

# CORPORATE GOVERNANCE REPORT

Corporate Governance is a set of Rules and practices aligned with a systematic procedure through which a Corporate is directed and controlled by balancing the interest of all stakeholders. Your Company's ("Ramco Systems" or "Ramco" or "RSL" or "Company") Corporate Governance goals are principally driven by the objective of creating and maintaining a trust centered relationship in order to enrich stakeholder's value.

Your Company has complied with the regulatory requirements and changes / amendments thereto, stipulated by the regulatory authorities for more transparent and better Corporate Governance as applicable to it.

## PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to maintain high standards of Corporate Governance, protecting Customers, Members' and other Stakeholders' interests. In line with this philosophy, we endeavor to maintain transparency at all levels through adoption of best Corporate Governance Practices. The basic governance framework reflecting the values of the entity are ingrained in the functions.

Good Governance Practices stem from the culture and mindset of the organization. Your Company considers fair and transparent Corporate Governance as one of its core management tenets. Your Company follows the Governance Practices with highest integrity, transparency and accountability.

Your Company is in compliance with the requirements of Corporate Governance and in particular those stipulated under Regulation 17 to 27 read with Schedule V and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred as "SEBI LODR") as applicable.

## BOARD OF DIRECTORS

Your Company has a competent and informed Board of Directors ("Board"). The Directors of the Company possess

highest personal and professional ethics, integrity and values and are committed to representing the long term interests of the Stakeholders. The basic responsibility of the Board is to provide effective governance over the Company's affairs exercising its reasonable business Judgment on behalf of the Company.

The Board provides strategic guidance on affairs of the Company and plays a pivotal role in safeguarding the interests of all stakeholders. Your Company has on its Board, eminent Independent Directors who have brought in independent Judgment to Board's deliberations including issues of strategy, risk management and overall governance. In the opinion of the Board, the Independent Directors fulfill the conditions prescribed in the Companies Act, 2013 (hereinafter referred as "the Act") and SEBI LODR and are independent of the management.

The minimum information to be placed before the Board of Directors at their Meeting, as specified in Part A of Schedule II of SEBI LODR have been adequately complied with.

## Board's Composition

Your Company has a balanced mix of eminent Executive, Non-Executive and Independent Directors on the Board. The Board consists of four (4) Independent Directors including one (1) Woman Director, three (3) Non-Executive & Non-Independent Director and one (1) Executive Director. The Chairman is a Non-Executive Promoter Director. The Board's Composition is in accordance with SEBI LODR and the Act.

The Company's affairs are managed by Mr. P V Abinav Ramasubramaniam Raja, Manager, designated as Whole Time Director, assisted by a competent management team headed by the CEO, Mr. Virender Aggarwal.

## Directors' Information

The details of the Directors, their age, designation, attendance in the Board and General Meeting held during the year and their shareholding in the Company as on March 31, 2021 are as follows:

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Name of the Director/DIN	Age	Designation/ Position	Attendance		No. of equity shares held and % of holding
			Board Meeting held/attended	Last (23rd) AGM	
Mr. P R Venketrama Raja DIN:00331406	62	Chairman / Non-Executive & Non-Independent Promoter Director	4/4	Yes	3,353,366 (10.92 %)
Mr. P V Abinav Ramasubramaniam Raja DIN:07273249	27	Whole Time Director/ Executive & Non-Independent Director	4/4	Yes	110,332 (0.36 %)
Mr. M M Venkatachalam DIN:00152619	62	Non-Executive & Independent Director	4/4	Yes	-
Mr. A V Dharmakrishnan DIN:00693181	64	Non-Executive & Non-Independent Director	4/4	Yes	170,692 (0.56 %)
Mr. R S Agarwal DIN:00012594	78	Non-Executive & Independent Director	4/4	Yes	-
Mrs. Soundara Kumar DIN:01974515	66	Non-Executive & Independent Director	4/4	Yes	-
Mr. Sankar Krishnan DIN:01597033	53	Non-Executive & Non-Independent Director	4/4	Yes	-
Justice Mr. P P S Janarthana Raja (Retd.) DIN:06702871	70	Non-Executive & Independent Director	4/4	Yes	-

The profile of Directors can be found at our website in the weblink <https://www.ramco.com/investors/corporate-governance> .

**Board Skills**

The Board has identified the skills/expertise/competencies fundamental for the effective functioning of the Company which is currently available with the Board. In accordance with Schedule V read with Regulations 34(3) of SEBI LODR, a matrix setting out the skills/expertise/competence of the Board of Directors specifying the name of the Directors who have such skills/expertise/competence is given below. In general, all the Directors in the Board have hands on experience in the identified areas as below:

Name of the Directors	List of Core Skills/Expertise/Competencies available (including but not limited to)
Mr. P R Venketrama Raja	Expert knowledge in Information Technology, Strategy Management, Business Management and Industrial Relationship Management
Mr. P V Abinav Ramasubramaniam Raja	Strategy Management and Business Management, knowledge in Information Technology and Industrial Engineering
Mr. M M Venkatachalam	Strategy Management, Business Management, Project Management and Industrial Relationship Management
Mr. A V Dharmakrishnan	Strategy Management, Business Management, Banking and Financial Management, Risk Management including Foreign Exchange Management, Tax Planning and Management
Mr. R S Agarwal	Banking and Financial Management and Project Management
Mrs. Soundara Kumar	Banking and Financial Management and Risk Management including Foreign Exchange Management
Mr. Sankar Krishnan	Information Technology, Strategy Management and Business Management, Business Consulting and Project Management
Justice Mr. P P S Janarthana Raja (Retd.)	Expert legal Knowledge, Tax Planning and Management

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**Directors' Positions**

In accordance with Regulation 26(1) of the SEBI LODR, none of the Directors is a Member in more than ten (10) Committees nor any of them a Chairperson of more than five (5) Committees across all listed entities in which they are Directors. As mandated under Regulation 17 of the SEBI LODR, none of the Directors holds Directorship in more than Seven (7) listed entities and not holding position as Independent Director in more than seven (7) listed entities. All the Directors have furnished their Directorship and Committee position in other entities as on March 31, 2021 in accordance with the Act and SEBI LODR.

Name of the Director	Directorship/Chairpersonship in Board*		Chairpersonship/Membership in Committees**		Directorships in Listed Entities other than this entity	
	Director	Chair-person	Member	Chair-person	Company	Category
Mr. P R Venketrama Raja	8	7 out of 8	6	3 out of 6	The Ramco Cements Limited	Executive & Non-Independent
					Ramco Industries Limited	Non-Executive & Non-Independent
					Rajapalayam Mills Limited	Non-Executive & Non-Independent
					Ramaraju Surgical Cotton Mills Limited	Non-Executive & Non-Independent
Mr. P V Abinav Ramasubramaniam Raja	3	-	-	-	Ramco Industries Limited	Executive & Non-Independent
					Rajapalayam Mills Limited	Non-Executive & Non-Independent
Mr. M M Venkatachalam	6	1 out of 6	4	2 out of 4	The Ramco Cements Limited	Non-Executive & Independent
					Coromandel International Limited	Non-Executive & Non-Independent
					E.I.D Parry (India) Limited	Non-Executive & Non-Independent
					Coromandel Engineering Company Limited	Non-Executive & Non-Independent
Mr. A V Dharmakrishnan	6	-	2	-	Rajapalayam Mills Limited	Non-Executive & Non-Independent
Mr. R S Agarwal	3	-	3	2 out of 3	The Ramco Cements Limited	Non-Executive & Independent
					Ramco Industries Limited	Non-Executive & Independent
					Suryalakshmi Cotton Mills Limited	Non-Executive & Independent
Mrs. Soundara Kumar	6	-	5	1 out of 4	Rajapalayam Mills Limited	Non-Executive & Independent
					Tamilnadu Newsprint & Papers Limited	Non-Executive & Independent
					Shanthy Gears Limited	Non-Executive & Independent
					Carborundum Universal Limited	Non-Executive & Independent
					Bank of Baroda	Non-Executive & Independent
Mr. Sankar Krishnan	1	-	1	-	Nil	Nil
Justice Mr. PPS Janarthana Raja (Retd.)	3	-	3	2 out of 3	Rajapalayam Mills Limited	Non-Executive & Independent
					Ramaraju Surgical Cotton Mills Limited	Non-Executive & Independent

\*Public Limited Companies, other than Ramco Systems Limited.

\*\*Audit Committee and Stakeholders Relationship Committee of Public Limited Companies, other than Ramco Systems Limited.

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**Disclosure of relationships between Directors inter-se**

None of the Directors are related to any other Director except Mr. P R Venketrama Raja and Mr. P V Abinav Ramasubramaniam Raja who are related to each other as father and son.

**Independent Directors & Familiarization Program**

Your Company’s Board comprises of four (4) Independent Directors. All Independent Directors of the Company have confirmed that they meet the criteria as mentioned in Regulation 16(1) & 25 of SEBI LODR, Section 149(6) of the Act and are independent of the management.

During the year, there were no appointment/re-appointment of Director except Mr. A V Dharmakrishnan (DIN:00693181), Director who retired by rotation and got re-appointed. The Company had issued formal letters of appointment/re-appointment to its Independent Directors at the time of their appointment/ re-appointment. The terms and conditions of draft appointment letter are available at the Company’s website, at the following weblink: <https://www.ramco.com/hubfs/investor-relations/Independent-Directors-Terms-of-Appointment.pdf>

The tenure of Independent Directors is in accordance with the Act and SEBI LODR.

In accordance with Schedule IV of the Act and Regulation 25 of SEBI LODR, Independent Directors met without the presence of

Non-Independent Directors and Members of the Management on February 03, 2021 and all the Independent Directors were present at the Meeting. Amongst other matters, in the Meeting, they have reviewed/discussed about the performance of the Company, flow of information to the Board, performance of Non-Independent Directors, Board as a whole and performance of the Whole Time Director including the Chairman after taking views of Executive and Independent Directors.

Familiarization Programme for Independent Directors is to enable them to familiarize themselves with the Company, its Management and Operations. Not only Independent Directors, your Company continues to familiarize all its Directors on the technological and statutory developments, which have a bearing on the Company and the industry, so it would be effective in discharging their expected duties. The details of the Familiarization programs imparted to Directors is available at the Company’s website, at the following weblink: <https://www.ramco.com/hubfs/investor-relations/DIRECTORS-FAMILIARISATION-PROGRAMME.pdf>

**Directors’ Tenure**

The tenure of the Directors is in accordance with the provisions of the Act and SEBI LODR.

Name of the Director	Category	Tenure of the Director in the Current Term	
		From (Month/Date/Year)	To (Month/Date/Year)
Mr. P R Venketrama Raja	Chairman/Non-Executive & Non-Independent Promoter Director	N.A.	N.A.
Mr. P V Abinav Ramasubramaniam Raja	Whole Time Director/Executive & Non-Independent Director	June 04, 2017	June 03, 2022
Mr. M M Venkatachalam	Non-Executive & Independent Director	April 01, 2019	March 31, 2024
Mr. A V Dharmakrishnan	Non-Executive & Non-Independent Director	N.A.	N.A.
Mr. R S Agarwal	Non-Executive & Independent Director	April 01, 2019	March 31, 2024
Mrs. Soundara Kumar	Non-Executive & Independent Director	March 27, 2020	March 26, 2025
Mr. Sankar Krishnan	Non-Executive & Non-Independent Director	N.A.	N.A.
Justice Mr. P P S Janarthana Raja (Retd.)	Non-Executive & Independent Director	August 29, 2018	August 28, 2023

1. The appointment of the Whole Time Director is governed by the Articles of Association of the Company, resolutions passed by the Committees/ Board and the Members of the Company along with Service/Employment Contracts.
2. The service contracts, notice period and severance fees are not applicable to Non-Executive and/or Independent Directors.

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### MEETINGS OF THE BOARD

The Board met four times during the FY 2020-21 viz., June 19, 2020, August 08, 2020, November 03, 2020 and February 03, 2021. The Company held at least one Board Meeting in every three months. The maximum time gap between any of the two consecutive Meetings was not more than one hundred and twenty (120) days or such other period as stipulated under the Act and SEBI LODR. Accordingly, the Board Meeting, amongst others, to consider Q4 financial results of FY 2019-20 was held on June 19, 2020, before the extended timeline of June 30, 2020, prescribed by SEBI. The necessary quorum was present for all the Board Meetings.

### Board Procedure

Board Meeting is generally held once in a quarter to review amongst others, the financial results and business operations of the Company and the Board also meets as and when necessary to deal with specific matters concerning your Company. The Board Meetings are conducted with a pre-communicated and structured agenda.

The agenda is generally shared seven days prior to the date of the Meeting. The information pertaining to mandatory items as specified in the Act, SEBI LODR and other applicable laws along with business information's are provided to the Board, as part of the agenda papers well in advance of the Board Meetings (except for certain Unpublished Price Sensitive Information which are provided separately).

As part of Green initiatives to support environment, your Company is using secured electronic software application system – “Digiboard” through which Board and Committee Meetings agenda, notes, supporting documents and other communications are being circulated/shared to Directors. The draft minutes of the Board and/or its Committee(s) are sent to the Directors for their comments, if any and appropriately entered/recorded in the minutes book maintained by the Company in accordance with the Act and in compliance with Secretarial Standards.

The Board of Directors periodically reviews Compliance Reports pertaining to all laws applicable to the Company. The Minutes of the Meeting of the Board of Directors of the unlisted subsidiary are being placed before the Board of Directors of the Company. Updates on subsidiaries shall be placed before the Board on a quarterly basis. The Audit Committee of the Board reviews periodically the Financial Statements/ other allied matters of the subsidiaries.

The Board also satisfies itself that plans are in place for orderly succession for appointment of Board of Directors and Senior

Management. The Board sets out the annual performance objectives, oversees the actions and results of management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's Governance Practices for enhancing the stakeholders value.

### Meeting Schedule

The tentative schedule of the Board and Committee Meetings is decided in advance and informed to the Directors. Generally the Board and Committee Meetings are held at Chennai, where the Corporate Office of the Company is situated. At times, it may also be convened in the registered office/other place depending on the convenience. Considering the COVID-19 pandemic scenario, the Meetings during the year were held mainly through VC.

### BOARD COMMITTEES

The Board has constituted various Committees with specific terms of reference and scope to support the Board in discharging its responsibilities. The process, procedures and standards adopted by the Company for Board Meeting(s) are applicable to Committee Meeting(s), to the extent applicable.

Minutes of proceedings of Committee Meeting(s) are circulated to the Members and placed before Board Meeting(s) for noting. The recommendations of the Committees are submitted to the Board for consideration/approval.

### Audit Committee

The Committee constitution, powers, role and terms of reference are in accordance with Section 177 of the Act and Regulation 18 of SEBI LODR read with Part C of Schedule II of the said Regulations. The Committee's primary terms of reference inter-alia include to monitor and provide an effective supervision of the management's financial reporting process; ensure accurate and timely disclosures with the highest levels of transparency; ensure integrity and quality of financial reporting; ensure effective and efficient internal control systems etc.

The Committee met four times during the FY 2020-21 on June 19, 2020, August 08, 2020, November 03, 2020 and February 03, 2021. The maximum time gap between any of the two consecutive Meetings was not more than one hundred and twenty (120) days or such other period as stipulated under the Act and SEBI LODR. Accordingly, the Audit Committee Meeting, amongst others, to consider Q4 financial results of FY 2019-20 was held on June 19, 2020, before the extended timeline of June 30, 2020, prescribed by SEBI. The necessary



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quorum was present in all the Meetings. The composition of the Audit Committee, Meetings held, and attendance of the Members are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mrs. Soundara Kumar	Chairperson, Non-Executive & Independent Director	4	4
Mr. M M Venkatachalam	Member, Non-Executive & Independent Director	4	4
Mr. A V Dharmakrishnan	Member, Non-Executive & Non-Independent Director	4	4
Mr. Sankar Krishnan	Member, Non-Executive & Non-Independent Director	4	4
Mr. R S Agarwal	Member, Non-Executive & Independent Director	4	4
Justice Mr. P P S Janarthana Raja (Retd.)	Member, Non-Executive & Independent Director	4	4

The Chairman of the Board, Whole Time Director, Chief Executive Officer, Chief Financial Officer, Statutory Auditors and the Internal Auditors are invitees to all the Meetings of the Audit Committee and have attended all the Meetings. The Company Secretary is the Secretary to the Committee.

The representatives of the Secretarial Auditor are invited to attend the meeting of the Audit Committee/Board when their reports are tabled for discussion.

All the Members of the Committee are financially literate and possess accounting and related financial management expertise. The Audit Committee holds discussion with Statutory Auditors without the presence of management as and when required. Mrs. Soundara Kumar, Chairperson of the Audit Committee was present at the last Annual General Meeting (“AGM”) held on September 07, 2020.

**Stakeholders Relationship Committee**

The Committee constitution, powers, role and terms of reference are in accordance with Section 178 of the Act and Regulation 20 of SEBI LODR read with Part D of Schedule II of the said Regulations.

The Committee met five times during the FY 2020-21 on June 18, 2020, September 21, 2020, October 15, 2020, February 03, 2021 and March 30, 2021. The necessary quorum was present in all the Meetings. The composition of Stakeholders Relationship Committee, Meetings held and attendance of the Members are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mr. P R Venketrama Raja	Chairman, Non-Executive & Non-Independent Promoter Director	5	5
Mr. A V Dharmakrishnan	Member, Non-Executive & Non-Independent Director	5	5
Mr. P V Abinav Ramasubramaniam Raja	Member, Whole Time Director/Executive & Non-Independent Director	5	5
Justice Mr. P P S Janarthana Raja (Retd.)	Member, Non-Executive & Independent Director	5	5

The Chief Financial Officer is an invitee to all Meetings of the Stakeholders Relationship Committee. The Company Secretary is the Secretary to the Committee.

During the year, no complaints from any Member were received. As on March 31, 2021, there were no outstanding complaints pending to be resolved. The quarterly statements on Investor Complaints received and disposed of are filed with Stock Exchanges within 21 days from the end of each quarter/uploaded on the Company Website at the following weblink: <https://www.ramco.com/investor-relations/corporate-governance/statement-of-investor-complaints/> and the statement filed/uploaded is also placed before the subsequent Meeting of Board of Directors. Grievances received from investors and other miscellaneous correspondence/ mandates, etc. are processed by the Registrar and Share Transfer Agent M/s. Cameo Corporate Services Limited immediately after due verification.

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Mr. P R Venketrana Raja, Chairman of the Stakeholders Relationship Committee was present at the last AGM held on September 07, 2020.

**Nomination and Remuneration Committee**

The Committee constitution, powers, role and terms of reference are in accordance with Section 178 of the Act and Regulation 19 of SEBI LODR read with Part D of Schedule II of the said Regulations. The Nomination and Remuneration Committee discharges the functions as envisaged for it by the Act, SEBI LODR and functions as mandated by the Board from time to time. The Committee's primary terms of reference inter-alia include to formulate the criteria for determining the qualifications, skills, positive attributes necessary for recommending/inducting

Members on the Board/Senior Management, performance evaluation of Independent Directors, Board as a whole and that of its Committees, recommend to the Board a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees. The Board of Directors have approved a Nomination and Remuneration Policy for the Company. The said Policy is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/investor-relations/ramco-nomination-and-remuneration-policy.pdf> .

The Committee met three times during the FY 2020-21 on June 19, 2020, September 18, 2020 and December 18, 2020. The necessary quorum was present in all the three Meetings. The composition of Nomination and Remuneration Committee, Meetings held and attendance of the Members are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mr. M M Venkatachalam	Chairman, Non-Executive & Independent Director	3	2
Mr. A V Dharmakrishnan	Member, Non-Executive & Non-Independent Director	3	3
Mr. Sankar Krishnan	Member, Non-Executive & Non-Independent Director	3	3
Justice Mr. P P S Janarthana Raja (Retd.)	Member, Non-Executive & Independent Director	3	3

The Committee also administers the Company's Employees Stock Option Scheme. No options were exercisable by any Non-Executive Directors. The details of shares held by Directors of the Company as on March 31, 2021 are given in this report in page no. 66.

All the Members of the Committee are Non-Executive Directors. Chairman of the Committee is different from the Chairman of the Board. The Company Secretary is the Secretary to the Committee.

Mr. M M Venkatachalam, Chairman of the Nomination and Remuneration Committee was present at the last AGM held on September 07, 2020.

Evaluation Criteria

The Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, based on attendance, expertise and contribution brought in by the Independent Directors at the Board and Committee Meetings, which shall be taken into account at the time of re-appointment of respective Independent Director.

The key areas of evaluation of individual Directors, including Independent Directors are Knowledge of business, Diligence

and preparedness, Effective interaction with others, Constructive contribution to discussion and strategy, Concern for stakeholders, Attentive to the internal controls mechanism and Ethical conduct issues.

Remuneration to Directors

The Non-Executive Directors were paid remuneration only by way of sitting fees for attending Meetings of Board and Committees thereof. Accordingly, an amount of Rs.30,000/- per Meeting being paid as sitting fee for attending the Board Meetings, Audit Committee Meetings and Meeting of Independent Directors. No sitting fee is payable for attending the Meetings of any other Committees of the Board, unless approved by the Board.

The Members of the Company at the AGM held on August 04, 2017 had appointed Mr. P V Abinav Ramasubramaniam Raja as Whole Time Director for a period of 5 years with effect from June 04, 2017. The remuneration structure of Whole Time Director comprises salary & perquisites, sitting fees for attending the Meetings and other benefits etc. The remuneration is determined considering various factors such as qualification, expertise, roles, functions, responsibilities, prevailing remuneration in the industry and the financial position of the Company.

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(i) Remuneration paid to Non-Executive Directors during the FY 2020-21 are as follows:

Name of the Director	Board Meeting	Committee Meeting	In Rs.
			Total
Mr. P R Venketrama Raja	120,000	-	120,000
Mr. A V Dharmakrishnan	120,000	120,000	240,000
Mr. M M Venkatachalam	120,000	150,000	270,000
Mr. R S Agarwal	120,000	150,000	270,000
Mrs. Soundara Kumar	120,000	150,000	270,000
Mr. Sankar Krishnan	120,000	120,000	240,000
Justice Mr. P P S Janarthana Raja (Retd.)	120,000	150,000	270,000

(ii) Remuneration paid to Executive Director during the FY 2020-21 are as follows:

Particulars of Remuneration	Name of Manager / Whole Time Director		In Rs.
	Mr. P V Abinav Ramasubramaniam Raja		
Salary			1,080,000
Retirement Benefits			229,020
Bonuses			-
Stock Options			-
Performance Linked Incentives			-
Sitting Fees			120,000
<b>Total</b>			<b>1,429,020</b>

(iii) Stock options granted to Non-Executive & Non-Independent Director

On September 18, 2020 - 25,000 stock options were granted to Mr. A V Dharmakrishnan, Non-Executive & Non-Independent Director at an exercise price of Rs.10 per equity share – as per details mentioned in page no. 49.

The details of remuneration paid to Directors and Key Managerial Personnel are given in Form MGT-9, which has been placed in the website of the Company and the weblink for the same has been disclosed in the Board's Report. There are no pecuniary relationship or transactions of Non-Executive Directors vis-a-vis the Company, other than fees being paid for attending Meetings.

Corporate Social Responsibility Committee

The Committee constitution, powers, role and terms of reference are in accordance with Section 135 of the Act. The Committee met one time during the FY 2020-21 on June 19, 2020. The necessary quorum was present in the Meeting. The composition of Corporate Social Responsibility Committee, Meeting held and attendance of the Members are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mr. P R Venketrama Raja	Chairman, Non-Executive & Non-Independent Promoter Director	1	1
Mr. A V Dharmakrishnan	Member, Non-Executive & Non-Independent Director	1	1
Mr. M M Venkatachalam	Member, Non-Executive & Independent Director	1	1

The Chief Financial Officer is an invitee to the Meeting of Corporate Social Responsibility Committee. The Company Secretary is the Secretary to the Committee. The Company has framed a CSR policy which is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/investor-relations/Corporate-Social-Responsibility-Policy.pdf>.

Mr. P R Venketrama Raja, Chairman of the Corporate Social Responsibility Committee was present at the last AGM held on September 07, 2020.



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**Allotment Committee**

The Board has constituted Allotment Committee with the primary objective of allotment of shares and/or securities arising out of the stock option schemes, Rights Issues, Public Issues, Preferential Issues etc. The Meetings of the Committee are held/will be held on need basis.

The Committee met seven times during the FY 2020-21 on May 25, 2020, August 08, 2020, September 24, 2020, November 16, 2020, December 18, 2020, February 03, 2021 and March 19, 2021. The necessary quorum was present in all the Meetings. The composition of the Committee Meetings held and attendance of the Members are given below:

Composition	Category	Number of Meetings	
		Held	Attended
Mr. M M Venkatachalam	Chairman, Non-Executive & Independent Director	7	5
Mr. P R Venketrama Raja	Member, Non-Executive & Non-Independent Promoter Director	7	7
Mr. P V Abinav Ramasubramaniam Raja	Member, Whole Time Director/Executive & Non-Independent Director	7	5

The Chief Financial Officer is an invitee to all Meetings of Allotment Committee. The Company Secretary is the Secretary to the Committee. During the year, 110,901 shares were allotted by the Committee to eligible employees/option grantees of the Company and its subsidiaries pursuant to exercise of Stock options. Further details on the same are given in the Board's Report.

**Fund Raising Committee**

The Board has constituted fund raising Committee with the primary objective of overseeing the entire fund raising program of the Company. The Meetings of the Committee held/will be held on need basis. The Composition of the Committee comprised of Mr. M M Venkatachalam, Chairman, Non-Executive & Independent Director, Mr. P R Venketrama Raja, Member, Non-Executive & Non-Independent Promoter Director, Mr. A V Dharmakrishnan, Member, Non-Executive & Non-Independent Director and Mr. P V Abinav Ramasubramaniam Raja, Member, Whole Time Director/Executive & Non-Independent Director. During the Year, no Meetings were held.

**GENERAL BODY MEETINGS**

The details of the last three AGM's of the Company and the Special Resolutions passed thereat are as under:

Month/ Date/Year	Time	Location	Special Resolution Passed
September 07, 2020	3:00 p.m.	Through Video Conferencing / Other Audio Visual Means (VC/OAVM)	No Special Resolution was passed
August 08, 2019	11:45 a.m.	P.A.C.R. Centenary Community Hall, Sudarsan Gardens, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 108.	Re-appointment of Mrs. Soundara Kumar (DIN:01974515), as an Independent Director from March 27, 2020 to March 26, 2025.
August 03, 2018	11:45 a.m.	P.A.C.R. Centenary Community Hall, Sudarsan Gardens, P.A.C. Ramasamy Raja Salai, Rajapalayam - 626 108.	Re-appointment of Mr. M M Venkatachalam (DIN:00152619), as an Independent Director from April 01, 2019 to March 31, 2024. Re-appointment of Mr. R S Aggarwal (DIN:00012594), as an Independent Director from April 01, 2019 to March 31, 2024.

All the Resolutions were approved with requisite majority, the results were displayed on the website of the Company and necessary disclosures were made to the Stock Exchanges.

**Extra Ordinary General (EGM) Meetings**

No EGMs were held during the last three years.

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**Postal Ballot**

No special resolution was passed through postal ballot during the FY 2020-21. None of the business proposed to be transacted in the ensuing AGM requires passing of special resolution through postal ballot. No Special Resolution is proposed to be passed through Postal Ballot.

**MEANS OF COMMUNICATION**

Your Company provides prompt communication to all its stakeholders. Your Company interacts with Members through multiple channels of communication such as result announcements, Annual Report, media releases, updating the information on Company’s website, etc.

**Financial Results**

Quarterly/Half-yearly and Audited Annual Results are provided to the Stock Exchanges and published in prominent daily newspapers viz. Business Standard (English edition) and Makkal Kural (Tamil edition) and are also displayed on the Company’s website at the following weblink: <https://www.ramco.com/investor-relations/financial-results> and full results are provided in <https://www.ramco.com/investor-relations/disclosure-of-events/announcements>.

**Annual Report**

The Company’s Annual Report is also uploaded on the Company’s website and the same is available at the following weblink: <https://www.ramco.com/investor-relations/annual-reports> in a user-friendly and downloadable form.

**Press & Media Release/Publication of Results**

The Company sends the copy of Press & Media Releases/ Publication of results to Stock Exchanges and also disseminates the same on the Company’s website at [www.ramco.com](http://www.ramco.com). An analysis of the various means of dissemination of information during the year under review are produced below:

Means of Communication	Frequency
Press/Media Release	33 times
Earnings Call/Investors Meet	3 times
Publication of Results	4 times

**Investors/Analysts Interactions**

The schedule of the Meetings of the investors/analysts are intimated in advance to the Stock Exchanges and disclosed

on the Company’s website. Gist of such Meetings/Calls are intimated to the Stock Exchanges and also uploaded on the Company’s Website.

**Stock Exchange Compliances**

The National Stock Exchange of India Ltd., (NSE) and BSE Limited (BSE) maintain separate online portals i.e. “NEAPS” and “Listing Centre” respectively for electronic submission of information by listed Companies. Various communications such as notices, press releases, the quarterly, half-yearly and annual compliances and disclosures are filed electronically on these portals. In addition, such disclosures and communication are hosted on the Company’s website in accordance with SEBI LODR.

**Dissemination**

The Company has a policy on the Determination of Materiality for Disclosure of Events or Information. The said policy is available on the Company’s website. Dissemination of the information is based on the Policy.

**MANDATORY & DISCRETIONARY REQUIREMENTS**

The SEBI LODR prescribes the various Corporate Governance requirements, both mandatory and non-mandatory. Your Company is in substantial compliance with the same.

**Mandatory Requirements**

The Company has complied with the mandatory requirements of Part C of Sub-Paras (2) to (10) of Schedule V of the SEBI LODR.

**Discretionary Requirements**

Company has adopted following discretionary requirements of SEBI LODR:

- a. Separate posts of Chairman and CEO  
The posts of the Chairman, Whole Time Director and CEO of the Company are held by separate persons.
- b. Reporting of Internal Auditor  
The Internal Auditor of the Company reports directly to the Audit Committee.
- c. Audit Opinion  
The Company is already in the regime of Financial Statements with unmodified opinion.

Corporate Governance Report (Contd.)

MEMBERS INFORMATION

Corporate Identification Number	L72300TN1997PLC037550
Registration Number	18-37550 – Registered in the state of Tamil Nadu
Company Secretary & Compliance Officer	Mr. Vijaya Raghavan N E No. 64, Sardar Patel Road, Taramani, Chennai – 600 113. Phone: +91 44 2235 5558 Fax: +91 44 2235 5078 E-mail: investorcomplaints@ramco.com
Listing on Stock Exchanges	BSE Limited, PJ Towers, Dalal Street, Mumbai 400 001. National Stock Exchange of India Ltd., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.
International Securities Identification Number (ISIN)	INE246B01019
Stock Code	BSE – 532370 NSE – RAMCOSYS
Securities suspended from trading	No
Annual Listing Fees	Listing fee for the FY 2021-22 have been paid to the BSE and NSE.
Annual Custody Fee and Annual Issuer Fee	Custodial Fee/ Issuer Fee for the FY 2021-22 have been paid by the Company to NSDL and CDSL.
Designated Depository	CDSL has been appointed by the Company – for monitoring the Foreign Investment limits.
Financial Year	April 01 to March 31
Book Closure	August 12, 2021 to August 19, 2021 (both days inclusive)
AGM 2021	August 19, 2021 at 3.00 p.m. through Video Conference / Other Audio Visual Means
AGM 2022	Tentatively in July/August, 2022
Financial Reporting FY 2021-22	Tentatively
June 30	between end of July 2021 & August 14, 2021
September 30	between end October 2021 & November 14, 2021
December 31	between end of January 2022 & February 14, 2022
March 31	between end of April 2022 & May 2022
Outstanding GDR/ADR receipts or warrants or any convertible instruments, conversion date and likely impact on equity	Nil. Since the Company has not raised any funds by way of GDR/ADR or warrants or any convertible instruments.
Commodity price risks or foreign exchange and hedging activities	Nil. Since the Company is not dealing in any commodities.
Global Presence/Plant Location/R&D Centre	Given in page no.1 and in the Cover Page of this Annual Report.
Credit Rating	Disclosed in the Board's Report
Correspondence Details of Company & RTA	The Company address for Investor correspondence is provided in the 3 <sup>rd</sup> row of this table and details of RTA are given below: M/s. Cameo Corporate Services Limited (Unit: Ramco Systems Limited) 'Subramanian Building', No.1, Club House Road, Chennai – 600 002. Phone: +91 44 2846 0390 (5 lines) Fax: +91 44 2846 0129

Corporate Governance Report (Contd.)

Market Price Data

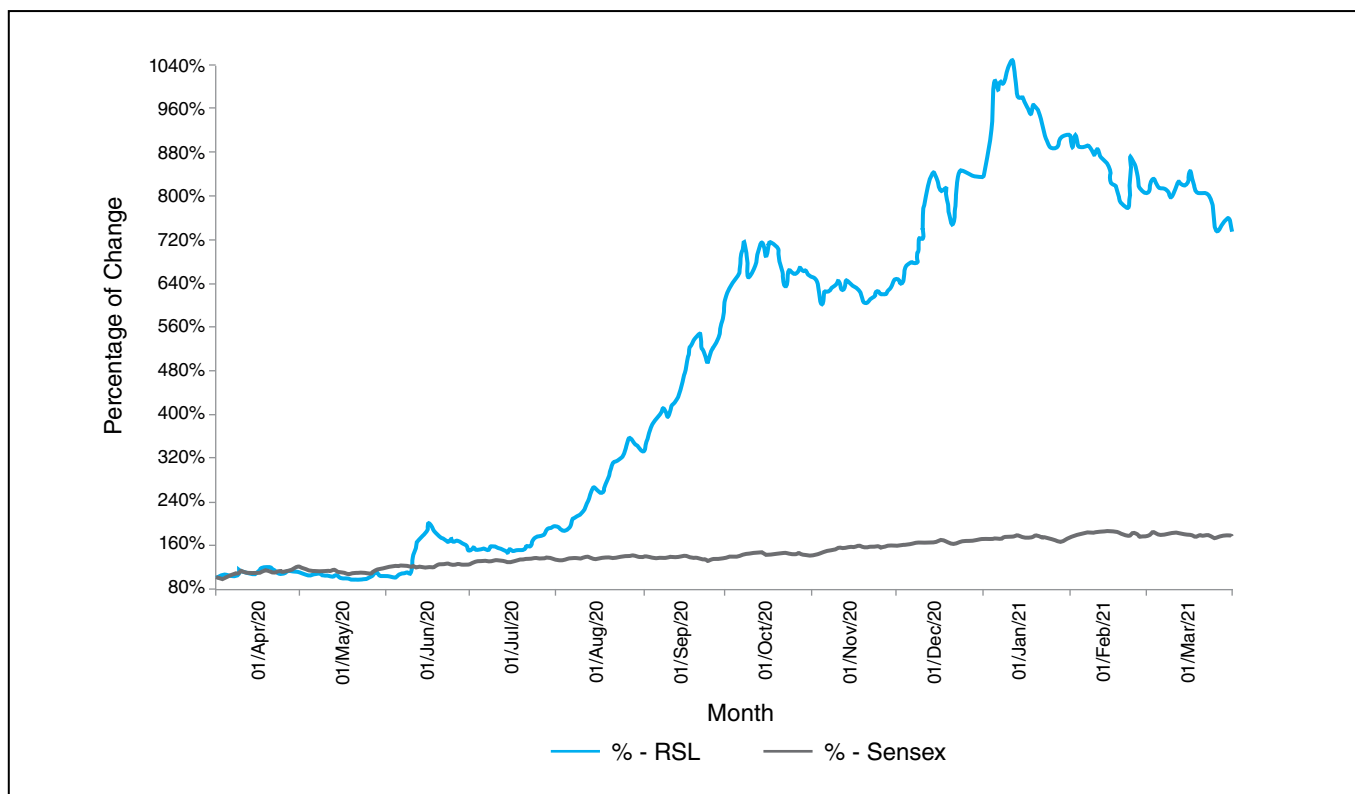
The Company's monthly high and low share price data as well as the total turnover during each month in the FY 2020-21 on the BSE and NSE are as mentioned below:

Month	BSE			BSE Sensex		NSE			NSE Nifty	
	Share Price (Rs.)		Volume Traded	High	Low	Share Price (Rs.)		Volume Traded	High	Low
	High	Low				High	Low			
Apr-20	93.50	70.00	50,574	33,887.25	27,500.79	89.40	70.20	828,592	9,889.05	8,055.80
May-20	84.90	64.10	276,341	32,845.48	29,968.45	84.85	67.55	4,500,304	9,598.85	8,806.75
Jun-20	152.80	72.05	2,087,591	35,706.55	32,348.10	152.60	72.05	19,276,322	10,553.15	9,544.35
Jul-20	142.30	103.35	964,142	38,617.03	34,927.20	142.90	104.55	6,349,782	11,341.40	10,299.60
Aug-20	270.55	128.25	1,388,553	40,010.17	36,911.23	270.60	129.30	10,029,375	11,794.25	10,882.25
Sep-20	426.00	230.95	1,489,287	39,359.51	36,495.98	424.50	231.25	11,033,234	11,618.10	10,790.20
Oct-20	543.60	438.10	1,598,672	41,048.05	38,410.20	541.60	438.40	8,229,948	12,025.45	11,347.05
Nov-20	481.15	409.30	601,189	44,825.37	39,334.92	480.85	410.80	4,117,043	13,145.85	11,557.40
Dec-20	620.55	443.20	967,179	47,896.97	44,118.10	619.90	442.00	82,11,861	14,024.85	12,962.80
Jan-21	784.15	594.10	550,258	50,184.01	46,160.46	785.00	600.00	4,685,738	14,753.55	13,596.75
Feb-21	688.95	557.70	313,820	52,516.76	46,433.65	684.90	556.45	2,932,311	15,431.75	13,661.75
Mar-21	620.70	511.30	240,926	51,821.84	48,236.35	621.70	511.70	2,341,346	15,336.30	14,264.40

Source: This information is compiled from the data available from the websites of BSE and NSE

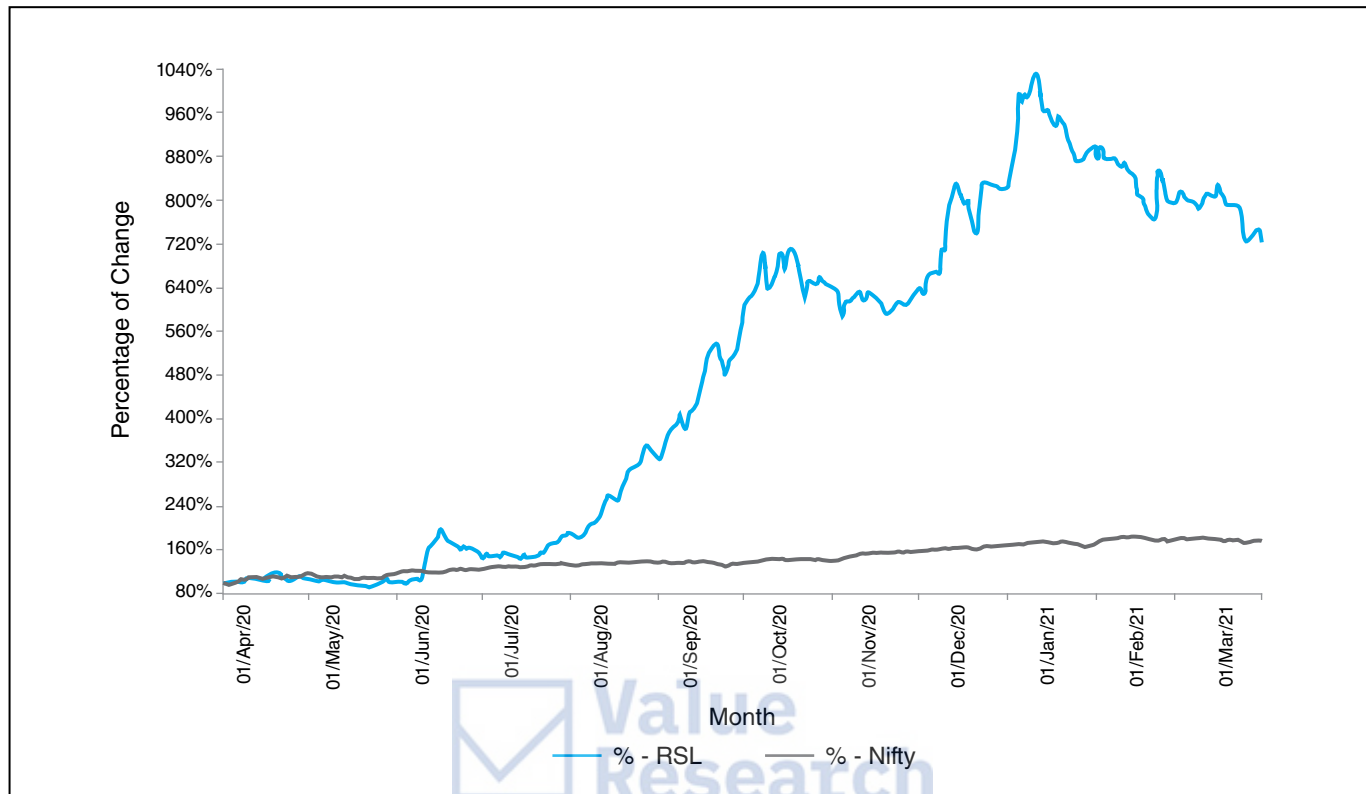
Performance in comparison to broad-based indices

Share price movement compared to BSE Sensex (closing price on last trading day of the month)



Corporate Governance Report (Contd.)

Share price movement compared to NSE Nifty (closing price on last trading day of the month)



Distribution of Shareholding

The Distribution of Shareholding of the Company as at March 31, 2021 is as follows:

Sl. No.	Holding range	Number of Members	% of total	Shares	% of total
1.	Between 1 and 500	28,635	93.15	1,978,185	6.44
2.	Between 501 and 1,000	1,005	3.27	771,228	2.51
3.	Between 1,001 and 2,000	476	1.55	704,861	2.29
4.	Between 2,001 and 3,000	177	0.58	448,901	1.46
5.	Between 3,001 and 4,000	95	0.31	332,471	1.08
6.	Between 4,001 and 5,000	77	0.25	361,685	1.18
7.	Between 5,001 and 10,000	130	0.42	932,318	3.04
8.	More than 10,000	146	0.47	25,184,433	82.00
	<b>Total</b>	<b>30,741</b>	<b>100.00</b>	<b>30,714,082</b>	<b>100.00</b>

Note: The number of Members is counted based on the individual folios.

Shareholding Pattern

Sl. No.	Category	Number of Members	Number of Shares Held	% held
1.	Promoters & Promoter Group	16	16,724,849	54.45
2.	Public	29,981	13,989,233	45.55
3.	Non-Promoter & Non-Public	-	-	-
4.	Shares underlying DRs and held by Employee Trust	-	-	-
	<b>Total</b>	<b>29,997</b>	<b>30,714,082</b>	<b>100.00</b>

Note: The above report is based on PAN. Detailed Shareholding Pattern is provided in MGT – 9 is available in the Company's website.



**Corporate Governance Report (Contd.)**

**Share Transfer**

M/s. Cameo Corporate Services Limited is the Company's Registrar and Share Transfer Agent ("RTA") for carrying out share related activities. The requests for physical Transmissions, Transpositions etc., are received by the Company and/or by the RTA and processed/returned within the due time after scrutiny on the completeness of documentation. Transfer of shares in electronic form are processed and approved by NSDL and CDSL through their Depository Participant without the involvement of the Company. The Share transfers are approved by the Stakeholder's Relationship Committee.

The Company also obtains a certificate from a Practicing Company Secretary on half yearly basis under Regulation 40(9) of the Listing Regulations, to the effect that all share certificates have been issued within the prescribed time of lodgment of the transfer, transmission, sub-division, consolidation and renewal and files the same with Stock Exchanges.

**Dematerialization of Shares**

99.59% of the Company's paid-up Equity Share Capital has been dematerialized as on March 31, 2021. Trading in Equity Shares of the Company is permitted only in dematerialized form. Details as of March 31, 2021 are as follows:

Mode of Holding	Number of Holders	Number of Shares	% of shares
NSDL	12,856	21,402,253	69.68
CDSL	17,633	9,184,412	29.90
Total Demat holding	30,489	30,586,665	99.59
Physical	252	127,417	0.41

In view of the benefits embedded in holding of the securities in demat form, the Members holding the shares in physical form are requested to demat their shares at the earliest.

**Reconciliation of Share Capital**

Reconciliation of Share Capital Audit was undertaken on a quarterly basis by a Practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL and the total issued, paid and listed capital. The report thereof was submitted to the Stock Exchanges.

**Liquidity**

Company's Equity Shares are actively traded on both NSE and BSE. Substantial increase in total trading activity of the Company's equity shares was witnessed during the FY 2020-21 (93,064,388 shares) as compared to FY 2019-20 (15,570,890 shares).

**BOARD & GOVERNANCE RELATED**

**Code for Insider Trading**

Your Company has formulated a "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives and Code of Practices & Procedures for Fair Disclosure" for Prevention of Insider Trading ("Code") in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (PIT Regulations). It aims at preventing insider trading activity by dealing in shares of the Company by its Designated Persons, their Immediate Relatives and Connected Persons. Designated Persons and Immediate Relatives are governed by the Code. As per the Code, Designated Persons shall make disclosure of their holdings of shares to the Compliance Officer within 30 days from the end of every financial year. During the year, there has been due compliance with the Code.

**Code for Fair Disclosure**

Your Company has formulated "Code of Practices and Procedure for Fair Disclosure" (as part of above referred code) for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) in accordance with PIT Regulations with an objective of protecting the interest of Members at large and preventing misuse of any UPSI. The Company has also framed Policy and Procedure for inquiry in case of leak or suspected leak of UPSI. The said Code & Policy are available at the Company's website, at the following weblinks: <https://www.ramco.com/hubfs/investor-relations/Amended-Insider-Trading-CodeV3-19-06-2020.pdf> and <https://www.ramco.com/hubfs/investor-relations/Policy-on-inquiry-for-leak-of-UPSI-01.04.2019.pdf>.

**Corporate Governance Certificate**

A certificate from Practicing Company Secretary M/s. S.Krishnamurthy & Co., Company Secretaries, confirming compliance with conditions of Corporate Governance as stipulated under SEBI LODR is forming part of the Annual Report. Company has also received certificate from him confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

The Company submits quarterly compliance report on Corporate Governance to the Stock Exchanges, in the prescribed format within 15 days from the end of quarter (or within such time limit as extended by SEBI) duly signed by the Compliance Officer.

**Corporate Governance Report (Contd.)**

**Compliance**

Your Company is in due compliance with the provisions of applicable laws, Regulations, standards, Company codes & policies. In accordance with SEBI LODR, this is to disclose that, there have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters during the last three years.

**Whistle Blower Policy & Vigil Mechanism**

Your Company's Whistle Blower Policy and established Vigil Mechanism is to enable the employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the policy. CEO is the corporate ombudsman, to administer the Vigil Mechanism. The Vigil Mechanism is overseen by the Audit Committee.

The Vigil Mechanism provides adequate safeguards to the whistle blowers against any victimization. The Policy also ensures that strict confidentiality is maintained whilst dealing with concerns. It also provides a mechanism for stakeholders to approach the Chairman of Audit Committee. During the year, no requests from any personnel for access to the Audit Committee were received by the Company and hence, the question of denial of such access did not arise. The Company's Whistle Blower Policy is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/investor-relations/Ramco-Whistle-Blower-Policy.pdf>.

**OTHER DISCLOSURES**

Compliance Requirements	Compliance Status
Related Party Transaction ("RPT") Policy Web link	<a href="https://www.ramco.com/hubfs/investor-relations/ramco-related-party-transaction-policy.pdf">https://www.ramco.com/hubfs/investor-relations/ramco-related-party-transaction-policy.pdf</a>
Materially Significant RPT during the year	No such RPT made by the Company that may have potential conflict with the interests of the Company at large.
Material subsidiary Policy Web link	<a href="https://www.ramco.com/hubfs/investor-relations/ramco-material-subsiidiary-policy.pdf">https://www.ramco.com/hubfs/investor-relations/ramco-material-subsiidiary-policy.pdf</a>
Dividend Distribution Policy Web link	<a href="https://www.ramco.com/hubfs/investor-relations/DIVIDEND-DISTRIBUTION-POLICY.pdf">https://www.ramco.com/hubfs/investor-relations/DIVIDEND-DISTRIBUTION-POLICY.pdf</a>
Foreign Exchange Risk	Refer the Note No.30 of the Standalone Financials in page no. 155.
Details of Utilization of Funds	The Company has no unutilized funds raised through Preferential Allotment or Qualified Institutions Placement.
Recommendation of the Committees of the Board	All are accepted by the Board.
Sexual Harassment related disclosures	There were no complaints received during the year and no complaints were outstanding at the end of the year. Refer Board's Report for related disclosures in page no. 36.
Statutory Auditors Fees	The total fee paid by the Company during the FY 2020-21 is Rs.1.96 Mln. Refer the Note No.24 of the Standalone Financials in page no. 147. The subsidiary Companies have separate Statutory Auditors, not connected with the Company's Statutory Auditors. No other entity in the network firm or network entity of which the Statutory Auditor is a part has been hired for any services by our subsidiaries.
SEBI Complaints Redress System (SCORES)	The investor complaints are processed in a Centralized web-based complaints redress system. Actions taken on the complaints and their current status are updated electronically in the SEBI SCORES system.
Unclaimed Suspense Account	Nil – Number of shares were lying in the Company unclaimed suspense account at the beginning & at the end of the year.

## Corporate Governance Report (Contd.)

## DISCLOSURES AND AFFIRMATIONS

**CEO/CFO Certification**

In accordance with Regulation 17(8) read with Part B of Schedule II of SEBI LODR, Mr. P V Abinav Ramasubramaniam Raja, Whole Time Director, Mr. Virender Aggarwal, Chief Executive Officer and Mr. R Ravi Kula Chandran, Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board and the same is annexed to this report.

They also give quarterly certification on financial results while placing the financial results before the Board confirming that such financial results for the quarter/ year ended do not contain any false or misleading statements or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

**Code of Conduct**

The Company's Code of Conduct is applicable to all the Board Members and the Senior Management Personnel of Ramco. The duties of Directors including duties as an

Independent Director as laid down in the Act also form part of the Code of Conduct. A copy of the Code of Conduct is available at the Company's website, at the following weblink: <https://www.ramco.com/hubfs/investor-relations/code-of-conduct-business-ethics.pdf> .

A declaration, signed by the Whole Time Director and Chief Executive Officer of the Company in accordance with Regulation 17(5) read with Schedule V(D) of SEBI LODR, confirming the Compliance is annexed to this report.

**Directors & Senior Management Personnel**

In accordance with Regulation 26(5) and 26(6) of SEBI LODR, Directors and Senior Management Personnel of the Company have affirmed compliance/make disclosure to the Board periodically that all material, financial and commercial transactions, if any, where they have personal interest that may have a potential conflict with the interest of the Company at large.

*The various disclosures made in the Board's Report, may be considered as disclosures made under this report.*

