

Ref. No. 997/2014-BMS/RM-125

4th October, 2014

To,
Shri Shardul J. Thacker
Ramalayam, 1st Floor, Flat No. 1,
Peddar Road,
Mumbai, 400026.

Dear Sir,

Sub.:- Appointment as Non-executive Independent Director under Companies Act, 2013

We are pleased to inform you that the shareholders of the Company at the 98th Annual General Meeting held on 24th September, 2014 have passed the resolution for your appointment as an Independent Director of the Company, pursuant to the Companies Act, 2013.

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 for a consecutive period of five years for the term upto 23rd September, 2019. This tenure is subject your meeting the criteria for being an Independent Director and not being disqualification to be a Director under the applicable regulations.

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. You are currently nominated on the following committee of the Board:

Member of the Audit Committee and Social Responsibility Committee.

Duties and Liabilities

The duties and liabilities that come with your appointment would be as per the applicable law, Ruby policies and the Articles of Association of the Company.

The law that currently governs the duties and liabilities of an Independent Director are the Companies Act, 2013 (including Rules thereunder) and the Listing Agreement with the Stock Exchange, 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 “Ruby Code of Conduct”.

For your information, revised Clause 49 of the Listing Agreement dealing with corporate governance framework applicable with effect from 1st October, 2014.

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 Companies Act, 2013 and the Listing Agreement with Stock Exchanges. You are expected to continue to be qualified as “Independent” during your tenure and provide periodic declaration to the effect as required by 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 as a whole, performance of the Chairperson and other Independent directors.

Code of Business Conduct

You will follow the Ruby Code of Conduct and furnish an annual affirmation of the same.

You will apply 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 thereunder and Corporate Governance requirements under the Listing Agreement as amended from time to time.

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

Yours sincerely
For **The Ruby Mills Limited**

Accepted

Bharat M. Shah
Jt. Managing Director

Shardul J. Thacker