

Date: 20th May 2021

The Secretary
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
[Scrip Code: USHAMART]

The Secretary
The BSE Limited
Phiroze Jeejeebhoy
Towers,
Dalal Street
Mumbai – 400 001
[Scrip Code:517146]

Societe de la Bourse de
Luxembourg
35A Boulevard Joseph II
L-1840, Luxembourg
[Scrip Code: US9173002042]

Dear Sirs,

SUB: Intimation of the outcome of the meeting of the Board of Directors of Usha Martin Limited (“Company”) held on 20th May 2021 and disclosures under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (“Listing Regulations”) read with sub para 1.5 of Para A.1. of Annexure I of Circular bearing number CIR/CFD/CMD/4/2015 dated September 09, 2015 issued by Securities and Exchange Board of India

The Board of Directors of the Company (“**Board**”) at their meeting held today approved the Scheme of Arrangement between the Company and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 (“**Act**”) (“**Scheme**”) which provides for reduction and reorganization of capital of the Company with effect from the Appointed Date (*as defined in the Scheme*).

In terms of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9 September 2015, we are furnishing herewith the requisite details in **Annexure A** hereto.

The Scheme as approved by the Board would be available on the website of the Company post filing of the same with stock exchanges. The Board's approval of the Scheme as aforesaid is subject to necessary approvals by the stock exchanges, SEBI, shareholders of the company, Kolkata Bench of National Company Law Tribunal and such other statutory and regulatory approvals as may be required.

Yours faithfully,
For Usha Martin Limited



Shampa Ghosh Ray
Company Secretary

Encl: as above

Annexure A

Sr. No.	Particulars	Details
1.	Details and reasons for restructuring	<p><u>Details:</u> The Scheme provides for reduction and reorganization of the capital of the Company.</p> <p><u>Reasons for restructuring:</u></p> <ul style="list-style-type: none"> ○ The Company has suffered substantial losses during the past few years. ○ The Company sold its steel business undertaking during the financial year 2019-20 and deleveraged its balance sheet substantially. ○ The Company has generated profits in the financial years ended 31 March 2020 and 31 March 2021. ○ As per the audited financial statements of the Company on 31 March 2021, the Company continues to carry a negative balance of retained earnings, while it has unutilized balances lying under various reserves. ○ Despite consistent profitability, the financial statements of the Company are not reflective of its true current financial health and therefore, it is necessary to reduce and reorganize the capital of the Company. ○ The proposed reduction and reorganization of capital is in the interest of the Company and its shareholders, creditors and all concerned
2.	Quantitative and/ or qualitative effect of restructuring	<p>Pursuant to Scheme, negative balance of the Retained Earnings (<i>as defined in the Scheme</i>) of the Company as on the Appointed Date will be adjusted against its identified reserves.</p> <p>Upon the Scheme becoming effective, the negative balance of the Retained Earnings shall stand at NIL.</p> <p>There is no outflow of cash from the Company on account of the Scheme.</p>



		The Scheme will not have any adverse impact on the interests of the shareholders, creditors or stakeholders of the Company.
3.	Details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring	<p>The Scheme contemplates reduction and reorganization of capital of the Company. Pursuant to the Scheme, no consideration is proposed to be issued to the shareholders (promoter or public) and hence, there will be no alteration in the rights of any shareholder (promoter or public).</p> <p>No specific benefit is derived by the promoter / promoter group of the Company pursuant to the Scheme.</p>
4.	Brief details of change in shareholding pattern (if any) of all entities	Pursuant to the Scheme, there shall be no change in the shareholding pattern of the Company.

