

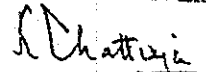
Quarterly Compliance Report on Corporate Governance under Clause 49 of the Listing Agreement

Name of the Company: Usha Martin Limited

Quarter ended 30th June, 2015

| Particulars | Clause of Listing Agreement | Compliance Status Yes/No | Remarks |
|---|-----------------------------|--------------------------|--|
| II. Board of Directors | 49 (II) | | |
| (A) Composition of Board | 49 (IIA) | Yes | An optimum combination of executive and non executive directors is there, with one women director on the Board. Chairman of the Board is Non Executive Promoter Director. Independent Directors comprises ½ of the total strength of the Board. The Board consists of 5 Independent Directors out of total strength of 10 directors. |
| (B) Independent Directors | 49 (IIB) | Yes | All Independent Directors satisfy the criteria of independence as provided in Clause 49(IIB). Further, the other conditions regarding Independent Directors have been complied with. |
| (C) Non-executive Directors' compensation & disclosures | 49 (IIC) | Yes | All fees and compensation to non executive directors are disclosed in the Report of Corporate Governance. |
| (D) Other provisions as to Board and Committees | 49 (IID) | Yes | Board meets at least four times a year. The minimum information as required are being made available to the Board. The Directors on the Board are not members of more than 10 committees or act as Chairman of more than 5 committees across all companies in which they are directors. Directors submit annual declaration to the Company. Compliance reports are being placed to the Board and noted by the Directors. |
| (E) Code of Conduct | 49 (IIE) | Yes | Code of Conduct for the Board of Directors and Senior Management Executives formulated and circulated. |
| (F) Whistle Blower Policy | 49 (IIF) | Yes | Whistle Blower Policy adopted by the Company. |

For USHA MARTIN LIMITED


 (K. Chatterjee)
 Dy. General Manager-Secretarial

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|--|-----------------------------|--------------------------|---|
| III. Audit Committee | 49 (III) | | |
| (A) Qualified & Independent Audit Committee | 49 (IIIA) | Yes | The Audit Committee constitutes of 3 members, who are financially literate and one of whom is having accounting or related financial management expertise. The Chairman of the Committee is an Independent Director. He was also present in the last AGM. Company Secretary acts as the Secretary of the Committee. |
| (B) Meeting of Audit Committee | 49 (IIIB) | Yes | Meeting norms are complied with. |
| (C) Powers of Audit Committee | 49 (IIIC) | Yes | Powers of the Audit Committee as stipulated. |
| (D) Role of Audit Committee | 49 (IIID) | Yes | Role of the Audit Committee as stipulated. |
| (E) Review of Information by Audit Committee | 49 (IIIE) | Yes | Audit Committee reviews the information as stipulated. |
| IV. Nomination and Remuneration Committee | 49 (IV) | Yes | Nomination and Remuneration Committee has been constituted and consists of 4 Members, majority of which consists of Independent Directors. The Chairman of the Committee is an Independent Director. Further, the role of the Committee is as stipulated under the listing agreement. |
| V. Subsidiary Companies | 49 (V) | Yes | Presently there is no such material non – listed Indian Subsidiary Company. However for unlisted subsidiary companies, compliances relating to review of financial statements and placing of board minutes etc. are being followed. |
| VI. Risk Management | 49 (VI) | Yes | Risk Management Committee has been duly constituted. |
| VII. Related Party Transactions | 49 (VII) | Yes | Policy for Regulation of Related Party Transactions has been adopted by the Audit Committee. |
| VIII. Disclosures | 49 (VIII) | | |
| (A) Related party transactions | 49 (VIIIA) | Yes | As on date, there are no material transactions with related parties. |

For USHA MARTIN LIMITED

K. Chatterjee
(K. Chatterjee)

Dy. General Manager-Secretarial

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|--|-----------------------------|--------------------------|---|
| (B) Disclosure of Accounting Treatment | 49 (VIII B) | Yes | In case there is a different accounting treatment from that prescribed in an Accounting Standard, necessary disclosure will be made in the Report of the Corporate Governance. |
| (C) Remuneration of Directors | 49 (VIII C) | Yes | The disclosures relating to the payment of fees and commission to the non executive directors are included in the Report of the Corporate Governance. The same also includes details of the remuneration being paid to the executive directors and the contract period. The details regarding the shareholding of the non executive directors included in the above Report. |
| (D) Management | 49 (VIII D) | Yes | Management Discussion and Analysis already form a part of the Annual Report being sent to the shareholders. Necessary disclosures are being taken from the Whole-time Directors/ Senior Management Personal relating to all material financial and commercial transactions in which they have personal interest. |
| (E) Shareholders | 49 (VIII E) | Yes | In case of appointment of a new director or reappointment of a director, the shareholders are being provided with the information as stipulated. Quarterly results are being put on the Company's website. Stakeholders Relationship Committee is already there and functioning. Officials of the Company are authorised to look after the share transfer formalities. |

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|---|-----------------------------|--------------------------|---|
| (F) Proceeds from public issues, right issue, preferential issues, etc. | 49 (VIII F) | Yes | Given as and when such issues are made. |
| IX. CEO/CFO Certification | 49 (IX) | Yes | Necessary Certification done by the CEO/CFO to the Board of Directors at the time of finalisation of the accounts. |
| X. Report on Corporate Governance | 49 (X) | Yes | Report on Corporate Governance is already forming a part of the Annual Report of the Company. Quarterly Compliance Report is submitted to the Stock Exchanges. |
| XI. Compliance | 49 (XI) | Yes | Compliance Certificate obtained from Practicing Company Secretary which is being sent to the shareholders along with the Annual Report. |

For USHA MARTIN LIMITED

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