

29th December, 2015

To,
Shri Yogen Lathia
74, Vasan Villa, , Hatkesh Co. Soc.,
East West Road No. 2, Juhu,
Vile Parle West, Mumbai-400049.

Dear Sir,

Subject: Appointment as Non-executive Independent Director of The Ruby Mills Limited (“hereinafter referred to as “the Company”)

We are pleased to inform you that based on the recommendation made by the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed you as an Additional Director in the category of Independent Director of the Company effective from 29th December, 2015, as per relevant provisions of the Companies Act, 2013 and relevant Rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI Listing Regulations”)(including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time),

As per requirements of the Companies Act, 2013, the above is being formalized through this letter of appointment. Please note that this is a contract for service and is not a contract of employment.

Appointment

Your appointment is upto ensuing Annual General Meeting of the Company. You will be eligible for appointment as an Independent Director for term of upto 5 years, subject to the shareholders’ approval and fulfilling the criteria for being an Independent Director, not being disqualified to be a Director and keeping in view the retirement policy for non-executive director.

Role on the Board

You are expected to provide your expertise and experience inter alia in the field of Finance, Taxation and Corporate Governance, in the functioning of the Board and the committees of the Board you may be nominated. In addition to routine board meetings you should allow time for committee meetings, and ensure that you are in a position to make the necessary overall time commitment.

You may be nominated on one or more committees of the Board and in such events you will be provided with the relevant Committee's terms of reference and any specific responsibilities.

Duties and Liabilities

The duties and liabilities that come with your appointment would be as per the applicable laws/ Rules / Regulations, Company policies and the Articles of Association of the Company (including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time).

The law that currently governs the duties and liabilities of an Independent Director are the Companies Act, 2013 (including, relevant Rules made there under) and the SEBI Listing Regulations, some of which are specifically outlined below.

You will follow "the code for Independent Director" as per Schedule IV of the Companies Act, 2013, and "The Ruby Mills Limited Code of Conduct".

You are required to make disclosure of your interest as per the requirement of Section 184 of the Companies Act, 2013 and not participate in the meeting of the Board where any contract or arrangement in which you are interested is discussed.

Independent

The Board of Directors of the Company inter alia has given due consideration to your declaration of being qualified as "Independent" in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. You are expected to continue to be qualified as "Independent" during your tenure and provide periodic declaration to the effect as required by the relevant Act/ Rules/Regulations. You will be identified as "Independent Director" in the Annual Report and other documents and publication of the Company. If circumstances change and you believe it may not be possible for you to retain your independence you should discuss this with the Chairman as soon as practicable.

Evaluation Process

Your performance evaluation shall be done by the Board of Directors annually, without your participation. You will participate in reviewing the performance of Non-Independent directors and the Board of Directors as a whole, performance of the Chairperson of the Company and other Independent directors.

Code of Business Conduct

You will follow the Company's Code of Conduct and furnish an annual affirmation of the same.

You will maintain highest standards of confidentiality, and not to disclose to any person or company (whether during the course of the tenure as Independent Director or at any time after its cessation), any confidential information concerning the Company and Group Companies with which you come into contact by virtue of your position as a Director, except as permitted by law or with prior clearance from the Chairman.

Prohibition of Insider Trading

Under Companies Act, 2013 and SEBI Regulations, which inter-alia requires that price-sensitive information is not used or transmitted and maintain securely, you should not make any statement that might risk a breach of these requirements.

Remuneration

You will be entitled to fee for attending the meetings of the Board and committees thereof.

You will be also entitled to remuneration in accordance with the criteria, as approved by the Board of Directors on the recommendation by the Nomination and Remuneration Committee, within the overall limits approved by the shareholders and applicable legal provisions.

In addition to the above, you will be entitled to reimbursement of all expenses for participation in the Board and other meetings.

General

All the terms as mentioned above including your appointment, remuneration, professional conduct, role and functions, duties and evaluation shall be governed by the Companies Act, 2013 and Rules made there under and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time),

This Letter and any non-contractual obligation arising out of or in connection with this Letter are governed by and shall be construed in accordance with the laws of India and subject to the exclusive jurisdiction of the Courts of India.

Yours sincerely

For and on behalf of The Ruby Mills Limited

Bharat M. Shah
Managing Director

I Accept,

Yogen Shivlal Lathia