulations or other applicable laws as may be prevailing at that time.

RESOLVED FURTHER THAT in accordance with the provisions of Chapter V and Regulation 164 of ICDR Regulations, the Relevant Date for the purpose of calculating the price for the issue of Warrants is 16 July 2024.

RESOLVED FURTHER THAT the said Warrants shall be issued and allotted by the Company to the allottees within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants shall be subject to following terms:

I) The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company. The Warrants may be exercised into Equity Shares as aforesaid by the Warrant holder(s) at any time before the expiry of 18 months from the date of allotment of the Warrants.

II) A Warrant subscription price equivalent to 25% (i.e. the upfront amount) of the issue price will be payable at the time of subscription to the Warrants, as prescribed by Regulation 169 of the ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Equity Shares. A Warrant exercise price equivalent to the 75% of the issue price of the Equity Shares shall be payable by the Warrant holder(s) at the time of exercising the Warrants.

III) The issue of the Warrants as well as Equity Shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.

IV) The respective Warrant Holders shall make payment of Warrant Subscription Price and Warrant Exercise Price from their own bank account into the designated bank account of the Company and in the case of joint holders, shall be received from the bank account of the person whose name appears first in the application.

V) In the event the Warrant holder(s) does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.

VI) The Warrants and the Equity Shares allotted pursuant to exercise of such warrants shall be subject to a lock-in for such period as specified under Chapter V of ICDR Regulations.

VII) The Warrants by itself, until exercised and converted into Equity Shares, shall not give to the Warrant Holders thereof any rights with respect to that of an Equity shareholder of the Company.

VIII) the equity shares allotted upon conversion of the Warrants shall be listed on the Stock Exchange(s) where the existing equity shares of the Company are listed, subject to the receipt of necessary permissions or approvals as the case may be;

RESOLVED FURTHER THAT the pre-preferential allotment shareholding of the Warrant Holders, if any, in the Company shall also be subject to lock-in as per the provisions of the ICDR Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept any modification(s) or modify the terms of issue of Warrants, subject to the provisions of the Act and ICDR Regulations, without being required to seek any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of the Act and subject to receipt of such approvals as may be required under applicable law, the consent of the Members of the Company be and is hereby accorded to record the name and address of the allottees and issue a private placement offer cum application letter in the Form PAS-4 to the allottees inviting to subscribe to the Warrants in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the Warrant holder(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose to give effect to the above resolution, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the above mentioned Preferential offer (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), making applications to NSE and BSE for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies, Telangana, Hyderabad (“**ROC**”), National Securities Depository Limited (“**NSDL**”), Central Depository Services (India) Limited (“**CDSL**”) and/ or such other authorities as may be necessary for the purpose, and to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants / Shares to the respective dematerialized securities account of the Warrant Holders and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the members of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Warrants or Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to Committee of Directors/ any Director(s)/Company Secretary / any Officer(s) of the Company to give effect to the aforesaid resolution.”

RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter referred to above or contemplated in the foregoing resolution is hereby approved, ratified and confirmed in all respects.”

Item 2: Authorization to borrow monies exceeding the Paid-Up Share Capital, Free Reserves and Securities Premium of the Company under Section 180(1)(c) of the Companies Act, 2013

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

"RESOLVED THAT in supersession of the special resolution passed by the members on 15th May 2017 in this regard, the consent of the members be and is hereby accorded to the Board of Directors of the Company ('hereinafter referred to as the 'Board', which term shall be deemed to include any Committee thereof which the Board may hereinafter constitute to exercise its powers including the powers conferred by this Resolution') in terms of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, to borrow periodically from time to time for the purpose of the business of the Company such sums of money, including without limitation, from any Banks and/or public financial institutions as defined under Section 2(72) of the Companies Act, 2013 and/or any foreign financial institution(s) or foreign banks and/or any entity/entities or authority/authorities and/or through suppliers credit, Securities including ADR's, GDR's, FCCBs, FCBs, ECB, instruments such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, long term loans, short term loans or any other instruments, etc. and/or through credit from official agencies and/ or by way of commercial borrowings from the private sector window of multilateral financial institution(s), firms, bodies corporate either in rupees or in such other foreign currencies as may be permitted by law from time to time, whether secured or unsecured as may be deemed appropriate by the Board for an aggregate amount not exceeding ₹ 1,500 Crores (Rupees One Thousand Five Hundred Crores only) or equivalent amount in any other foreign currency notwithstanding that monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board/committee of Directors be and is hereby authorized and empowered to enter into, sign, seal and execute and deliver such arrangements, assignments, conveyances, covenants, contracts and to finalise, settle and execute such documents/deeds/writings/papers/other instruments/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to borrowing funds by creating any mortgage/charge as aforesaid without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."

Item 3: Authorization to create security under Section 180(1)(a) of the Companies Act, 2013

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

"RESOLVED THAT the consent of the members be and is hereby granted, in terms of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013, (including any statutory modifications or re-enactment, clarifications thereof, for the time being in force), to the Board of Directors ('hereinafter referred to as the 'Board', which term shall be deemed to include any Committee thereof which the Board may hereinafter constitute to exercise its powers including the powers conferred by this Resolution') to mortgage and/or charge either as first charge or second or subsequent charge in addition to the mortgages/charges created/to be created by the Company in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in the events of defaults, in favour of the Financial Institutions, Banks, other Lender(s), Agent(s) and Trustee(s), person(s), entities which give, provide or extend loans/facilities for securing the borrowings of the Company availed/to be availed, by way of Loan(s)/Working Capital facilities/Deferred Payment guarantees or any other guarantees/Equipment Finance/Asset Credit Schemes (in foreign currency or rupee currency) and other securities comprising Convertible/Non-convertible Debentures/Bonds, Foreign Currency Bonds (FCBs), Foreign Currency Convertible Bonds(FCCBs), External Commercial Borrowings, issue of

Securities/Bonds/Warrants/any other debt instrument to the Qualified Institutional Buyers, Indian Financial Institutions, Mutual Funds or any Bodies Corporate/Lenders or other debt instruments issued/to be issued by the Company from time to time subject to an aggregate sum of ₹.1,500 Crores (Rupees One Thousand Five Hundred Crores only) together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/or may be entered into between the Company and the Financial Institutions, Banks, Other Lenders, Agent(s) and Trustee(s) in respect of the said loans, borrowings/debentures and containing such specific terms and conditions and covenants in respect of the enforcement of security as may be stipulated in that behalf and agreed to between the Board or Committee thereof and the Financial Institutions, Banks, Other Lenders, Agent(s)/Trustee(s)."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board/committee of Directors be and is hereby authorized and empowered to enter into, sign, seal and execute and deliver such arrangements, assignments, conveyances, covenants, contracts and to finalise, settle and execute such documents/deeds/writings/papers/other instruments/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."

Item 4: Authorization to give Loans and Guarantees to any bodies corporate(s) other persons and make investments in any body corporate under Section 186 of the Companies Act, 2013

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

"RESOLVED THAT the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the "**Board**" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) in terms of the provisions of Section 186 of the Companies Act, 2013 and the Board is hereby authorized, subject to the prior approval of the concerned financial institution where the term loans are subsisting, if any, and other applicable Rules, Regulations, Guidelines (including any statutory modifications or re-enactment thereof for the time being in force) and such conditions as may be prescribed by any of the concerned authorities, notwithstanding that the aggregate loans and guarantees to any bodies corporate and persons and investment in securities of any bodies corporate up to an extent of ₹ 1,500 Crores (Rupees One Thousand Five Hundred Crores only) exceeding the limits specified under Section 186 of the Companies Act, 2013 , read with the applicable rules, circulars or clarifications thereunder:

- A. to invest/acquire from time to time by way of subscription, purchase, conversion or otherwise Equity Shares, Preference Shares, Debentures (whether convertible or non-convertible) or any other financial instruments of one or more bodies corporate, whether in India or outside, which may or may not be subsidiary(ies), joint ventures, associate(s) of the Company as the Board may think fit, in pursuance of Section 186 of the Companies Act, 2013 (including any ordinance or statutory modification or re-enactment thereof, for the time being in force), and/ or
- B. to make/give/provide from time to time any loan or loans to any body or bodies corporate, whether in India or outside, which may or may not be subsidiary(ies) of the Company or to any persons as the Board may think fit, in pursuance of Section 186 of the Companies Act, 2013 (including any ordinance or statutory modification or re-enactment thereof, for the time being in force) and /or
- C. to give from time to time any guarantee(s) and/or provide any security to any person(s), any Body Corporate, Bank, Financial Institutions or any other Institution in India or outside in respect of or against any loans to or to secure any financial arrangement of any nature by, any other person(s), any Body(ies) Corporate, whether in India or outside, which may or may not be subsidiary(ies) of the Company, as the

Board may think fit, in pursuance of Section 186 of the Companies Act, 2013 (including any ordinance or statutory modification or re-enactment thereof, for the time being in force)).

"RESOLVED FURTHER THAT the consent of the members, be and is hereby accorded to the Board including any Committee of Directors, pursuant to Rule No.11 of the Companies (Meetings of Board and its powers) Rules, 2014 and Section 186 and other applicable provisions of the Companies Act, 2013, to give any loan to or guarantee or provide any security on behalf of, or acquire securities of, the Subsidiaries of the Company, other Bodies Corporate and Persons for such sums as may be decided by Board/Committee of Directors as permitted or subject to the provisions specified therein."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit including the terms and conditions within the above limits upto which such investments in securities/loans/ guarantees, that may be given or made, as may be determined by the Board, including with the power to transfer/dispose of the investments so made, from time to time, and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such investments, loans, guarantees and security and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."

Item 5: Approval for giving Loan or Guarantee or providing Security in connection with loan availed by any of the Company's entities or any other Person specified under Section 185 of the Companies Act, 2013

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

"RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Meeting of Board and its Powers) Rules, 2014 and in accordance with the applicable provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board**") which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) for giving loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Directors of the Company is deemed to be interested as specified in the explanation to sub-section 2 of section 185 of the Act (collectively referred to as the "**Entities**"), up to a sum not exceeding ₹.1,000 Crores (Rupees One Thousand Crores only) at any point of time, in its absolute discretion deem beneficial and in the best interest of the Company."

"RESOLVED FURTHER THAT the powers be delegated to the Board of the Company and the Board is hereby authorised to negotiate, finalise agree the terms and conditions of the aforesaid loan / guarantee /security and to do all such acts, deeds and things as may be necessary and incidental including signing and/or execution of any deeds / documents / undertakings / agreements / papers / writings for giving effect to this Resolution."

**By Order of the Board
For Apollo Micro Systems Limited**

**Place: Hyderabad
Date: 23rd July, 2024**

**Rukhya Parveen
Company Secretary & Compliance Officer**

Notes:

1. Pursuant to General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 03/2022 dated 5 May 2022, General Circular No. 10/2022 and General Circular No. 11/2022 both dated 28 December 2022, General Circular No 09/2023 dated 25 September 2023 (collectively referred to as 'MCA Circulars'), and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 and SEBI/HO/DDHS/DDHSRACPOD1/P/CIR/2023/001 dated 5 January 2023 and all other relevant circulars issued by the Ministry of Corporate Affairs the Company is convening an Extraordinary General Meeting ("EGM" / "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, provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the EGM of the Company is being held through VC / OAVM. The deemed venue for the EGM shall be the Registered Office of the Company situated at Plot No 128/A, Road No. 12, Bel Road, IDA Mallapur, Uppal Mandal, Hyderabad - 500076.
2. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') setting out material facts concerning the business with respect to Item Nos. 1 to 5 forms part of this Notice.
3. **Pursuant to the provisions of the Act, a Member entitled to attend and vote at the EGM 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 EGM 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 EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
4. Since the EGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
5. Dispatch of Notice through Electronic Mode:
In compliance with the MCA Circulars and SEBI Circular, Notice of the EGM is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Depository Participants. Members may note that the Notice will also be available on the Company's website <https://apollo-micro.com/>, websites of the Stock Exchanges, that is, BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, CDSL i.e. www.evotingindia.com and on the website of Company's Registrar and Transfer Agent, Bigshare Services Private Limited ("Bigshare") at www.bigshareonline.com
6. To support 'Green Initiative' for receiving all communication (including Annual Report) from the Company electronically:
 - a) Members holding shares in physical mode and who have not registered / updated their e-mail address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at bsshyd@bigshareonline.com
 - b) Members holding shares in dematerialised mode are requested to register / update their e-mail address with the relevant Depository Participant.
7. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice

will be available for inspection in electronic mode. Members seeking to inspect such documents can send an e-mail to cs@apollo-micro.com

8. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the EGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mnmandassociates@gmail.com with a copy marked to cs@apollo-micro.com

However, the Body Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

9. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Interim Dividend declared for the financial year 2018-19 would be the first to become due for transfer to IEPF in December, 2026. The Final Dividend declared for the financial year 2019-20 would be the first to become due for transfer to IEPF in September, 2027. The Final Dividend declared for the financial year 2020-21 would be the first to become due for transfer to IEPF in September, 2028. Members, who have not claimed the Unpaid Dividend so far, are requested to make their claim to the Company's Registrar & Transfer Agents (R & T Agents).

Pursuant to the provisions of the Companies act, 2013, rules made there under and IEPF rules the details of the unpaid/unclaimed dividend of the shareholders w.r.t to the interim dividend declared for the FY 2018-19, Final Dividend declared for the financial year 2019-20, Final Dividend declared for the financial year 2020-21 and Final Dividend declared for the financial years 2021-22 and 2022-23 is available on the website of the Company under the section "Investors".

Members may please note that in the event of transfer of such shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authorities by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5.

Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend along with underlying shares thereto liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government. Members are requested to refer the website of the Company for the details made available by the Company pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017.

10. Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://apollo-micro.com/investors/> . Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
12. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the

shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

13. SEBI vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024.
14. Further it is to intimate you that, in case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid only through electronic mode with effect from April 01, 2024 upon furnishing all the aforesaid details in entirety; Hence, you are requested to provide the details as above mentioned for updating in our records which facilitate issuance of dividend amounts if any through electronic mode only. Also note that if the details are not provided, you will not be issued with any dividend amount in physical form like warrant/demand draft etc., You will receive dividend amounts only after updation of all the details.
15. As directed by SEBI, Members are requested to-
 - i) Intimate to the DP, changes if any, in their registered addresses and/or changes in their bank account details, if the shares are held in dematerialized form.
 - ii) Intimate to the Company's RTA, changes if any, in their registered addresses, in their bank account details, if the shares are held in physical form (share certificates).
 - iii) Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
 - iv) **Dematerialize the Physical Shares to Electronic Form (Demat) to eliminate all risks associated with Physical Shares. Our Registrar and Transfer Agents viz., Bigshare Services Private Limited, Hyderabad (Phone 91 40 401 44582) may be contacted for assistance, if any, in this regard. Further, as per amendment to Regulation 40 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form effective 1st April, 2019. Members are advised to Dematerialize the shares held by them in physical form.**
16. The Scrutinizer shall, immediately after the conclusion of voting at the EGM, first count the votes cast during the EGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the EGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
17. The result declared along with the Scrutinizer's Report shall be placed on the Company's website <https://apollo-micro.com/> under the section "Investors" and on the website of CDSL <https://www.evotingindia.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
18. **CDSL e-Voting System – For e-voting and Joining Virtual meetings.**
 - a. The general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming EGM will thus be held through through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM through VC/OAVM.

- b. 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, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023 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 Central Depository Services (India) Limited (CDSL) 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 EGM will be provided by CDSL.
- c. The Members can join the EGM 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 EGM through VC/OAVM will be made available to atleast 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 EGM without restriction on account of first come first served basis.
- d. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- e. Pursuant to above referred MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. 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 EGM through VC/OAVM and cast their votes through e-voting.
- f. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM has been uploaded on the website of the Company at <https://apollo-micro.com/>. 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 and www.nseindia.com respectively. The EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the EGM) i.e. www.evotingindia.com.
- g. The EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars as stated above.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
 - Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The **e-voting period** begins on **Monday, 12th August, 2024 (09:00 A.M. IST)** and ends on **Thursday, 15th August, 2024 (05:00 P.M. IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date** (record date) of **9th August, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its

shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Provide₹
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-

Depository	<p>Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) 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 (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 e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
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 helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.

- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> (in our case, select “Apollo Micro Systems Limited”) on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; mnmandassociates@gmail.com and cs@apollo-micro.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- (i) The procedure for attending meeting & e-Voting on the day of the EGM is same as the instructions mentioned above for e-voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the EGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) 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.
- (vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before 12th August, 2024, 11:59 P.M. mentioning their name, demat account number/folio number, email id, mobile number at company email id cs@apollo-micro.com . The shareholders who do not wish to speak during the

AGM but have queries may send their queries in advance on or before 12th August, 2024, 11:59 P.M. mentioning their name, demat account number/folio number, email id, mobile number at the company email id cs@apollo-micro.com. These queries will be replied to by the company suitably by email.

- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) Only those shareholders, who are present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
- (x) If any Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending EGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact attoll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

**By Order of the Board
For Apollo Micro Systems Limited**

**Place: Hyderabad
Date: 23rd July, 2024**

**Rukhya Parveen
Company Secretary & Compliance Officer**

Explanatory Statement
[Pursuant to Section 102 of the Companies Act, 2013]

ITEM 1: Issue of Convertible Equity Warrants to Promoter Group and to certain identified non-promoter persons/entities on preferential basis

Information as required under Section 23(1)(b), 42, 62 and Rule 13(2) (d) of the Companies (Share Capital and Debentures) Rules, 2014 of Companies Act 2013 and regulation 163 of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations") is mentioned hereunder:

i) Particulars of the Preferential Issue including date of passing of Board resolution and maximum number of specified securities to be issued

The Board of Directors at its meeting held on 23rd July 2024, had, subject to the approval of the Members and such other approvals as may be required, approved the issuance of Convertible Equity Warrants to Promoter Group and to certain other non-promoter persons/entities, for cash, on a preferential basis as below:

2,45,00,700 (Two Crores Forty Five Lakhs Seven Hundred Only) Convertible Equity Warrants ("**Warrants**") on preferential basis ("**Preferential Offer**") to promoters group and certain other non-promoter entities/persons as mentioned below ("**Warrant Holders**" / "**Proposed Allottees**") at a price of ₹ 108.15 (Indian Rupees One Hundred Eight and Paise Fifteen Only) each (including the warrant subscription price and the warrant exercise price) aggregating upto ₹ 2,64,97,50,705/- (Indian Rupees Two Hundred and Sixty Four Crores Ninety Seven Lakhs Fifty Thousand Seven Hundred and Five Only)

ii) Kinds of securities offered and the price at which security is being offered

The Board of Directors in its meeting held on 23rd July 2024, had approved the proposal of making preferential allotment of below mentioned Equity Warrants to Promoter Group and certain identified non-promoter persons/entities:

2,45,00,700 (Two Crores Forty Five Lakhs Seven Hundred Only) Convertible Equity Warrants at a price of ₹ 108.15 (Indian Rupees One Hundred Eight and Paise Fifteen Only) each (including the warrant subscription price and the warrant exercise price) aggregating upto ₹ 2,64,97,50,705/- (Indian Rupees Two Hundred and Sixty Four Crores Ninety Seven Lakhs Fifty Thousand Seven Hundred and Five Only). The above said price is arrived at in accordance with the Chapter V of ICDR Regulations ("**Issue Price**") and convertible at the option of warrant holders in one or more tranches, within 18 (Eighteen) months from the date of allotment, into equal number of fully paid up Equity Shares of the Company of ₹ 1/- (Rupee One) each.

iii) Objects of the Preferential Issue and aggregate amount proposed to be raised

The Company needs to raise additional funds to have access to long term resources to meet its growth requirements and for general corporate purposes. Considering raising funds through preferential issue to be most cost and time effective way for raising additional capital the Board of Directors of the Company proposed to raise upto ₹ 2,64,97,50,705/- (Indian Rupees Two Hundred and Sixty Four Crores Ninety Seven Lakhs Fifty Thousand Seven Hundred and Five Only) through issue of Convertible Equity Warrants on preferential basis, for cash, on a preferential basis.

The Company intends to utilize the proceeds raised through the Preferential Issue ("**Issue Proceeds**") towards the following objects:

1) To meet working capital requirement of the company and expansion of business of the company. (referred to below as "**working capital requirement**")

2) Up to 25% (twenty five percent) of the Issue Proceeds will be utilised for general corporate purposes, which includes, inter alia, investment in subsidiaries,/associates, meeting ongoing general corporate exigencies and contingencies, expenses of the Company as applicable in such a manner and proportion as may be decided by the Board from time to time, and/or any other general purposes as may be permissible under applicable laws (referred to below as “**General Corporate Purposes**”).

(collectively referred to below as the “**Objects**”)

Utilization of Issue Proceeds

Given that the funds to be received against Warrant conversion will be in tranches and the quantum of funds required on different dates may vary, therefore, the broad range of intended use of the Issue Proceeds for the above Objects is set out herein below:

Sr No.	Particulars	Total estimated amount to be utilised for each of the Objects* (₹ In Lakhs)	Tentative timelines for utilization of Issue Proceeds from the date of receipt of funds
1	Working Capital Requirement	21,000.00	Within 6 months from receipt of funds for the Warrants
2	General Corporate Purposes	5,497.51	

*considering 100% conversion of Warrants into equity shares within the stipulated time.

Given that the Preferential Issue is for convertible Warrants, the Issue Proceeds shall be received by the Company within 18 (eighteen) months from the date of allotment of the Warrants in terms of Chapter V of the ICDR Regulations, and as estimated by our management, the entire Issue Proceeds would be utilized for the all the aforementioned Objects, in phases, as per the Company’s business requirements and availability of Issue Proceeds, within 6 months from the date of receipt of funds for the Warrants (as set out herein).

In terms of the NSE Circular No. NSE/CML/2022/56 dated December 13, 2022 and the BSE Circular No. 20221213-47 dated December 13, 2022, the amount specified for the aforementioned Objects may deviate +/- 10% depending upon the future circumstances, given that the Objects are based on management estimates and other commercial and technical factors. Accordingly, the same is dependent on a variety of factors such as financial and market conditions, business performance and strategy, competition and other external factors, which may not be within the control of the Company and may result in modifications to the proposed schedule for utilization of the Issue Proceeds at the discretion of the Board, subject to compliance with applicable laws.

If the Issue Proceeds are not utilised (in full or in part) for the Objects during the period stated above due to any such factors, the remaining Issue Proceeds shall be utilised in subsequent periods in such manner as may be determined by the Board, in accordance with applicable laws. This may entail rescheduling and revising the planned expenditure and funding requirements and increasing or decreasing the expenditure for a particular purpose from the planned expenditure as may be determined by the Board, subject to compliance with applicable laws.

iv) Monitoring of utilisation of funds

a) Given that the issue size exceeds ₹ 100 Crore (Indian Rupees One Hundred Crore), in terms of Regulation 162A of the ICDR Regulations, the Company has appointed Acuite Ratings and Research Limited, a SEBI registered Credit Rating Agency as the monitoring agency to monitor the use of the proceeds of the Preferential Issue (“**Monitoring Agency**”).

b) The Monitoring Agency shall submit its report to the Company in the format specified in Schedule XI of the ICDR Regulations on a quarterly basis, till 100% (One Hundred Percent) of the Issue Proceeds have been utilized. The Board and the management of the Company shall provide their comments on the findings of the Monitoring Agency in the format as specified in Schedule XI of the ICDR Regulations. The Company shall, within 45 (forty five) days from the end of each quarter, upload the report of the Monitoring Agency on its website and also submit the same to the Stock Exchanges.

(iv) Relevant date:

The Relevant date as per the ICDR Regulations for the determination of the price per Equity Share pursuant to the preferential allotment is 16th July 2024, ("**Relevant Date**") (i.e. 30 days prior to the date of proposed Extraordinary General Meeting which is 16th August 2024. 17th July 2024 being a trading holiday, 16th July has been considered as Relevant Date), to approve the proposed preferential issue.

(v) Basis on which the price has been arrived at and justification for the price (including premium, if any)

In terms of the ICDR Regulations, the floor price at which the Warrants can be issued is ₹ 108.15 per Warrant, as per the pricing formula prescribed under the ICDR Regulations for the Preferential Issue and is the highest of the following:

- a) 90 (ninety) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. ₹ 108.15 per equity share;
- b) 10 (ten) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. ₹ 106.32 per equity share.
- c) Floor price determined in accordance with the provisions of the articles of association of the Company. However, the articles of association of the Company does not provide for any method of determination for valuation of shares which results in floor price higher than determined price pursuant to ICDR Regulations.

Since the Proposed Preferential Issue is not expected to result in a change in control or allotment of more than 5% (five per cent) of the post issue fully diluted share capital of the Company, the Company is not required to obtain a valuation report from an independent registered valuer and consider the same for determining the price.

The Equity Shares of the Company are listed on National Stock Exchange of India Limited ("**NSE**") as well as on BSE Limited ("**BSE**"), the shares were frequently traded on and the trading volume of Equity Shares of the Company was higher on NSE during the preceding 90 trading days prior to the Relevant Date for computation of issue price. Therefore, trading volume of the Equity Shares on the NSE has been considered to determine the issue price.

Further, given that the equity shares of the Company have been listed for a period of more than 90 (ninety) trading days prior to the relevant date, the Company is not required to re-compute the issue price as per Regulation 164(3) the ICDR Regulations, and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1)(g) and 163(1)(h) of the ICDR Regulations.

Pursuant to above, the minimum issue price determined in accordance with Regulations 164(1) read with Regulation 161 of Chapter V of the ICDR Regulations is ₹ 108.15 (Rupees One Hundred Eight and Paise Fifteen only). In view of the above, the Board of the Company has fixed the Warrant Issue price (i.e. the price including the Warrant Subscription Price and the Warrant Exercise Price) of ₹ 108.15 (Rupees One Hundred Eight and Paise Fifteen Only) which is at the Minimum Price as determined in compliance with the requirements of the ICDR Regulations.

If the Company is required to re-compute the price then it shall undertake such re-computation and if the amount payable on account of the re-computation of price is not paid by the Proposed Allottees within the time stipulated in the ICDR Regulations, the Warrants proposed to be issued pursuant to this resolution

would have been continued to be locked in till the time such amount would have paid by the Proposed Allottees.*

(vi) Intent of the Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the Preferential Issue; contribution being made by the Promoters or Directors either as part of the Preferential Issue or separately in furtherance of the objects

The Convertible Equity Warrant shall be issued to persons under Promoter Group namely Baddam Kanishka Reddy and Baddam Chanakya Reddy. They have indicated their intention to subscribe to the Convertible Equity Warrants on Preferential basis. Other than the above, none of the Directors or Key Managerial Personnel of the Company intends to subscribe to any of the Convertible Equity Warrants on conversion proposed to be issued under the Preferential Issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above.

(vii) Timeframe within which the allotment shall be completed

As required under the ICDR Regulations, the preferential issue/allotment of Warrants shall be completed within a period of 15 days of passing the special resolution or such extended time, as may be approved by the Regulatory Authorities, from the date of approval of the members to the preferential issue, provided that where the said allotment is pending on account of pendency of any approval for such allotment by any Regulatory Authority, the allotment shall be completed within a period of 15 days from the date of receipt of such approval.

(viii) Equity Shareholding Pattern before and after the Preferential Issue:

Sl. No.	Category	Pre-issue shareholding#		Post issue shareholding *	
		No. of shares	% to total shareholding	No. of shares	% to total shareholding
A	Promoters' holding				
1	Indian				
	Individuals	16,89,23,000	55.12	17,30,03,600	52.27
	Bodies Corporate	-	-	-	-
	Sub-Total	16,89,23,000	55.12	17,30,03,600	52.27
2	Foreign promoters	-	-	-	-
	Sub-total (A)	16,89,23,000	55.12	17,30,03,600	52.27
B	Non-Promoter's holding				
1	Institutional investors	2,06,93,554	6.75	3,56,93,554	10.78
2	Non-institution				
	Private corporate bodies	62,81,171	2.05	71,81,171	2.17
	Directors and relatives	29,60,610	0.97	29,60,610	0.89
	Indian Public				
	Individual shareholders holding nominal share capital upto ₹ 2 lakhs	8,33,01,599	27.18	8,33,21,699	25.17
	Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs	1,40,94,061	4.60	1,85,94,061	5.62
	Others [including Non-resident Indians (NRIs)]	1,02,35,565	3.34	1,02,35,565	3.09
	Sub-total (B)	13,75,66,560	44.88	15,79,86,660	47.73
	GRAND TOTAL	30,64,89,560	100.00	33,09,90,260	100.00

The pre-issue Share Holding Pattern is as per the share holding pattern as on 19th July, 2024.

* The post issue paid-up capital is arrived after considering all the preferential allotment, proposed to be made under this notice and on fully diluted basis and the pre-issue share holding pattern continue to be the shareholder of the Company

(ix) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees; the percentage of post preferential issue that may be held by them and change in control, if any, in the Company, consequent to the preferential issue.

There will be no change in the control of the Company consequent to the said preferential issue. The percentage shareholding in the Company by the proposed allottees, pre and post preferential issue is given below:

Sl No.	Name of the Proposed Allottee	Ultimate Beneficial Owners, Nationality (If applicable)	Pre-issue status of the allottee's	Pre-issue share holding	Pre-issue Share holding (%)	No. of warrants to be allotted	Post issue Share holding (including proposed allotment + pre-share holding) #	Post issue Share holding (%) #	Post issue status of the allottee's
1.	Anudeep Adiraju	-	Non-Promoter	-	-	5,00,000	5,00,000	0.151	Non-Promoter
2.	Baddam Kanishka Reddy	-	Promoter Group	-	-	20,40,300	20,40,300	0.616	Promoter Group
3.	Baddam Chanakya Reddy	-	Promoter Group	-	-	20,40,300	20,40,300	0.616	Promoter Group
4.	Rajshri Karwa	-	Non-Promoter	-	-	9,00,000	9,00,000	0.272	Non-Promoter
5.	V Swarna Latha	-	Non-Promoter	-	-	5,000	5,000	0.002	Non-Promoter
6.	Bhagyalaxmi Chiluveru	-	Non-Promoter	-	-	4,00,000	4,00,000	0.121	Non-Promoter
7.	Reena Karwa	-	Non-Promoter	-	-	27,00,000	27,00,000	0.816	Non-Promoter
8.	Superstar Investments Private Limited	Rajshri Karwa, Ramesh Kumar Karwa Indian	Non-Promoter	-	-	9,00,000	9,00,000	0.272	Non-Promoter
9.	Eminence Global Fund	Grigor Jabishvili, Georgia	Non-Promoter	-	-	50,00,000	50,00,000	1.511	Non-Promoter
10.	North Star Opportunities Fund	Ali Baqer Issam, Oman	Non-Promoter	-	-	50,00,000	50,00,000	1.511	Non-Promoter
11.	AG Dynamic Funds	Paul Boskma, Netherland	Non-Promoter	-	-	50,00,000	50,00,000	1.511	Non-Promoter
12.	Enugu Ramya	-	Non-Promoter	-	-	4,800	4,800	0.001	Non-Promoter
13.	Bairagoni Nishwanth	-	Non-Promoter	-	-	5,150	5,150	0.002	Non-Promoter
14.	Aerpula Krishna	-	Non-Promoter	-	-	5,150	5,150	0.002	Non-Promoter

Notes:

#The post issue shareholding percentage is arrived after considering all the preferential allotments proposed to be made under this notice and on fully diluted basis.

The pre-issue shareholding pattern is as on 19th July 2024.

(x) The percentage of the post-preferential issue capital that may be held by the Proposed Allottees (as defined hereinabove) and change in control, if any, in the Company consequent to the Preferential Issue:

Proposed allottee	Pre Issue % Holding	Number of Equity Shares proposed to be allotted post conversion of Warrants into Equity	Post Issue % Holding*
Anudeep Adiraju	-	5,00,000	0.151
Baddam Kanishka Reddy	-	20,40,300	0.616
Baddam Chanakya Reddy	-	20,40,300	0.616
Rajshri Karwa	-	9,00,000	0.272
V Swarna Latha	-	5,000	0.002
Bhagyalaxmi Chiluveru	-	4,00,000	0.121
Reena Karwa	-	27,00,000	0.816
Superstar Investments Private Limited	-	9,00,000	0.272
Eminence Global Fund	-	50,00,000	1.511
North Star Opportunities Fund	-	50,00,000	1.511
AG Dynamic Funds	-	50,00,000	1.511
Enugu Ramya	-	4,800	0.001
Bairagoni Nishwanth	-	5,150	0.002
Aerpula Krishna	-	5,150	0.002

* The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares of the Company.

Please refer to the "Shareholding pattern of the Company before and after the Preferential Issue" above for further reference.

There will be no change in the composition of the Board nor any change in the control of the Company consequent to the Proposed Preferential Issue.

(xi) Undertaking as to re-computation of price and lock-in of specified securities

The Company shall re-compute the price of the Warrants and/or the number of Equity Shares to be allotted on exercise of the Warrants, in terms of the provision of Regulation 166 of the ICDR Regulations or any other applicable laws, where it is required to do so. The Company further undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the Warrants shall continue to be locked-in till the time such amount is paid by the Warrant Holder.

(xii) Number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

The Company has not made any preferential allotment during the current financial year FY 2024- 25.

(xiii) Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not Applicable

(xiv) Lock-in period:

The Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under the ICDR Regulations from time to time. The pre-preferential allotment shareholding of the Warrant

Holders, if any, in the Company shall also be subject to lock-in as per the provisions of the ICDR Regulations.

(xv) Listing:

The Company will make an application to NSE and BSE at which the existing Equity Shares are presently listed, for listing of the Equity Shares that will be issued on conversion of Warrants. Such Equity Shares, once allotted, shall rank pari passu with the then existing Equity Shares of the Company, in all respects, including voting rights and dividend.

(xvi) Current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter:

Mr Baddam Kanishka Reddy and Mr. Baddam Chanakya Reddy upon the issuance and allotment of the warrants, will to be categorized as members of the promoter group of the Company.

Upon the issuance and allotment of the Warrants, Anudeep Adiraju, Rajshri Karwa, V. Swarna Latha, Bhagyalaxmi Chiluveru, Reena Karwa, Superstar Investments Private Limited, Eminence Global Fund, North Star Opportunities Fund, AG Dynamics Funds, Enugu Ramya, Bairagoni Nishwanth, Aerpula Krishna will be categorized as a public shareholder of the Company

(xviii) SEBI Takeover code:

In the present case none of the proposed allottees would attract SEBI Takeover Code and therefore is not under obligation to give open offer to the public.

(xix) Practicing Company Secretary Certificate:

A certificate from Sridevi Madati (Membership No. F6476 and CP No.: 11694), Practicing Company Secretary, certifying that the preferential issue of Warrants is being made in accordance with requirements of ICDR Regulations, shall be available for inspection by the members and the same may also be accessed on the Company's website at the link: <https://apollo-micro.com/wp-content/uploads/2024/07/PCS-Compliance-Certificate-23rd-July-2024.pdf>

(xx) Other disclosures/undertaking

i. The Company, its Promoters and its Directors are not categorized as willful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by Reserve Bank of India and have not been categorized as a fraudulent borrower. Consequently, the disclosures required under Regulation 163(1) (i) of the ICDR Regulations is not applicable.

ii. None of its directors or promoters are fugitive economic offenders as defined under the ICDR Regulations.

iii. The Company does not have any outstanding dues to SEBI, Stock Exchanges or the depositories;

iv. The Company has obtained the Permanent Account Numbers (PAN) of the proposed allottees, except those allottees which may be exempt from specifying PAN for transacting in the securities market by SEBI before an application seeking in-principle approval is made by the Company to the stock exchange(s) where its equity shares are listed;

v. The Company shall be making application seeking in-principle approval to the stock exchange(s), where its equity shares are listed, on the same day when this notice will be sent in respect of the general meeting seeking shareholders' approval by way of special resolution;

vi. The Company is in compliance with the conditions for continuous listing;

vii. Since the Equity Shares have been listed on the recognized stock exchanges for a period of more than 90 trading days prior to the Relevant Date, the Company is not required to re-compute the price in terms of regulation;

viii. The Proposed Allottees and the promoter and promoter group has not sold or transferred any equity shares during 90 trading days preceding the Relevant Date.

ix. The Equity Shares held by the proposed allottees in the Company are in dematerialized form only.

x. Since the equity shares of the Company are listed on the Stock Exchanges and the Preferential Issue is not more than 5% (five percent) of the post issue fully diluted share capital of the Company, a valuation report from an independent registered valuer is not required under the provisions of the second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the Preferential Issue, and under the applicable provisions of ICDR Regulations.

xi. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer is not applicable as the allotment of equity shares under the Preferential Issue is for a cash consideration.

x. No Person belonging to the promoters / promoter group has previously subscribed to warrants of the Company during the last one year.

xi. The Company has complied with the applicable provisions of the Companies Act, 2013. The provisions of Section 62 of the Companies Act, 2013 (as amended from time to time) and the ICDR Regulations provide, inter alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such shares are required to be first offered to the existing members of the Company for subscription unless the members decide otherwise through a Special Resolution.

Except Mr. Karunakar Reddy Baddam, Promoter and Managing Director, Mr. Sudarshan Chiluveru, CFO of the Company, to the extent of their respective shareholding, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the above referred resolution.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection in the manner provided in this Notice

The Board believes that the proposed issue of Warrants is in the best interest of the Company and its Shareholders and therefore recommends the agenda mentioned in Item No. 1 to be approved by Special Resolution of the Members.

Item 2: Authorisation to borrow monies

Keeping in view the Company's long term strategic and business objectives, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any time except with the consent of the members of the Company in a general meeting.

The members of the Company vide Special Resolution passed on 15 May 2017 under section 180(1) (c) had authorized the board of directors to borrow such sum or sums of money in any manner from time to time as may be required for to support its business operations not exceeding a sum of Rs.500 Crores (Rupees five hundred Crores only).

However, considering the business plans and the growing fund requirements of the Company, it is proposed to increase the existing borrowing limit of the Company to ₹1,500 Crores.

The approval of the members is sought pursuant to Section 180(1)(a) of the Companies Act, 2013 and rules made thereunder.

The Board recommends the above special resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, directly or indirectly, concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

Item 3: Authorisation to create security

In view of the existing and fresh borrowings and other and the increased long term fund requirements and Working Capital Limits which may be availed by the Company from Financial Institutions, firms, bodies corporate, persons and Banks in India or outside, it is felt that it may be necessary to pass an enabling Special Resolution to mortgage and/or charge the properties of the Company present and future in favour of the Banks and Financial Institutions, Trustees and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, for securing the requisite finance upto a maximum limit not exceeding ₹1,500 crores (Rupees One Thousand Five Hundred Crores only). Since mortgaging by the Company of its immovable and moveable properties as aforesaid in favour of the Financial Institutions/Banks/Trustees/Other Lenders may be regarded as disposal of the Company's properties/undertakings, it is necessary for the members to pass Special Resolution under Section 180 (1)(a) of the Companies Act, 2013 for a sum of not exceeding Rs.1500 crores (Rupees One Thousand Five Hundred Crores only) in line with the borrowing powers envisaged, authorizing the Board of Directors for creation of the said mortgages/charges

The Board recommends the above special resolution for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, directly or indirectly, concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

Item 4: Authorisation to give Loans and Guarantees to any bodies corporate(s) other persons and make investments in any body corporate

As per the provisions of Section 186 of the Companies Act, 2013 the Board of Directors of a Company cannot make any loan, investment or give guarantee or provide any security to any body corporate or person beyond the prescribed ceiling of sixty percent of the aggregate of the paid up capital and free reserves or hundred percent of its free reserves, whichever is more, unless a Special Resolution is passed by the shareholders of the lending/investing Company. The increasing business operations and future growth plans of the Company may necessitate making further investments into the Subsidiaries/other Bodies Corporate or providing loans to, giving guarantees, providing security to or on behalf or for the benefit of the subsidiaries/other bodies corporate, any other persons/in favour of banks, Financial Institutions in India or outside over a period of time in future. It is, therefore, necessary to authorise the Board for such purposes, namely to make any loan(s) to and/or to give any guarantee(s)/provide any security, in connection with loan(s) taken by, subsidiaries/bodies corporate and/or to acquire by way of subscription, purchase or otherwise the securities of subsidiaries/bodies corporate in India or outside upto the limits provided in the proposed Special Resolution.

The proposed Special Resolution as set out in Item No.4 of the Notice is enabling in nature for any further loan/ investment/guarantee/security, to be made or given to subsidiaries/bodies corporate/to any Banks, Financial Institutions or any other person as per the provisions of the Companies Act, 2013. Hence, prior approval of the Members of the Company is sought for exercising these powers by the Board.

The Board recommends the above special resolution for your approval.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

Item 5: Approval for giving Loan or Guarantee or providing Security in connection with loan availed by any of the Company's entity (ies) or any other Person specified under Section 185 of the Companies Act, 2013.

The Company may have to render support for the business requirements of entity or any other person in whom any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), from time to time. However, owing to certain restrictive provisions contained in Section 185 of the Companies Act, 2013 ('the Act'), the Company was unable to extend financial assistance by way of loan to such Entities. The Board of Directors seek consent of the Members by way of a Special Resolution pursuant to Section 185 of the Act (as amended by the Companies (Amendment) Act, 2017) for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the Entities for the capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for the expansion of its business activities and other matters connected and incidental thereon for their principal business activities.

The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities. Further, the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company

The Board of Directors recommend the resolution given in this Notice for your approval as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

**By Order of the Board
For Apollo Micro Systems Limited**

**Place: Hyderabad
Date: 23rd July, 2024**

**Rukhya Parveen
Company Secretary & Compliance Officer**