

# RAMCO SYSTEMS LIMITED

REGISTERED OFFICE: 47, P.S.K NAGAR, RAJAPALAYAM - 626 108.

CORPORATE OFFICE: 64, SARDAR PATEL ROAD, TARAMANI, CHENNAI - 600 113.

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## NOTICE TO THE SHAREHOLDERS

**NOTICE** is hereby given that the Seventeenth Annual General Meeting of the Members of Ramco Systems Limited, will be held on Monday, the 28<sup>th</sup> July 2014, at 11.45 A.M. at P.A.C.R. Centenary Community Hall, Sudarsan Gardens, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 108 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Statement of Profit & Loss and Cash Flow Statement for the year ended 31<sup>st</sup> March 2014 and the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a director in the place of Shri.P.R.Ramasubrahmaneya Rajha (DIN: 00331357), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and, if thought fit, to pass with or without modification the following Resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** M/s. CNGSN & Associates, Chartered Accountants be and are hereby appointed as Auditors of the Company to hold Office from the conclusion of this Meeting till the conclusion of the 20<sup>th</sup> Annual General Meeting to be held in the year 2017 and their appointment shall be subject to ratification of Members at every Annual General Meeting.

**“RESOLVED FURTHER THAT** the Auditors shall be paid, for the Financial years 2014-15 and 2015-16, a remuneration of Rs. 10,00,000 (Rupees Ten Lacs only) per year, exclusive of out-of-pocket expenses and for the financial year 2016-17, the Board of Directors are authorised to fix the remuneration based on the recommendation of the Audit Committee.”

### SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to Section 149, 152 read with Schedule IV and such other provisions as applicable of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) Shri.M.M.Venkatachalam (DIN: 00152619), a non-executive Director of the Company whose term of appointment is liable to be determined by way of retirement by rotation and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment as Independent Director, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years with effect from 1<sup>st</sup> April 2014 up to 31<sup>st</sup> March 2019.”

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to Section 149, 152 read with Schedule IV and such other provisions as applicable of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) Shri.R.S.Agarwal (DIN: 00012594), a non-executive Director of the Company whose term of appointment is liable to be determined by way of retirement by rotation and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment as Independent Director, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years with effect from 1<sup>st</sup> April 2014 up to 31<sup>st</sup> March 2019.”

6. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to Section 149, 152 read with Schedule IV and such other provisions as applicable of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) Shri.V.Jagadisan (DIN: 00058769), a non-executive Director of the Company whose term of appointment is liable to be determined by way of retirement by rotation and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment as Independent Director, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years with effect from 1<sup>st</sup> April 2014 up to 31<sup>st</sup> March 2019.”

7. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** the following Article be inserted in the Articles of Association of the Company numbered as Clause 32a after the existing Clause 32:

32a. The Board of Directors shall have the power to appoint the Managing Director of the Company as Chairman / Vice Chairman of the Company as well”

8. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri.P.R.Venketrama Raja (DIN: 00331406) as Managing Director of the Company, on the terms and conditions of appointment as contained in the agreement entered into with him, for a period of 3 (three) years with effect from 22<sup>nd</sup> May 2014, at a remuneration not exceeding 5% of the net profits of the Company, with authority to the Nomination and Remuneration Committee of the Board to alter and vary the remuneration as it may deem fit and to fix the quantum, composition and periodicity of the remuneration payable to the Managing Director subject however that the annual remuneration does not exceed the limit approved hereinbefore.

**RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or inadequate profits, Managing Director shall be paid the minimum remuneration as may be determined by the Nomination and Remuneration Committee which shall also have the authority to decide on the quantum, composition and periodicity of payment of such minimum remuneration subject however that such minimum remuneration shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in case Managing Director draws remuneration as a managerial person from another Company, the total remuneration payable by both the Companies shall not exceed the higher maximum limit permissible for any one of the Companies.”

9. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment 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, to borrow such sum or sums of money from time to time and on such terms and conditions as the Board may consider necessary and expedient in the best interest of the Company, subject to the condition that such borrowing shall not exceed Rs. 5,000,000,000 (Rupees Five Hundred Crores only) at any point in time, not withstanding that the money to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained / to be obtained by the Company from its bankers in the ordinary course of its business) may exceed the aggregate of the paid-up capital and free reserves of the Company.”

10. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** in accordance with Section 181 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, consent of the Members be and is hereby accorded to the Board of Directors to make contributions to charitable and other funds, including but not limited to scientific research and development organisations, employee welfare schemes, educational institutions, universities, medical institutions, rural development organisations, social organisations and / or charitable institutions or welfare associations or directly undertake activities for the above causes, to the extent of Rs.50,000,000 (Rupees Five Crores only) crores per annum or 5% of its average net profits for the three immediately preceding financial years, whichever is higher.”

11. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, the Registers and Returns required to be maintained by the Company under Section 88

and 92 of the Companies Act, 2013, may be maintained at the Company's Corporate Office at 64, Sardar Patel Road, Taramani, Chennai 600113, with effect from 1<sup>st</sup> August 2014."

By Order of the Board,  
**For RAMCO SYSTEMS LIMITED,**

Place : Chennai  
Date : 22<sup>nd</sup> May 2014

**P.R.RAMASUBRAHMANEYA RAJHA**  
CHAIRMAN

**NOTES:**

1. Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of Special Business is annexed hereto. Information in respect of the Director seeking re-election as required to be disclosed under the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges is included in the statement.
2. A Member entitled to attend at the meeting is entitled to appoint a Proxy to attend instead of himself and the Proxy need not be a Member of the Company. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and the Share Transfer Books of the Company will remain closed on the date of the Annual general Meeting (i.e. on 28<sup>th</sup> July 2014).
4. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for 2013-14 are being sent to all the Members whose E-mail IDs are registered with the Company / Depository Participant(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to Members for whom the E-Mail IDs are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website – [www.ramco.com](http://www.ramco.com) for their download.
5. Under Rule 18 of Companies (Management and Administration) Rules, 2014 Members holding shares in electronic mode who have not got their E-Mail addresses updated with the Depository Participants are requested to update their E-Mail address and any changes therein. Members holding shares in physical mode are requested to update their E-Mail address, quoting their Folio Number, to our Registrar and Share Transfer Agent, viz., Cameo Corporate Services Limited, (Unit: Ramco Systems Limited), by writing to them at Subramanian Building, No.1, Club House Road, Mount Road, Chennai 600 002, or by E-Mail to [investor@cameoindia.com](mailto:investor@cameoindia.com).
6. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members facility to exercise their right to vote at the Seventeenth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):
  - I. The instructions for e-voting are as under:
    - (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
    - (ii) Click on "Shareholders" tab.
    - (iii) Select "RAMCO SYSTEMS LIMITED" from the drop down menu and click on "SUBMIT"
    - (iv) Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification as displayed and Click on Login).
    - (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given in points (vi) and (vii).
    - (vi) Fill up the following details in the appropriate boxes:

For Members holding shares both in Demat and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (Sequence number has been provided as Serial number in the address label and / or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository and company please enter the Member id / folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will reach directly the Company selection screen. However, Members holding shares in demat form will now reach 'Set Password' 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for Ramco Systems Limited.

(xi) 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.

(xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [evoting@cdslindia.com](mailto:evoting@cdslindia.com).

III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IV. The e-voting period commences on 22<sup>nd</sup> July 2014 (9:00 am) and ends on 24<sup>th</sup> July 2014 (6:00 pm). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 27<sup>th</sup> June 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 27<sup>th</sup> June 2014.
- VI. Shri.K.Srinivasan, Chartered Accountant (Membership No: 21510), Partner, M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VIII. The Results shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the date of AGM of the Company subject to the receipt of requisite number of votes in favour if the resolution. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ramco.com](http://www.ramco.com) and on the website of CSDL within two days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

By Order of the Board,  
For RAMCO SYSTEMS LIMITED,

Place : Chennai  
Date : 22<sup>nd</sup> May 2014

**P.R.RAMASUBRAHMANEYA RAJHA**  
CHAIRMAN

#### STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

##### Item No.4

Shri.M.M.Venkatachalam (DIN: 00152619) is a Non-Executive Independent Director of the Company.

Shri.M.M.Venkatachalam, 55 years, is a graduate in Agriculture from the University of Agricultural Sciences in Bangalore and holds Masters in Business Administration from the George Washington University, USA. He had held the position of Vice Chairman of The Planters' Association of Tamil Nadu and was the past president of The Employers' Federation of Southern India.

Shri.M.M.Venkatachalam was appointed to the Board on 5<sup>th</sup> April 2001 and he is an Independent Director of the Company in terms of Clause 49 of the Listing Agreement. His term of appointment is liable to be determined by way of retirement of Directors by rotation. He had offered himself for appointment as an Independent Director in terms of Section 149(4) and has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. The Nomination and Remuneration Committee had also recommended the appointment of Shri.M.M.Venkatachalam as Independent Director for a term of 5 years from 1<sup>st</sup> April 2014.

Considering the above, it is proposed that Shri.M.M.Venkatachalam be appointed as an Independent Director for 5 consecutive years with effect from 1<sup>st</sup> April 2014 up to 31<sup>st</sup> March 2019. In the opinion of the Board, he fulfills all the conditions specified in the Act and the Rules made thereunder and that he is independent of the Management and his appointment as Independent Director is in the best interest of the Company.

Shri.M.M.Venkatachalam is a Director in the following other Companies:-

Sl. no	Names of the entities	Sl. no	Names of the entities
1	The Ramco Cements Limited	9	M.M.Muthiah Sons Private Limited
2	Ambadi Enterprises Limited	10	M.M.Muthiah Research Foundation
3	USV Limited	11	Ambadi Investments Private Limited

4	Coromandel International Limited	12	New Ambadi Estates Private Limited
5	Coromandel Engineering Company Limited	13	Ootacamund Club
6	Parry Agro Industries Limited	14	Alampara Hotels and Resorts Private Limited
7	Sabero Organics Gujarat Limited	15	Parry Murray and Company Furnishings & Floor Coverings (India) Private Limited
8	Polutech Limited		

He is also a Member in the following Committees:-

Name of the Company	Name of the Committee	Position
Ramco Systems Limited	Audit Committee	Chairman
	Rights Issue 2013 Committee	Member
Coromandel International Limited	Audit Committee	Member
The Ramco Cements Limited	Audit Committee	Member
	Remuneration Committee	Member

He holds no shares in the Company.

A copy of the draft letter of appointment for Shri.M.M.Venkatachalam as an Independent Director would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Disclosure of Interest:

Except Shri.M.M.Venkatachalam, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is interested in the Resolution. The Notice and this Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement.

#### Item No.5

Shri.R.S.Agarwal (DIN: 00012594) is a Non-Executive Independent Director of the Company.

Shri.R.S.Agarwal, B.Sc., B.E. (Chemical Engineering), 71 years , started his career in 1965 and after serving in various capacities with a leading paper mill of Northern India for 9 years and with Industrial Development Bank of India (IDBI) for 28 years, retired as Executive Director of IDBI.

While in service with IDBI, he had dealt with many subjects and projects including –

- Member of “Satyam Committee” set up by Government of India in 1999-2000 for formulation of policy for textile industry and involvement in preparation of policy notes, detailed guidelines and implementation of “Technology Upgradation Fund (TUF)” introduced by the Ministry of Textiles, Government of India in April 1999.
- Preparation of policy paper and guidelines on development of “Special Economic Zone” in the country for the Ministry of Commerce, Government of India in January 2002.
- Head of the Infrastructure Finance Department and Project Appraisal Department of IDBI from February 1999 to March 2002, during which period about 30 large size power projects in the range of 250 MW to 500 MW were evaluated and sanctioned assistance by IDBI.

Shri.R.S.Agarwal has been appointed to the Board on 29<sup>th</sup> May 2009 and he is an Independent Director of the Company in terms of Clause 49 of the Listing Agreement. His term of appointment is liable to be determined by way of retirement of Directors by rotation. He had offered himself for appointment as an Independent Director in terms of Section 149(4) and has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. The Nomination and Remuneration Committee had also recommended the appointment of Shri.R.S.Agarwal as Independent Director for a term of 5 years from 1<sup>st</sup> April 2014.

Considering the above, it is proposed that Shri.R.S.Agarwal be appointed as an Independent Director for 5 consecutive years with effect from 1<sup>st</sup> April 2014 up to 31<sup>st</sup> March 2019. In the opinion of the Board, he fulfills all the conditions specified in the Act and the Rules made thereunder and that he is independent of the Management and his appointment as Independent Director is in the best interest of the Company.

Shri.R.S.Agarwal is a Director in the following other Companies:-

Sl. no	Names of the entities	Sl. no	Names of the entities
1	Ramco Industries Limited	6	Elegant Marbles & Grani Industries Ltd.
2	The Ramco Cements Limited	7	Videocon Industries Ltd
3	Surya Lakshmi Cotton Mills Limited	8	Liberty Videocon General Insurance Company Limited
4	Surya Lata Spinning Mills Limited	9	Loop Mobile (India) Limited
5	GVK Jaipur Expressway Private Limited		

He is also a Member in the following Committees:

Name of the Company	Name of the Committee	Position
The Ramco Cements Limited	Audit Committee	Chairman
	Remuneration Committee	Chairman
Ramco Industries Limited	Audit Committee	Chairman
	Remuneration Committee	Chairman
Surya Lakshmi Cotton Mills Limited	Audit Committee	Member
Surya Lata Spinning Mills Limited	Audit Committee	Member
GVK Jaipur Expressway Private Limited	Audit Committee	Member
Elegant Marbles & Grani Industries Limited	Audit Committee	Member
Videocon Industries Limited	Audit Committee	Chairman

He holds no shares in the Company.

A copy of the draft letter of appointment for Shri.R.S.Agarwal as an Independent Director would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Disclosure of Interest:

Except Shri.R.S.Agarwal, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is interested in the Resolution. The Notice and this Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement.

## Item No.6

Shri.V.Jagadisan (DIN: 00058769) is a Non-Executive Independent Director of the Company.

Shri.V.Jagadisan, 81 years, is a Chartered Accountant by qualification and is a Member of Institute of Chartered Accountants of India since the year 1956. Shri.V.Jagadisan has over 57 years of professional experience. He is a senior Chartered Accountant and a Tax Consultant in Chennai.

Shri.V.Jagadisan has been appointed to the Board on 15<sup>th</sup> June 2001 and he is an Independent Director of the Company in terms of Clause 49 of the Listing Agreement. His term of appointment is liable to be determined by way of retirement of Directors by rotation. He had offered himself for appointment as an Independent Director in terms of Section 149(4) and has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. The Nomination and Remuneration Committee had also recommended the appointment of Shri.V.Jagadisan as Independent Director for a term of 5 years from 1<sup>st</sup> April 2014.

Considering the above, it is proposed that Shri.V.Jagadisan be appointed as an Independent Director for 5 consecutive years with effect from 1<sup>st</sup> April 2014 up to 31<sup>st</sup> March 2019. In the opinion of the Board, he fulfills all the conditions specified in the Act and the Rules made thereunder and that he is independent of the Management and his appointment as Independent Director is in the best interest of the Company.

Shri.V.Jagadisan is a Director in the following other Companies:-

Sl. no	Names of the entities
1	PEC Potentiometers Limited
2	KG Denim Limited

He is also a Member in the following Committees:

Name of the Company	Name of the Committee	Position
K G Denim Limited	Audit Committee	Chairman
	Remuneration Committee	Member
PEC Potentiometers Limited	Audit Committee	Member
Ramco Systems Limited	Audit Committee	Member
	Remuneration Committee	Member
	Compensation Committee	Member
	Allotment Committee	Member
	Rights Issue 2013 Committee	Member

He holds no shares in the Company.

A copy of the draft letter of appointment for Shri.V.Jagadisan as an Independent Director would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

Disclosure of Interest:

Except Shri.V.Jagadisan, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is interested in the Resolution. The Notice and this Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement.

#### Item No.7

As per Section 203 (1) of the Companies Act, 2013, the Articles of Association of the Company should specifically enable the appointment of Managing Director of the Company as Chairperson of the Company as well. This provision would also apply to Vice-Chairman. As the Company's Articles of Association does not contain this provision, it is proposed to amend the Articles of Association to incorporate such an enabling provision, as mentioned in the Resolution. As per Section 14 of the Companies Act, 2013, alteration of the Articles of Association requires the approval of the Members by way of a Special Resolution.

Disclosure of Interest:

Shri.P.R.Venketrama Raja (DIN: 00331406) is deemed to be interested in the Resolution as alteration of Articles of Association is to enable him to be the Company's Managing Director as well as Vice-Chairman.

Shri.P.R.Ramasubrahmaneya Rajha, Chairman is the father of Shri.P.R.Venketrama Raja and hence is deemed to be interested in the resolution.

No other Director or Key Managerial Personnel or any of their relatives are deemed to be interested in this Resolution.

#### Item No.8

The Board of Directors in its meeting dated 28<sup>th</sup> January 2010 appointed Shri.P.R.Venketrama Raja (DIN: 00331357) as the Managing Director with effect from 23<sup>rd</sup> February 2010 for a period of 5 years. The same was approved by the Members



at their Annual General Meeting held on 2nd August 2010 by way of Ordinary Resolution. The Members had also approved the payment of minimum remuneration as may be determined by the Remuneration Committee of the Board in Compliance with Schedule XIII of the Companies Act, 1956 to Shri.P.R.Venketrama Raja. Based on this, the Remuneration Committee had approved the payment of following minimum remuneration to Shri.P.R.Venketrama Raja:

Sl. No.	Particulars	Remuneration
1.	Basic Pay	Rs.7,20,000 /- Per Annum
2.	Perquisites	Rs.3,60,000/- Per Annum

In addition, Shri.P.R.Venketrama Raja is eligible for Gratuity, Provident Fund, Leave encashment etc as per the remuneration structure approved by the Remuneration Committee at its meeting held on 27<sup>th</sup> January 2010.

The current tenure of Shri.P.R.Venketrama Raja is upto 22<sup>nd</sup> February 2015. Sections 196 & 197 read with Schedule V of the Companies Act, 2013 requires the payment of minimum remuneration in case of lack or inadequacy of profits to be approved by the Members by way of a Special Resolution for a period not exceeding three years.

As a Promoter and Managing Director, Shri.P.R.Venketrama Raja's leadership has led to the development of technologically superior and world-class Enterprise Resource Planning (ERP) products due to which the Company is looking forward to an exciting growth phase. In view of this, it is proposed to seek the approval of Members for re-appointment of Shri.P.R.Venketrama Raja with the following remuneration structure:

(A) In case of adequate profits:

Not exceeding 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 and payable by way of Salary/ Allowances/ other Perquisites / benefits and/or Commission, as determined by the Nomination and Remuneration Committee from time to time.

(B) Minimum Remuneration in case of lack or inadequacy of profits:

Where in any financial year during the currency of the tenure of the Managing Director, we have Nil Profits or the Profits are inadequate, Managing Director shall be paid remuneration as under:

1. Remuneration payable not exceeding the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013, based on the effective capital of the Company and in accordance with the approval of the Nomination and Remuneration Committee at the relevant point of time.
2. Contributions to Provident Fund, Superannuation Fund or Annuity Fund to the extent singly or taken together are not taxable under the Income Tax Act, 1961;
3. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
4. Encashment of Leave at the end of the tenure.

(C) General:

1. The perquisites shall be valued in terms of the actual expenditure. However, where such actual expenditure cannot be ascertained, such perquisites shall be valued as per the Income Tax Rules.
2. MD shall not be entitled to any sitting fees for attending the meetings of the Board or of the Committee(s) of which he is a Member.
3. MD shall be subject to all other service conditions and employee benefit schemes, as applicable to any other employee of the Company.

In accordance with the provisions of Section V of Part II of Schedule V to the Companies Act, 2013 the total remuneration payable by the Company and M/s. Ramco Industries Limited, of which also Shri.P.R.Venketrama Raja is the Vice-Chairman and Managing Director, shall not exceed the higher maximum limit permissible for any one of the Companies. Shri.P.R.Venketrama Raja holds 55,00,000 shares in Ramco Industries Limited amounting to 6.35% of its paid-up share capital. Shri.P.R. Ramasubrahmaneya Rajha (Promoter and Chairman) holds 28,82,621 shares in Ramco Industries Limited amounting to 3.33% of its paid-up share capital (Shareholding and % of share capital determined as per the 31<sup>st</sup> March 2014 Shareholding Pattern of M/s Ramco Industries Limited).

The re-appointment and the remuneration proposed fulfill the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of Government of India is not required. A copy of the agreement containing the terms and conditions of re-appointment of Shri.P.R.Venketrama Raja is available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day upto and including the date of the Annual General Meeting.

Brief resume, nature of expertise in specific functional areas, names of companies in which Shri.P.R.Venketrama Raja hold directorships and Memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are as below:

Shri.P.R.Venketrama Raja, 54 years, is the son of Shri.P.R.Ramasubrahmaneya Rajha, Chairman. He has a Bachelor's degree in Chemical Engineering from University of Madras in 1981 and a Masters in Business Administration from University of Michigan, USA in 1983. Shri.P.R.Venketrama Raja has over 30 years of professional experience. His line of experience has been in the overall managerial area. He is a Member on the Board of several companies of well diversified Ramco Group of industries including The Ramco Cements Limited and Ramco Industries Limited. Shri.P.R.Venketrama Raja holds 21,44,961 shares in the Company.

Shri.P.R.Venketrama Raja is a Director in the following other Companies:

Sl. No	Name of the company	Nature of Interest	Sl. No	Name of the company	Nature of Interest
1	The Ramco Cements Limited	Director	15	Ramco Systems Sdn Bhd., Malaysia	Director
2	Ramco Industries Limited	Vice-Chairman & Managing Director	16	Ramco Systems Pte. Ltd., Singapore	Director
3	Rajapalayam Mills Limited	Director	17	Sri Ramco Lanka (Private) Limited, Sri Lanka	Director
4	The Ramaraju Surgical Cotton Mills Limited	Director	18	Sri Ramco Roofings Lanka Private Limited, Sri Lanka	Director
5	Thanjavur Spinning Mill Limited	Director	19	RCDC Securities and Investments Private Limited	Director
6	Sri Vishnu Shankar Mill Limited	Director	20	Nirmala Shankar Farms & Estates Private Limited	Director
7	Sandhya Spinning Mill Limited	Director	21	Sri Nithyalakshmi Farms Private Limited	Director
8	Sri Sandhya Farms (India) Private Limited	Director	22	Ram Sandhya Farms Private Limited	Director
9	Sri Saradha Deepa Farms Private Limited	Director	23	RSL Enterprise Solutions (Pty) Ltd., South Africa	Director
10	Ramamandiram Agricultural Estate Private Limited	Director	24	Sri Harini Textiles Limited	Director
11	Nalina Agricultural Farms Private Limited	Director	25	Ramco Systems Canada Inc., Canada	Director
12	Sudharsanam Investments Limited	Director	26	Ramco Systems Australia Pty Limited, Australia	Director
13	Ramco Systems Corporation, USA	Director	27	Ramco Systems FZ-LLC, Dubai	Director
14	Ramco Systems Ltd., Switzerland	Director	28	Rajapalayam Textile Limited	Director