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| BSE Code: 517146 | NSE Code: USHAMART | ISIN: INE228A01035 |
| Sector: Steel | Meeting Type: Annual General Meeting |
| e-Voting Platform: [NSDL](https://www.evoting.nsdl.com/) |
| e-Voting Period: From 17th July, 2015 to 17th July, 2015 |
| Meeting Date: 17th July, 2015 at 2:55 PM |
| Meeting Venue: |
| Notice: Click here | Annual Report: |
| Company Email: [investor\_relation@ushamartin.co.in](mailto:investor_relation@ushamartin.co.in) |
| Company Phone: 91-33-39800300 | Company Fax: 91-33-39800400 |
| Company Registered Office: 2A Shakespeare Sarani , Kolkata, West Bengal - 700071 |

Proxy Advisory

Corporate Governance Research

Corporate Governance Scores

Stakeholders’ Education

Proxy Advisory Report

Usha Martin Ltd

SES RECOMMENDATIONS

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| **TABLE 1 - AGENDA ITEMS AND RECOMMENDATIONS** | | | | | | | |
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| **S. No.** | **Resolution** | **Type** | **Recommendation** | **Focus** |
| *O - Ordinary Resolution; S - Special Resolution* | | | | |
| RESEARCH ANALYST: | | | | |

***C - Compliance:*** *The Company has not met statutory compliance requirements*

***F - Fairness:*** *The Company has proposed steps which may lead to undue advantage of a particular class of shareholders and can have adverse impact on non-controlling shareholders including minority shareholders*

***G - Governance:*** *SES questions the governance practices of the Company. The Company may have complied with the statutory requirements in letter. However, SES finds governance issues as per its standards.*

***T - Disclosures & Transparency:*** *The Company has not made adequate disclosures necessary for shareholders to make an informed decision. The Company has intentionally or unintentionally kept the shareholders in dark.*

COMPANY BACKGROUND

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| TABLE 2 - MARKET DATA (*As on []*) | | | | | | | |
| Price (`) |  | M Cap (` Cr.) |  | Shares\* |  | PE Ratio" |  |

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| --- | --- | --- | --- | --- | --- | --- | --- |
| *Standalone Data ; Source: Capitaline* | | | |  | \* As on [date] | "Based on EPS for FY [] | |
| TABLE 3: FINANCIAL INDICATORS (STANDALONE) | | | |  | TABLE 4: PEER COMPARISON () | |
| **(In ` Crores)** |  |  |  |  |  |  |
| Revenue |  |  |  |  |  |  |
| Other Income |  |  |  |  |  |  |
| Total Income |  |  |  |  |  |  |
| PBDT |  |  |  |  |  |  |
| Net Profit |  |  |  |  |  |  |
| EPS (`) |  |  |  |  |  |  |
| Dividend per share (`) |  |  |  |  |  |  |
| Dividend Pay-Out (%) |  |  |  |  |  |  |
| OPM (%) |  |  |  |  |  |  |
| NPM (%) |  |  |  |  |  |  |
| *Dividend pay-out includes Dividend Distribution Tax. Source: Capitaline* | | | |  |  | |

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| TABLE 5: MAJOR PUBLIC SHAREOLDERS (MAR'15) | |  | TABLE 6: MAJOR PROMOTERS (MAR'15) | |
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| SHAREHOLDING PATTERN (%) (MARCH) | |  | DISCUSSION | |

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| --- | --- | --- |
|  |  | Discussion |

BOARD OF DIRECTORS

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| TABLE 7 - BOARD PROFILE | | | | | | | | |
| **Director** |  | **Classification** | | **Expertise/Specialization** | **Tenure (Year)** | **[1]Directorship** | **[2]Committee Membership** | **Pay(` Lakh)** |
| **Company** | **SES** |
| *Reference: ED - Executive Director, NED- Non-Executive Director, ID - Independent Director, NID- Non-Independent Director, P- Promoter, W - Woman Director, R- Liable to retire by Rotation, U- Up for Re-appointment, N- New Appointment, MD- Managing Director, C- Chairman, CMD- Chairman and Managing Director*  ***[1]*** *Directorships show Directorships in Public Companies (Total Directorships which include Directorships in both Public and Private Companies)*  ***[2]*** *Committee memberships include committee chairmanships Note: Directorships, committee membership and committee chairmanship includes such positions in Usha Martin Ltd* | | | | | | | | |
| GRAPH 2 - BOARD PROFILE | | | | | | | | |

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| As per provisions of Section 149 and 152 of the Companies Act, 2013 Independent Directors shall not be liable to retire by rotation and unless provided by the Articles of the Company at least 2/3rd of the Non-Independent Directors should be liable to retire by rotation. | As per Clause 49(ii)(A) of the Listing Agreement, the Company should have at least 33% Independent Directors if the Chairman of the Board is a Non-Executive Director and should have at least 50% independent directors if the Board Chairman is a promoter or an executive director. |

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| TABLE 8 - BOARD COMMITTEE PERFORMANCE | | | | | | | |
| **Committees** | **#** | **Chairman's Classification** | | **Overall Independence** | | **Number of Meetings** | **Attendance < 75%** |
| **Company** | **SES** | **Company** | **SES** |
| Audit |  |  |  |  |  |  |  |
| Investors' Grievance |  |  |  |  |  |  |  |
| Nomination & Remuneration |  |  |  |  |  |  |  |
| CSR |  |  |  |  |  |  |  |
| Risk Committee |  |  |  |  |  |  |  |
| *Reference: ED - Executive Director, NED- Non-Executive Director, ID - Independent Director, NID- Non-Independent Director, P- Promoter, C- Chairman, #- Number of Members* | | | | | | | |
|  | | | | | | | | |

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| TABLE 9 - BOARD GOVERNANCE SCORE | | | | | | | |
| **Criteria** | **Response** | **Score** | **Maximum** |
| **Score** | | **0** | **100** |

REMUNERATION ANALYSIS

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| TABLE 10 - EXECUTIVE DIRECTORS' REMUNERATION | | | | | | | | |
| **In ` Crore** | |  | |  | |  | | **Ratio** |
|  | | **Fixed Pay** | **Total Pay** | **Fixed Pay** | **Total Pay** | **Fixed Pay** | **Total Pay** |  |
| *Note: Fixed pay includes basic pay, perquisites & allowances. P- Promoter, NP- Non- Promoter, Ratio- Ratio of ED's remuneration to Median Remuneration of Employees, ND- Not Disclosed* | | | | | | | | |
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| DISCUSSION - INDEXED TSR vs. EXECUTIVE REMUNERATION | | | | | | | | |

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*Note: Indexed TSR (Total Shareholders Return) represents the value of ` 100 invested in the Company at beginning of a 5-year period starting 1st April, 2011. One period return is calculated as (Final Price - Initial Price + Dividend) / Initial Price.*

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| TABLE 11- EXECUTIVE REMUNERATION - PEER COMPARISON | | | | | | | |
|  |  |  |  |
| Director Name |  |  |  |
| Promoter Group |  |  |  |
| Remuneration (` Crore) (A) |  |  |  |
| Net Profits (` Crore) (B) |  |  |  |
| Rem. Percentage (A/B \* 100) | % | % | % |

DISCLOSURES

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **DISCLOSURE REQUIRED IN DIRECTOR'S REPORT** | | | | |
| The Companies Act, 2013 requires the listed companies to make certain disclosures in Board's Report. The table below shows the status of compliance of such some important requirements, by the Company | | | | |

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| --- | --- | --- | --- | --- |
| na.png | Content of Corporate Social Responsibility Policy in prescribed format (if applicable) |  | na.png | Statement on performance evaluation of Board, Committees and Directors |
| na.png | Extract of the Annual Return as per Form No. MGT 9 |  | na.png | Related Party Transactions as per Form No. AOC.2 |
| na.png | Company's policy on appointment of directors and criteria for determining qualifications, positive attributes, director’s independence |  | na.png | Ratio of the remuneration of executive director to the median employees remuneration |
| na.png | Policy on remuneration of Directors, KMP and other employees |  | na.png | Secretarial Audit Report |
| na.png | Statement on declaration by Independent Directors |  | na.png | Directors’ Responsibility Statement |
| na.png | Particulars of loans, guarantees or investments |  | na.png | Details of establishment of Vigil Mechanism |
| na.png | Statement indicating development and implementation of a risk management policy |  | na.png | Comments on qualifications made by Statutory Auditors/ CS |

*\* Not applicable*

RESOLUTION ANALYSIS

**RESOLUTION []: ADOPTION OF ACCOUNTS**

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**SES RECOMMENDATION**

**SES ANALYSIS**

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| *Note: Detailed analysis of the accounts is not within the scope of SES' activities. SES accepts the Report of the Directors and the Auditors to be true and fair representation of the company's financial position. The analysis below is aimed at enabling shareholders engage in discussions with the Board/ Management during the AGM.* | | | | | | | |

**AUDIT QUALIFICATIONS**

**AUDITORS' COMMENTS ON STANDALONE ACCOUNTS**

**ACCOUNTING POLICIES**

**FINANCIAL INDICATORS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Mar'** | **Mar'** | **Shift** | **Company's Discussion** |
| *Source: Company's Annual Reports / Capitaline/ Moneycontrol* | | | | |

SES is of the opinion that board should take note of structural shift (positive and negative both) in various financial parameters which have a bearing on company's future performance and positioning in market place and disclose an analysis of the same to shareholders. SES believes that 25% change either way should be the threshold for triggering analysis and disclosure requirements.

**CONTINGENT LIABILITIES**

|  |  |  |
| --- | --- | --- |
| **(All figures in ` Crore)** | **Mar' 00** | **Mar' 00** |
| Total contingent liabilities |  |  |
| Net worth of the Company |  |  |
| Contingent liabilities as a percentage of net worth |  |  |
| *Source: Company's Annual Reports/ Capitaline* | | | | |

**RELATED PARTY TRANSACTIONS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Outstanding (` Crore)** | **Mar'** | **Mar'** | **Shift** | **Comments** |
| Loans and Advances |  |  | 0 |  |
| Bad & Doubtful Advances |  |  | 0 |  |
| Receivables |  |  | 0 |  |
| Payables |  |  | 0 |  |
| Royalty payments |  |  | 0 |  |
| *Source: Company's Annual Reports* | | | | |

**STANDALONE VS CONSOLIDATED ACCOUNTS**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **(In ` Crore)** | **Standalone Accounts** | | | **Consolidated Accounts** | | |
| **Mar'** | **Mar'** | **Mar'** | **Mar'** | **Mar'** | **Mar'** |
| Revenue |  |  |  |  |  |  |
| Net Profit |  |  |  |  |  |  |
| Total Assets |  |  |  |  |  |  |
| Net Worth |  |  |  |  |  |  |

**RESOLUTION []: DECLARATION OF DIVIDEND**

**SES RECOMMENDATION**

**SES ANALYSIS**

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**RESOLUTION []: APPOINTMENT OF AUDITORS**

**SES RECOMMENDATION**

**SES ANALYSIS**

**DISCLOSURES**

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| --- | --- |
| Name of the auditor up for appointment | Select |
| Auditors' eligibility for appointment |  |
| Auditors' independence certificate |  |

**AUDITORS' INDEPENDENCE**

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| --- | --- | --- | --- |
| **Auditors** | | **Audit Partners** | |
|  | years |  | years |
| Auditor's Network | | 12 | |

**AUDITORS' REMUNERATION**

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**TERM OF APPOINTMENT**

term of appointment