



SRIKALAHASTHI PIPES LIMITED

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Criteria of making payments to Non-Executive Directors

Independent Directors ("ID") and Non-Independent Non- Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they are members) and commission within the regulatory limits as approved by the shareholders. Quantum of sitting fees payable to them is subject to review by the Board on a periodic basis, as required.

Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the Nomination and Remuneration Committee (NRC) and approved by the Board.

The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company's performance, profits and any other significant qualitative parameters as may be decided by the Board.

The NRC will recommend to the Board, the quantum of commission for each Director based upon individual contributions of directors at the meetings and contributions made by Directors other than in meetings. Based on the recommendation of the NRC, the Board shall approve payment of commission to each of the non-executive director every year, which shall be within the overall limits prescribed under the Companies Act, 2013.

In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, site visits, induction and training (organised by the Company for Directors) and in obtaining professional advisory services in the furtherance of his/her duties as a director.

