



The Ruby Mills Ltd.

RUBY HOUSE, J. K. SAWANT, MARG, DADAR, MUMBAI 400 028.

THE RUBY MILLS LIMITED

97TH AGM: 23-9-2013

CERTIFIED TRUE COPY OF MINUTES OF THE 97TH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE RUBY MILLS LIMITED HELD ON MONDAY, THE 23RD SEPTEMBER, 2013 AT 04.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT RUBY HOUSE, J.K.SAWANT MARG, DADAR (W), MUMBAI-400 028.

PRESENT:-

- | | |
|----------------------------|---|
| 1) Shri M.C. Shah | - Executive Chairman (Member) |
| 2) Shri Hiren M. Shah | - Managing Director (Member) |
| 3) Shri Bharat M. Shah | - Jt. Managing Director (Member) |
| 4) Shri Viraj M. Shah | - Executive Director (Member) |
| 4) Shri Shardul J. Thacker | - Independent Director |
| 5) Shri Shaunak J. Thacker | - Independent Director |
| 6) Shri Anup P. Shah | - Chairman, Audit committee & Independent Director (Member) |

By Special Invitation

- | | |
|------------------|---|
| CS B.V. Dholakia | - Dholakia & Associates, Practicing Company Secretary |
|------------------|---|

In Attendance:-

- | | |
|----------------------|---------------------------|
| 1) Shri. P.H. Shah | - President (Member) |
| 2) Shri S. Jayaraman | - Chief Financial Officer |

30 Members were present at the meeting as per the Attendance Register/Slips.

CHAIRMAN

Shri M.C. Shah, Executive Chairman, presided over the Meeting.

QUORUM

The Requisite quorum as aforesaid being present the Chairman declared the meeting in order and he welcomed the Members attending the meeting.

PROXIES AND AUTHORISATIONS

The Chairman informed that total 2 Proxies representing 2,72,210 equity shares and 4 Corporate authorization in respect of 3611450 equity shares were received.

INTRODUCTION

The Chairman introduced, the Directors present at the meeting and stated that Shri Anup P. Shah, the Chairman of the Audit Committee was present at the meeting.



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REGISTER OF DIRECTORS' SHAREHOLDINGS

The Chairman informed the Members that Register of Directors' Shareholdings was available for inspection of Members and the same can be inspected by any Member till the conclusion of the meeting.

NOTICE

With the permission of Members present, the Notice convening the 97th Annual General Meeting was taken as read.

AUDITOR'S REPORT

At the request of the Chairman Shri S. Jayaraman, Chief Financial Officer read the Auditors' Report in absence of Shri Pankaj J. Parkhiya, Company Secretary who could not attend the meeting because of his ill health.

ITEM NO.1

ADOPTION OF AUDITED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

The Chairman referred to the "Errata" distributed to the members and informed that the following printing errors needs to be rectified in the Annual Accounts for the year ended March 31, 2013:-

1. **Page no 45 – In 4.2 Sub Heading Term Loan from Banks** be mentioned below the heading **Nature of Security and Terms of Repayment Secured.**
2. **Page no 59 – In Note No. 31 Interest Cost** for the year ended March 31, 2013 under the head **Cost of the Year** should be read as **Rs.12,97,109** instead of **Rs.2,97,109.**
3. **Page no 60 –In Note No, 32** under Segment Reporting – (Corporate Expenses) Net of for the year ended March 31, 2012 should be read as **Rs.14,73,78,850** instead of **Rs.1,47,78,850.**
4. **Page no 60 –In Note No, 32** under Segment Reporting – Segment Liabilities Under Real Estate for the year ended March 31, 2012 should be read as **Rs.28,63,55,511** instead of **Rs.2,86,55,511.**
5. **Page no 64 –Executive Chairman** appearing above the name of the partner of B.S. Mehta & Co should be deleted.

The Errata List was circulated to all the members present. The members accepted and approved that the annual accounts be corrected accordingly.

Thereafter, he moved the following resolution with a request to the members to propose and second the same as an Ordinary Resolution:-



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Shri Gautam Kedar Tiwari (Folio No. 00026856) proposed and Shri Ravindra Waman Patange (Folio No. 10061909) seconded the same.

"RESOLVED THAT the Audited Balance Sheet as at March 31, 2013 and Statement of Profit and Loss for the year ended on that date together with Notes, Schedules and Cash Flow Statement, duly corrected as per the List of Errata duly circulated and tabled at the meeting; Directors' Report (including Report on Corporate Governance, Management Discussion and Analysis Report) and the Report of the Auditors thereon as placed before this meeting be and are hereby received, approved and adopted."

Before putting the Resolution to vote, the Chairman requested the members to offer their comments and queries, if any.

Thereafter, few shareholders namely Shri Rajendra J. Saboo (Folio No. 20341684), Shri Gautam Kedar Tiwari, Shri Yusuf Yunus Rangwala (Folio No. 00232396), Shri Ravindra Waman Patange and Smt. Rekha Ravindra Patange (Folio No. 10061909) spoke on various aspects of Accounts and, the Business of the Company. Most of the shareholders enquired about the Real Estate Project such as:-

1. How much Percentage of shares of Developer in Real Estate project?
2. Total available area and how much area given for Leave and License and outright sales?
3. How to utilize balance land?
4. Performance of Textiles Segment?
5. Any changes in Managerial Remuneration?
6. Why low dividend this year etc.?

The Chairman, Managing Director, Joint Managing Director and Chairman of Audit Committee then answered the queries of all the shareholders satisfactorily.

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.

ITEM NO. 2

DECLARATION OF DIVIDEND

The Chairman (Folio No. 10280449) proposed the following motion as an Ordinary Resolution which was seconded by Shri Yusuf Yunus Rangwala (Folio No. 00232396);

"RESOLVED THAT pursuant to the recommendation of Directors, dividend at the rate of 40% i.e. Rs.2/- per Share on 83,60,000 Equity Shares of Rs. 5/- each of the Company for the year ended on March 31, 2013 be and is hereby declared out of the current year's profit of the Company and that the same be paid to the members whose names appear on the Register of members of the Company as on September 13, 2013."

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.



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Thereafter at this stage, Chairman being interested, the Chairman requested Shri Anup P. Shah, the Independent Director to take Chair to continue the proceedings of the meeting. Shri Anup P. Shah took the Chair and conducted the proceedings.

ITEM NO. 3 RE-APPOINTMENT OF SHRI. VIRAJ M. SHAH TAKEN AFTER ITEM NO. 2.

ITEM NO. 4

RE-APPOINTMENT OF SHRI SHARDUL J. THACKER

Shri Ravindra Waman Patange (Folio No. 10061909) proposed the following as an Ordinary Resolution which was seconded by Shri Champaklal C. Sheth (Folio No. 11395569):

"RESOLVED THAT Shri Shardul J. Thacker, a Director retiring by rotation at this meeting and being eligible for re-appointment be and is hereby re-appointed as a Director of the Company whose term of office shall be liable to be determined by retirement by rotation."

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.

ITEM NO. 5

RE-APPOINTMENT OF SHRI D. M. POPAT

Shri Gautam Kedar Tiwari (Folio No. 00026856) proposed the following as an Ordinary Resolution which was seconded by Shri Ravindra Waman Patange (Folio No. 10061909):

"RESOLVED THAT Shri. D. M. Popat, a Director retiring by rotation at this meeting and being eligible for re-appointment be and is hereby re-appointed as a Director of the Company whose term of office shall be liable to be determined by retirement by rotation."

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.

ITEM NO. 6

RE-APPOINTMENT OF STATUTORY AUDITOR M/S. B.S. MEHTA & CO.

Shri Champaklal C. Sheth (Folio No. 11395569) proposed the following as an Ordinary Resolution which was seconded by Shri Samir Gunvantlal Parikh (Folio No. 00034197):

"RESOLVED THAT M/s. B.S. Mehta & Co., Chartered Accountants, Mumbai, (Firm Registration No.106190W) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this AGM until the conclusion of the next AGM on such remuneration as shall be fixed by the Board of Directors of the Company upon the recommendation of the Audit Committee."



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The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.

ITEM NO. 7

REGULARIZATION OF APPOINTMENT OF SHRI ANUP P. SHAH AS A DIRECTOR

Shri Samir Gurvantlal Parikh (Folio No. 00034197) proposed the following as an Ordinary Resolution which was seconded by Shri Devkishan B. Chitlangia (Folio No. 00016714):

"RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, approval of the members be and is hereby accorded to the appointment of Shri Anup P. Shah, as a Director of the Company liable to retire by rotation, who was appointed as an Additional Director pursuant to provisions of Section 260 of the Companies Act, 1956 and Article 138 of Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, proposing his candidature for the office of a Director."

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.

Then being interested, the Chairman requested Shri Shardul J. Thacker, Independent Director to take Chair to continue the proceedings of the meeting. Shri Shardul J. Thacker took the Chair and conducted the proceedings.

ITEM NO. 3

Shri Gautam Kedar Tiwari (Folio No. 00026856) proposed the following motion as an Ordinary Resolution which was seconded by Shri Champaklal C. Sheth (Folio No. 11395569):

"RESOLVED THAT Shri. Viraj M. Shah, a Director retiring by rotation at this meeting and being eligible for re-appointment be and is hereby re-appointed as a Director of the Company whose term of office shall be liable to be determined by retirement by rotation."

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.

ITEM NO. 8

RE- APPOINTMENT OF SHRI M.C. SHAH, EXECUTIVE CHAIRMAN, FOR A PERIOD OF FIVE YEARS FROM 1ST APRIL, 2014 TO 31ST MARCH, 2019

Shri Gautam Kedar Tiwari (Folio No. 00026856) proposed the following as a Special Resolution which was seconded by Shri Vinod Vinayak Balgi (Folio No. 00007401):



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"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as "the Act"), read with Schedule XIII to the Act and subject to the approval of the Central Government, the approval of the Members of the Company be and is hereby accorded to the re-appointment of Shri M. C. Shah as the Executive Chairman of the Company for a period of five years with effect from April 1, 2014 (i.e. from April 1, 2014 to March 31, 2019). On the following existing remuneration as recommended by Remuneration Committee of the Board of Directors of the Company for the period of three years i.e. upto March 31, 2017:

1. Basic Salary:

₹133.08 lacs per annum i.e. ₹11.09 lacs per month)

2. Perquisites, allowances and others:

₹16.92 lacs per annum, which may include, inter alia, accommodation (furnished or otherwise), reimbursement of expenses for gas, electricity, water and furnishings, telephone, medical reimbursement, LTA, insurance premium, free use of Company car with driver, Club Fee and such other perquisites and allowances in accordance with the Rules of the Company.

Aggregate of basic salary and perquisites, allowances and other shall not exceed of ₹1.50 Crores.

3. Payments and Provisions which shall not be included in the Computation of the remuneration or perquisites as aforesaid, subject to Schedule XIII of the Companies Act, 1956:

Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these, either singly or together are not taxable under the Income Tax Act, 1961. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and Encashment of Leave at the end of the tenure.

"RESOLVED FURTHER THAT pursuant to Section 198 and all other applicable provisions of the Companies Act, 1956, the remuneration as set out above be paid as minimum remuneration to Shri M.C. Shah notwithstanding that in any financial year of the Company during his tenure as an Executive Chairman, the Company has made no profits or profits are inadequate."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of the appointee, including relating to remuneration, as it may, at its discretion, deem fit, from time to time, provided however that the remuneration after the alteration/variation shall not exceed the minimum remuneration or the limits specified in Schedule XIII to the Companies Act 1956 or any Statutory amendment or re-enactment thereof in force."



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"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.

ITEM NO. 9

RE- APPOINTMENT OF SHRI H. M. SHAH, MANAGING DIRECTOR, FOR A PERIOD OF FIVE YEARS FROM 1ST APRIL, 2014 TO 31ST MARCH, 2019

Shri Champaklal C. Sheth (Folio No. 11395569) proposed the following as a Special Resolution which was seconded by Shri Gautam Kedar Tiwari (Folio No. 00026856):

"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956,(including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as "the Act"), read with Schedule XIII to the Act and subject to the approval of the Central Government, approval of the Members of the Company be and is hereby accorded to the re-appointment of Shri Hiren M. Shah as the Managing Director of the Company for a period of five years with effect from April 1, 2014 (i.e. from April 1, 2014 to March 31, 2019). On the following existing remuneration as recommended by Remuneration Committee of the Board of Directors of the Company for the period of three years i.e. upto March 31, 2017:

1. **Basic Salary:**

₹ 95.64 lacs per annum i.e. ₹ 7.97 lacs per month

2. **Perquisites, allowances and others:**

₹12.36 lacs per annum, which may include, inter alia, accommodation (furnished or otherwise), reimbursement of expenses for gas, electricity, water and furnishings, telephone, medical reimbursement, LTA, insurance premium, free use of Company car with driver, Club Fee and such other perquisites and allowances in accordance with the Rules of the Company.

Aggregate of basic salary and perquisites, allowances and others shall not exceed of ₹1.08 Crores.



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3. Payments and Provisions which shall not be included in the Computation of the remuneration or perquisites as aforesaid, subject to Schedule XIII of the Companies Act, 1956:

Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these, either singly or together are not taxable under the Income Tax Act, 1961, Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and Encashment of Leave at the end of the tenure.

"RESOLVED FURTHER THAT pursuant to Section 198 and all other applicable provisions of the Companies Act, 1956, the remuneration as set out above be paid as minimum remuneration to Shri Hiren M. Shah notwithstanding that in any financial year of the Company during his tenure as a Managing Director, the Company has made no profits or profits are inadequate."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of the appointee, including relating to remuneration, as it may, at its discretion, deem fit, from time to time, provided however that the remuneration after the alteration/variation shall not exceed the limits specified in Schedule XIII to the Companies Act 1956 or any Statutory amendment or re-enactment thereof in force."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.

ITEM NO. 10

RE- APPOINTMENT OF SHRI B. M. SHAH, JT. MANAGING DIRECTOR, FOR A PERIOD OF FIVE YEARS FROM 1ST APRIL, 2014 TO 31ST MARCH, 2019

Shri Samir Guvantlal Parikh (Folio No. 00034197) proposed the following as a Special Resolution which was seconded by Shri Prabhakar Raghunath Shirolkar (Folio No. 00001938):

"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956.(including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as "the Act"), read with Schedule XIII to the Act and subject to the approval of the Central Government, approval of the Members of the Company be and is hereby accorded to the re-appointment of Shri Bharat M. Shah as the Joint Managing Director of the Company for a period of five years with effect from April 1, 2014 (i.e. from April 1, 2014 to March 31, 2019). On the following existing remuneration as recommended by Remuneration Committee of the Board of Directors of the Company for the period of three years i.e. upto March 31, 2017:



1. **Basic Salary:**

₹ 95.64 lacs per annum i.e. ₹ 7.97 lacs per month

2. **Perquisites, allowances and others:**

₹ 12.36 lacs per annum, which may include, inter alia, accommodation (furnished or otherwise), reimbursement of expenses for gas, electricity, water and furnishings, telephone, medical reimbursement, LTA, insurance premium, free use of Company car with driver, Club fee and such other perquisites and allowances in accordance with the rules of the Company.

Aggregate of basic salary and perquisites, allowances and others shall not exceed of ₹ 1.08 Crores.

3. **Payments and Provisions which shall not be included in the Computation of the remuneration or perquisites as aforesaid, subject to Schedule XIII of the Companies Act, 1956:**

Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these, either singly or together are not taxable under the Income Tax Act, 1961, Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and Encashment of Leave at the end of the tenure.

"RESOLVED FURTHER THAT pursuant to Section 198 and all other applicable provisions of the Companies Act, 1956, the remuneration as set out above be paid as minimum remuneration to Shri Bharat M. Shah notwithstanding that in any financial year of the Company during his tenure as a Joint Managing Director, the Company has made no profits or profits are inadequate."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of the appointee, including relating to remuneration, as it may, at its discretion, deem fit, from time to time, provided however that the remuneration after the alteration/variation shall not exceed the limits specified in Schedule XIII to the Companies Act 1956 or any Statutory amendment or re-enactment thereof in force."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.



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ITEM NO. 11

RE- APPOINTMENT OF SHRI V. M. SHAH, EXECUTIVE DIRECTOR, FOR A PERIOD OF FIVE YEARS FROM 1ST APRIL, 2014 TO 31ST MARCH, 2019

Shri Shri Gautam Kedar Tiwari (Folio No. 00026856) proposed the following as a Special Resolution which was seconded by Shri Prabhakar Raghunath Shirolkar (Folio No. 00001938):

"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956,(including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as "the Act"), read with Schedule XIII to the Act and subject to the approval of the Central Government, approval of the members of the Company be and is hereby accorded to the re-appointment of Shri Viraj M. Shah as the Executive Director of the Company for a period of five years with effect from April 1, 2014 (i.e. from April 1, 2014 to March 31, 2019). On the following existing remuneration as recommended by Remuneration Committee of the Board of Directors of the Company for the period of three years i.e. upto March 31, 2017:

1. Basic Salary:

₹ 95.64 lacs per annum i.e. ₹ 7.97 lacs per month

2. Perquisites, allowances and others:

₹12.36 lacs per annum, which may include, inter alia, accommodation (furnished or otherwise), reimbursement of expenses for gas, electricity, water and furnishings, telephone, medical reimbursement, LTA, insurance premium, free use of Company car with driver, Club Fee and such other perquisites and allowances in accordance with the Rules of the Company.

Aggregate of basic salary and perquisites, allowances and others shall not exceed of ₹ 1.08 Crores.

3. Payments and Provisions which shall not be included in the Computation of the remuneration or perquisites as aforesaid, subject to Schedule XIII of the Companies Act, 1956:

Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these, either singly or together are not taxable under the Income Tax Act, 1961, Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and Encashment of Leave at the end of the tenure.

"RESOLVED FURTHER THAT pursuant to Section 198 and all other applicable provisions of the Companies Act, 1956, the remuneration as set out above be paid as minimum remuneration to Shri Viraj M. Shah notwithstanding that in any financial year of the Company during his tenure as a Executive Director, the Company has made no profits or profits are inadequate."



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"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of the appointee, including relating to remuneration, as it may, at its discretion, deem fit, from time to time, provided however that the remuneration after the alteration/variation shall not exceed the limits specified in Schedule XIII to the Companies Act 1956 or any Statutory amendment or re-enactment thereof in force."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

The Chairman then put the resolution to vote on a show of hands and declared it passed unanimously.

Thereafter, Shri Shardul J. Thacker requested Shri M. C. Shah to take the Chair. Shri M. C. Shah thanked Shri Shardul J. Thacker and continued the proceedings of the Meeting.

VOTE OF THANKS

There being no further business to transact, Shri Champaklal C. Sheth proposed a Vote of Thanks to the Chair and then the Chairman declared the 97th Annual General Meeting as concluded.

**-Certified True Copy-
For The Ruby Mills Limited**



(Signature)
**(Pankaj Parkhiya)
Company Secretary**

Place: Mumbai
Date: 18th October, 2013