

RAMCO INDUSTRIES LIMITED

Registered Office: 47 P.S.K.Nagar, Rajapalayam – 626 108, Tamil Nadu

NOTICE TO MEMBERS

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the Company will be held on Monday, the 19th March, 2012 at the Registered Office of the Company at 47, P.S.K.Nagar, Rajapalayam-626108 at 10.00 a.m. to transact the following business:

To consider and if thought fit, to pass with or without modification, the following as a Special Resolution

SPECIAL RESOLUTION

"RESOLVED that, subject to the approval of the Central Government, consent of the Members be and is hereby accorded under Sec. 294 AA of the Companies Act, 1956, for the re-appointment of **M/s. Raja Charity Trust** as the Sole Selling Agent of the Company for a period of 5 years from 3rd May, 2012 on the following main terms and conditions:

- (a) The re-appointment will be for a period of 5 years from 03.05.2012.
- (b) M/s.Raja Charity Trust will be the Sole Selling Agent for the Products of the Company in India viz., all kinds of Roofing Sheets, Accessories, Flat/Corrugated Sheets/Boards and Pressure Pipes and Pipe fittings of every description made of, wholly or partly, with Asbestos Fibre or with the use of natural, synthetic, organic, inorganic Fibre and Cement, Calcium Silicate or such other material/s and also made of Steel/Plastics/ Polymers etc. and also Plastic Storage Tanks/Containers of any kind and any similar or related products (hereinafter referred to as "Products").
- (c) M/s. Raja Charity Trust will promote and canvass orders for the Products of the Company at the prices and delivery terms stipulated by the Company from time to time; they will also take all necessary steps on behalf of the Company to effectively deal with all contracts of sale of the Company's products; they will also assist the Company in collection of payments and render such other services incidental thereto.
- (d) They will be entitled to a commission of 0.75% exclusive of taxes or duties thereon, on the ex-factory value of the products sold within India to Government and Public, exclusive of Excise duty, Sales tax, Octroi or other statutory levies.

FURTHER RESOLVED that the Board of Directors of the Company be and are hereby authorized to enter into Sole Selling Agency Agreement/Arrangements and accept such modifications/amendments in the Sole Selling Agency Agreement/arrangements as may be stipulated by the Central Government and to take all necessary steps to implement the same".

CHENNAI
03.02.2012

On behalf of the Board
(N.K. SHRIKANTAN RAJA)
Director

NOTES:

- 1) A member entitled to attend and vote at the above meeting is entitled to appoint a Proxy to attend and vote instead of himself. Such a Proxy need not be a Member of the Company. 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.
- 2) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is printed overleaf and forms part of this Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

M/s Raja Charity Trust have been the Sole Selling Agent of the Company since inception. The earlier re-appointment was made with effect from 3rd May, 2007 for a period of 5 years with your approval and with the approval of the Central Government. Hence this Sole Selling Agency appointment/agreement is due for renewal on 3rd May, 2012.

During the last 45 years, M/s Raja Charity Trust have been rendering effective service in marketing the products of the Company viz. all kinds of Roffing Sheets, Accessories, Flat Sheets/Boards and Pressure Pipes and Pipe fittings of every description made up of wholly or partly with Asbestos Fibre or with the use of natural, synthetic, organic, inorganic Fibre and Cement, Calcium Silicate or such other material/s. During the last 5 years, quantum of the above Products marketed by M/s Raja Charity Trust, has increased from 3.63 Lac M.T. during 2005-2006 to 4.95 Lac M.T. during 2010-2011 with the Turnover having increased from Rs.218 Crores to Rs.408 Crores during the said period. They have on their rolls, experienced and efficient staff at their Office at Chennai and at various branches in India to render effective sales and service for maintaining and improving the market share of the Company's Products.

In the prevailing marketing conditions of acute competition, the re-appointment of M/s Raja Charity Trust as the Sole -Selling Agent to market the said Products of the Company is very essential. Accordingly, the Board of Directors by a Resolution passed at the Board Meeting held on 03rd February, 2012 have decided to re-appoint M/s Raja Charity Trust as the Sole-Selling Agent for the said Products of the Company and to renew the Sole-Selling Agency/ Agreement, subject to the approval of the Central Government, for a further period of 5 years commencing from 3rd May, 2012 on the terms and conditions set out in the draft Sole Selling Agency Agreement, which is available for inspection at the Registered Office of the Company on all working days during Office hours.

As per the requirements of the provisions of Section 294AA of the Companies Act, 1956, the re-appointment will have to be approved by the Shareholders by way of a Special Resolution and also by the Central Government. Accordingly, the subject is placed for your consideration and approval in the form of a Special Resolution.

MEMORANDUM OF INTEREST

Shri P.R.Ramasubrahmaneya Rajha, Chairman, being the Managing Trustee of M/s Raja Charity Trust, Shri P.R.Venketrama Raja, Vice-Chairman & Managing Director and Shri S.S.Ramachandra Raja, Director being the Trustees of M/s Raja Charity Trust are deemed to be interested in the aforesaid Resolution.

CHENNAI
03.02.2012

On behalf of the Board
(N.K. SHRIKANTAN RAJA)
Director