



# S. Krishnamurthy & Co., Company Secretaries

To,  
**The Board of Directors**  
**Ramco Systems Limited**  
64, Sardar Patel Road,  
Taramani, Chennai – 600 113.

## Practising Company Secretary's Certificate

*[Issued in terms of Regulation 163(2) under Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('the SEBI ICDR')]*

### A. Background

1. We are issuing this certificate based on the Letter of Engagement issued by **Ramco Systems Limited** ("*the Company*" / "*the Issuer*") requesting us to certify the Company's compliance with the relevant regulations of SEBI ICDR applicable to their proposed **Preferential Issues** of:
  - (i) **Convertible Securities in the form of warrants** (hereinafter referred to as "convertible warrants"), not exceeding **14,59,854 numbers**, to their **Promoter** Mr. P R Venketrama Raja; and
  - (ii) **Equity shares, not exceeding 43,79,561 numbers** to:
    - (a) A **Listed Promoter Group Company** viz., M/s. Ramco Industries Limited; and
    - (b) Two **SEBI Registered Foreign Portfolio Investors (FPI) and Non-Promoter** viz., M/s. Atyant Capital India Fund-I and M/s. Vanderbilt University

The above-named Mr. P R Venketrama Raja, M/s. Ramco Industries Limited, M/s. Atyant Capital India Fund-I and M/s. Vanderbilt University are hereinafter referred to as "*the Allottees*".

2. We have examined whether the proposed Preferential Issues of Convertible Warrants and Equity Shares by the Company, as approved by the Board of Directors at its meeting held on 22<sup>nd</sup> December 2022, are in compliance with Chapter V of the SEBI ICDR.
3. At the said meeting held on 22<sup>nd</sup> December 2022, the Board of Directors of the Company have approved the conduct of a Postal Ballot Process from **23<sup>rd</sup> December 2022 to 21<sup>st</sup> January 2023** and also the **Postal Ballot Notice** to be issued to the shareholders (as on 16<sup>th</sup> December 2022 designated as the "*cut-off*" date), setting out two Special Resolutions and a Statement of Material Facts in respect of the said resolutions ("*Explanatory Statement*") (together referred to as "*the Postal Ballot Notice*"), seeking their consent for the proposed issue of 14,59,854 numbers Convertible Warrants, each convertible into 1 (one) Equity Share of face value of Rs.10/- each, fully paid up, in one or more tranches and 43,79,561 numbers Equity Shares on a preferential basis, at a price of Rs.274/- (Rupees Two hundred and seventy-four only) each, as per Item Nos. 1 and 2 of the Postal Ballot Notice respectively.





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4. The Explanatory Statement forming part of the Postal Ballot Notice provides the **disclosures mandated under Regulation 163(1) of SEBI ICDR**, in addition to the disclosures required under Section 102 and other applicable provisions of the Companies Act, 2013 (*"the Act"*).
5. The consent of the shareholders for the two Special Resolutions will be deemed to have been obtained on **21<sup>st</sup> January 2023**, being the last date specified by the Company for e-voting in the Postal Ballot Notice.
6. The Relevant Date (for determining the price of the equity shares, including those to be allotted on conversion of warrants) in terms of Regulation 161 of the SEBI ICDR has accordingly been fixed as 22<sup>nd</sup> December 2022, being the date which is **30 days prior to 21<sup>st</sup> January 2023**, and which does not fall on a week-end or on a holiday.
7. The Postal Ballot Notice states that it is being issued pursuant to provisions of Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014 and the circulars issued by the Ministry of Corporate Affairs permitting transaction of the Postal Ballot Process through remote e-voting without sending physical ballots, read with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*"SEBI LODR"*).

**B. Managements responsibility**

8. The Management of the Company is responsible for:
  - (i) Compliance with the aforesaid SEBI ICDR for the proposed preferential allotment of convertible warrants and the equity shares;
  - (ii) Preparation and circulation of the Postal Ballot Notice, including its content;
  - (iii) Preparation and maintenance of relevant supporting records and documents; and
  - (iv) Providing all relevant information to the Securities and Exchange Board of India (*"SEBI"*) and the stock exchanges where the Company's shares are listed, namely, BSE Limited (*"BSE"*) and the National Stock Exchange of India Limited (*"NSE"*).

**C. Our responsibility**

9. Our responsibility is to issue a certificate for inspection of the members during the course of the Postal Ballot Process for considering the proposed preferential issue, certifying that the said preferential issue is being made in accordance with the requirements of SEBI ICDR.

**D. Process adopted**

10. We have verified the records/ information provided, obtained representations/ confirmations from the Issuer/ their Registrars and Share Transfer Agents (*"RTA"*) and performed certain procedures, as set out below, to enable us to form an opinion and certify as to whether the proposed preferential issue of convertible securities and equity shares as set out in Item No. 1 and 2 of the Postal Ballot Notice is in accordance with the SEBI ICDR:





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- (i) Obtained confirmation that the Company intends to seek consent of its shareholders by way of Special Resolutions to be passed through a Postal Ballot process, to be conducted through remote e-voting, **from 9 am IST on Friday the 23<sup>rd</sup> December 2022 to 5 pm IST on Saturday the 21<sup>st</sup> January 2023** (both days inclusive);
- (ii) Ascertained that the **Relevant Date**, in terms of Regulation 161(a) of SEBI ICDR would be **22<sup>nd</sup> December 2022**;
- (iii) Examined the Postal Ballot Notice being issued and noted that:
  - (a) The proposed special resolutions for approving the preferential issue of convertible warrants and equity shares of the Company are included therein;
  - (b) The special resolutions specify the Relevant Date, namely 22<sup>nd</sup> December 2022, on the basis of which price of the equity shares to be allotted on conversion or exchange of convertible securities has been calculated;
  - (c) The tenure of the convertible warrants being issued does not exceed 18 (eighteen) months as prescribed under Regulation 162 of the SEBI ICDR; and
  - (d) The equity shares to be allotted through the preferential issue of convertible warrants will be made fully paid up at the time of allotment.
- (iv) Observed that the Statement of Material Facts (*Explanatory Statement*) annexed to and forming part of the Postal Ballot Notice in terms of Section 102 of the Companies Act, 2013 ("*the Act*") contains *inter alia* all the disclosures prescribed under Regulation 163(1) of the SEBI ICDR, namely:
  - (a) Objects of the preferential issue;
  - (b) Maximum number of specified securities (convertible warrants and equity shares) to be issued;
  - (c) Intent of the promoters, directors or key managerial personnel of the Issuer to subscribe to the offer;
  - (d) Shareholding pattern of the Issuer before and after the preferential issue;
  - (e) Percentage of the post-preferential issued capital that may be held by the Allottees and the change in control in the Issuer consequent to the preferential issue and noted that the Promoters/ Promoter Group continue to be in control though the Non-Promoter holding increases by more than 5%;
  - (f) Time-frame within which the preferential issue shall be completed;
  - (g) Statement providing particulars of natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed Allottees;
  - (h) Undertaking that the Issuer shall re-compute the price of the specified securities in terms of the provision of these SEBI ICDR where it is required to do so;
  - (i) Undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR, the specified securities shall continue to be locked-in till the time such amount is paid by the Allottees;





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- (j) Confirmation that neither the Issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower or a fugitive economic offender;
- (k) The current and proposed status of all the Allottees post the preferential issue namely, promoter or non-promoter; and
- (l) Confirmation that the Issuer shall place a copy of this certificate in its website for inspection of the shareholders, during the course of the Postal Ballot Process.
- (v) Obtained confirmation from the Issuer that they are opting for **22<sup>nd</sup> December 2022 as the Relevant Date** in terms of Regulation 161(a) of SEBI ICDR;
- (vi) Observed that the special resolution for the issue of convertible securities (warrants) specifies that **22<sup>nd</sup> December 2022 will be the Relevant Date on the** basis of which price of the equity shares to be allotted on conversion of the warrants is calculated; Hence, the Issuer does not have the option of considering the date 30 days prior to the date on which the Allottee would be entitled to exercise their option to convert the said warrants into equity shares as the "Relevant Date" in terms of Regulation 161(b) of SEBI ICDR;
- (vii) Verified that the Allottees and Members of the Promoter Group, **have not sold or transferred** any equity shares during the 90 trading days preceding the Relevant Date, namely during the period **from 11<sup>th</sup> August 2022 to 21<sup>st</sup> December 2022** (both days inclusive), based on the statutory records and confirmation obtained from Allottees;
- (viii) Verified that the Promoter and Promoter Group Allottees hold their entire pre-preferential holding of equity shares in dematerialized form and that the Non-Promoter Allottees have no pre-preferential holding of Issuer's equity shares;
- (ix) Obtained confirmation and also verified from the records furnished that the Company has no outstanding dues to the SEBI/ BSE/ NSE or to the Depositories, namely National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL");
- (x) Obtained representation from the Issuer that they have adhered to conditions for continuous listing of equity shares as specified in the listing agreement with BSE and NSE;
- (xi) Verified that the Issuer has obtained Permanent Account Number ('PAN') of all the Allottees;
- (xii) Verified that the pricing of the proposed preferential issue of convertible warrants and equity shares is in compliance with Regulations 164(1) and 166A of SEBI ICDR;
- (xiii) Obtained confirmation from the Issuer that the application for seeking in-principle approval to NSE and BSE will be made on or before the day when the Notice of Postal Ballot is sent, seeking shareholders' approval by way of special resolutions for the preferential issue of convertible warrants and equity shares; and
- (xiv) Verified the Valuation report of the Independent Registered Valuer, as required under Regulation 166A of the SEBI ICDR.





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**E. Conclusion**

We hereby certify that, based on the procedures performed as mentioned above and information, explanations and representations provided by the Company, the proposed preferential issue of convertible warrants and equity shares being made to the Allottees are being made in accordance with the requirements of Chapter V of the SEBI ICDR.

**F. Restriction on use**

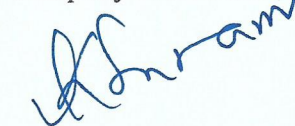
This certificate is addressed to and provided to the Company solely for being made available on the website of the Company to facilitate online inspection by the members until the relevant last date of remote e-voting and/or submission to the BSE/ NSE/NSDL/ CDSL/ Ministry of Corporate Affairs to comply with the requirement of the SEBI ICDR/ Other SEBI Regulations/ the Act and should not be used by any other person or for any other purpose. Accordingly, our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior written consent.

Thanking you,

Yours faithfully,

For **S. KRISHNAMURTHY & CO.,**

Company Secretaries,



**K SRIRAM,**

Partner

Membership No.F6312; Certificate of Practice No.:2215

UDIN: **F006312D002782943**

Place: Chennai

Date: **22<sup>nd</sup> December 2022**

