

THE INDIAN HUME PIPE COMPANY LIMITED

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 may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.

Non-Executive Directors are paid sitting fees for every meeting of the Board or of Committee attended by them. The Board of Directors at their Meeting held 12th November, 2014 has revised sitting fees to Rs.40,000/- from Rs.20,000/- with effect from meetings to be held from January, 2015 onwards.

In the Annual General Meeting held on 4th August, 2015, the members had approved payment of commission, not exceeding 1% of the net profits of the Company or an amount not exceeding Rs.32 Lacs in aggregate, whichever is less, per financial year, to Non-Executive Directors for a period of three financial years commencing from the year 2015-16.