

USHA MARTIN LIMITED
POLICY ON DIVERSITY OF BOARD

A) Introduction

Usha Martin Limited (“Company”) recognizes the need and benefits of having a diverse Board. The Board Diversity Policy (“the policy”) is intended to set out a framework to promote diversity (i.e on basis of ethnicity, age, gender, background, skills, industry experience etc) on the Board of the Company.

B) Objective

The Company recognizes the value of appointing directors who bring a variety of diverse opinions, perspectives, skills, experience, background and orientations to its discussion and decision making process. Debate at the board meeting will be more open, balanced and wide ranging if a significant degree of diversity can be achieved amongst its members.

C) Scope

This policy is applicable only for selecting the members of the Board.

D) Policy

The nomination and remuneration committee (“the Committee”) of the Board is responsible for assessing the board composition and making recommendations for appointment of new directors.

The Committee shall periodically review the composition of the Board and bring in directors having skills in finance, law, banking, taxation, manufacturing, general management amongst others.

While selecting candidates the Committee shall:

1) Look into the requirement:

- a) as may be set out by the Company;
- b) as may be required by law or any obligations of the Company, including:
 - i) Appointment of a lady director in accordance with provisions of Companies Act, 2013 and Listing Agreement;
 - ii) Appointment of nominee director(s), if required under any contract / arrangement entered into by the Company.
 - iii) Appointment of directors by small shareholders, if applicable.

- 2) Consider diversity in determining the optimum composition of the Board and all appointments shall be based on merit having due regard to the overall effectiveness of the board.
- 3) Consider candidates from a wide variety of backgrounds without discriminating on the basis of gender, race, colour, age, social class, beliefs, religion, disability and other factors.

E) Monitoring and Reporting

The Committee shall monitor and adopt this policy while selecting members for the board. If required, the policy shall be reported and disclosed as per requirement of provision of the Companies Act, 2013 or Listing Agreement.

F) Review

- 1) The committee will review the policy annually which will include an assessment of the effectiveness of the policy.
- 2) The committee will discuss the revisions required and recommend any such revisions to board for approval.

Policy effective from 30th January, 2015