

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V Part C of the SEBI Listing Obligations & Disclosure requirements, 2015)

I. Company's Philosophy

Continuous maintenance and enhancement of Stakeholders' value has always been at the helm of Company's objective. The vision of Multibase India Limited ('MIL' or 'the Company') is to strive continuously to give optimum returns to Stakeholders' and to uphold the core values of transparency, integrity, honesty, fairness and accountability, which are fundamental to the Company.

The Company endeavors and follows the best ethical and good corporate governance policy and thereby ensures the compliance with all applicable statutory and regulatory provisions of laws. It is firmly believed that good governance practices would ensure efficient conduct of the affairs of the Company and help the Company to achieve its goal of maximizing value for all its stakeholders.

Being part of the global Multibase group and DuPont DeNemours Inc., your Company is in addition guided by the DuPont policies related to Ethics, Code of Conduct and Compliance, which ensures practice of ethical business practices in normal course of operations.

II. Board of Directors

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Board of Directors of your Company consists of 6 (Six) Directors, comprising of 1 (One) Executive Director, 3 (Three) Non- Executive Independent Directors (including 1 (One) Non- Executive Independent Woman Director), 2 (Two) Non-executive Non Independent Directors. Mr. H N Motiwalla, Non-executive & Independent Director is the Chairman of the Board.

All the Non-executive Directors are experienced, competent and renowned persons from their respective fields.

- i) Details of Composition and Category of Board, their attendance at the Board Meetings and last Annual General Meeting, Directorship held in other Companies, Committee Chairmanship / Membership held in other Companies as at March 31, 2022:

| Sr. No. | Name of the Director | Category | No. of Board Meeting during the tenure of the Directors in the FY 2021-22 | | Attendance at previous AGM (21/09/2021) | Directorship in other Public Companies | Committee position held in other Public Companies | |
|---------|---|---|---|----------|---|--|---|--------|
| | | | Held | Attended | | | Chairman | Member |
| 1. | Mr. Deepak Dhanak (DIN: 03157491) | Executive Director [Managing Director] | 5 | 5 | Yes | - | - | - |
| 2. | Mr. Harish Narendra Motiwalla (DIN: 00029835) | Independent & Non - Executive Director [Chairman] | 5 | 5 | Yes | 7 | 5 | 7 |
| 3. | Mr. Ashok Chhabra (DIN: 00059677) | Independent & Non – Executive Director | 5 | 5 | Yes | - | - | - |
| 4. | Ms. Bharti Dhar (DIN: 00442471) | Independent Non – Executive Director | 5 | 5 | Yes | 1 | 1 | 2 |
| 5. | Mr. Krishan Phophalia (DIN: 08395171) | Non – Executive & Non-Independent Director | 5 | 5 | Yes | - | - | - |
| 6. | *Mr. RT Paullin (DIN: 08759596) | Non – Executive & Non-Independent Director | 5 | 3 | No | - | - | - |

* Resigned with effect from May 26, 2022

- Directorship held in Private Companies, Non-profit Organizations (Under Section 8 of the Companies Act, 2013) and Foreign Companies is not included.
- Only Membership in Audit Committees and Stakeholders Relationship Committees are taken into consideration as per the provisions of Regulation 26 of the Listing Regulations. None of the Directors of the Company held Directorship in more than 20 Companies (Public or Private) or 10 public Companies. None of the Directors is a member of more than 10 committees or acts as a Chairman of more than 5 committees across all the Companies wherein he is a director. None of the Directors serves as Independent Director in more than 7 listed Companies.

- ii) None of the Non-Executive Directors of the Company have any pecuniary relationship and / or transaction with the Company. The information on fees / compensation paid to the Non-Executive Directors is provided later in this Report.
- iii) During the year 2021-22, the Board of Directors of your Company met 5 times on 11th June 2021, 23rd June 2021, 12th August 2021, 11th November 2021 and 9th February 2022.
The intervening period between any two meetings did not exceed the period prescribed under the SEBI Listing Regulations and the amendments made thereof from time to time.
- iv) None of the Directors are related to each other.
- v) Web-link where details of familiarization programme imparted to independent directors is disclosed: www.multibaseindia.com
- vi) The compliance reports of all applicable laws are placed before the Board periodically. All the material and important items pertaining to the development and working of the Company is included with a detailed note in the Agenda and the same is circulated to the Board well in advance, so as to enable them to take strategic decisions. The information which could not be circulated to the Board, in advance, is placed at the table during the Board Meeting. The information as specified in Schedule IIA read with Regulation 17(7) of the SEBI Listing Regulations is provided to the Board as and when applicable and material.
- vii) The Board has adopted "Code of Conduct for Board Members and Senior Management of the Company". All the Board Members and Senior Management have affirmed the compliance with the said Code of Conduct during the year 2021-22.
- viii) A declaration to this effect signed by Managing Director is appended to this Report of Corporate Governance. The Code of Conduct is also available on the web-site of the Company i.e., www.multibaseindia.com

Particulars of Directorship of other Public listed companies

| Sr. No. | Name of the Director | Name of the Listed Company where Directorship is held | Category |
|---------|-------------------------------|---|--|
| 1. | Mr. Harish Narendra Motiwalla | Ashapura Minechem Limited Excel Industries Limited Orient Abrasives Limited Hitech Corporation Limited | Independent Director Independent Director Independent Director Independent Director |
| 2. | Mr. Ashok Chhabra | Nil | NA |
| 3. | Ms. Bharti Dhar | Nitco Limited | Independent Director |
| 4. | Mr. Deepak Dhanak | Nil | NA |
| 5. | Mr. RT Paullin | Nil | NA |
| 6. | Mr. Krishan Phophalia | Nil | NA |

Following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business(es) for it to function effectively and those available with the Board as a whole:

- **Finance and Accounting Skills:** Leadership experience in handling financial management of a large organisation along with understanding of accounting, financial statements, financial controls and risk management.
- **Global Business:** Experience in driving business success in market around the world, with an understanding of diverse business environment, economic conditions and broad perspective of global market opportunity.
- **Sales and Marketing:** Experience in understanding of customer and developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
- **Operations management:** Overseeing an organization's daily business activities. They are responsible for managing its resources, developing and implementing an operational plan and ensuring that procedures are carried out properly.
- **Legal and Compliance:** Experience in matters relating to compliances, understanding of changing regulatory framework.
- **General Management and Governance:** Strategic thinking, decision making, oversight to all dimensions of business and Board accountability, high standard of governance with changing regulatory framework.

- **Human Resource Development:** Experience to Human Resource Management in different corporates in various countries, understanding employee attitude in different countries, representation of gender, ethnic, geographical, cultural, or other perspectives that expand the Board's understanding of needs and viewpoints of customers, employees, governments and other stakeholders worldwide.

All the directors have the requisite skills, expertise and competence required for the effective functioning of the Board.

Following is the name of Directors who have above mentioned skills/expertise/competence

| Sr. No. | Name of the Director | Skills/ Expertise/ Competence |
|---------|---|--|
| 1. | Mr. Deepak Dhanak | Operations management, General Management and Governance, Sales and Marketing |
| 2. | Mr. Harish Narendra Motiwalla | Finance and Accounting Skills, General Management and Governance |
| 3. | Mr. Ashok Chhabra | Legal and Compliance, General Management and Governance, Finance and Accounting Skills |
| 4. | Ms. Bharti Dhar | General Management and Governance, Human Resource Development |
| 5. | Krishan Phophalia | Finance and Accounting Skills, General Management and Governance. |
| 6. | Mr. RT Paullin (Resigned w.e.f. 26.05.2022) | Global Business, Operations Management, General Management and Governance |
| 7. | Mr. Mark Metaxas (Appointed w.e.f. 26.05.2022) | Global Business, Sales and Marketing |

- ix) In the opinion of Board of Directors, the Independent Directors fulfill the conditions specified in SEBI Listing regulations and are Independent of the management.
- x) None of the Independent Director of the Company has resigned from the Company's Board during the year under review.

Audit Committee

- i) Composition of the Audit Committee, particulars of meetings held and attended during the year 2021-22:

The composition of the Audit Committee is in conformity with Regulation 18 of the SEBI Listing Regulations entered into with Stock Exchange. The Audit Committee of the Board comprises of following members:

| Sr. No | Name | Position Held | Category |
|--------|-------------------------------|---------------|------------------------------------|
| 1. | Mr. Harish Narendra Motiwalla | Chairman | Non-Executive Independent Director |
| 2. | Mr. Ashok Chhabra | Member | Non-Executive Independent Director |
| 3. | Mr. Krishan Phophalia | Member | Non-Executive Director |

All the members of the Audit Committee are financially literate and considering their professional background and experience, have acquired respective management, financial, accounting and legal expertise. The Chairman of the Audit Committee is a Non-Executive Independent Director. Mr. H N Motiwalla, Chairman of the Audit Committee was present at the Annual General Meeting held on 21st September 2021.

The Chief Financial Officer of the Company, Statutory Auditors and Internal Auditors are invitees to the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance during the year 2021-22:

During the year 2020-21, 5 meetings of the Audit Committee were held and attended by the members as per the details given below:

| Sr. No. | Name of Member | Meetings / Attendance | | | | |
|---------|-------------------------------|-----------------------|------------|------------|------------|------------|
| | | 11/06/2021 | 23/06/2021 | 12/08/2021 | 11/11/2021 | 09/02/2022 |
| 1 | Mr. Harish Narendra Motiwalla | Present | Present | Present | Present | Present |
| 2 | Mr. Ashok Chhabra | Present | Present | Present | Present | Present |
| 3 | Mr. Krishan Phophalia | Present | Present | Present | Present | Present |

The minutes of Audit Committee Meeting are noted by the Board of Directors of the Company at the Board meeting after getting approved by the Audit Committee.

ii) Terms of reference:

The terms of reference of the Audit Committee includes the mandatory matters specified in Part C of Schedule II and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are broadly detailed as under:

- a) Overseeing the Company's financial reporting process to ensure disclosure of financial information as per the requirements of Stock Exchange and the Company Law requirements and to ensure that the financial statements are correct, sufficient and credible.
- b) Review and examination of quarterly, half yearly and annual financial statements and the auditors' report thereon before submission to the Board for approval.
- c) Review of Management Discussion & Analysis of financial condition and results of operations, statement of significant related party transactions.
- d) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors, Internal Auditors and Cost Auditor and the fixation of audit fees and terms of appointment.
- e) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- f) Approval or any subsequent modification of transactions of the company with related parties.
- g) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- h) Review of adequacy of internal control systems, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit and further recommending to the Internal Auditors the nature and scope of internal audit. Evaluation of risk management systems.
- i) Scrutiny of inter-corporate loans and investments.
- j) Valuation of undertakings or assets of the company, wherever it is necessary.
- k) Review of reports of Statutory and Internal Auditors and replies of the management thereof.
- l) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- m) Review of the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- n) Review of the annual financial statements with the management before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on exercise of judgment of management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosures of any related party transactions.
 - Qualifications in the draft audit report.
- o) Review of management representation letters to be issued to the Statutory Auditors.
- p) Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- q) Reviewing compliances as regards the Company's Whistle Blower Policy.
- r) Approval of the appointment of the Chief Financial Officer (CFO) of the Company after assessing the qualifications, experience & background, etc. of the Candidate.

- s) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- t) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

B. The audit committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

III. Nomination and Remuneration Committee

Composition of Nomination and Remuneration Committee and its terms of reference are pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

i) Composition of the Nomination and Remuneration Committee, particulars of meetings held and attended during the year 2021-22:

The Board has constituted Nomination and Remuneration Committee with following members:

| Sr. No | Name | Position Held | Category |
|--------|-------------------------------|---------------|------------------------------------|
| 1. | Mr. Ashok Chhabra | Chairman | Non-Executive Independent Director |
| 2. | Mr. Harish Narendra Motiwalla | Member | Non-Executive Independent Director |
| 3. | Mr. Krishan Phophalia | Member | Non-Executive Director |
| 4. | Ms. Bharti Dhar* | Member | Non-Executive Independent Director |

*inducted as a Member of the Committee w.e.f 9th February, 2022.

The Company Secretary acts as the Secretary to the Committee.

During the year 2021-22, 2 meetings of the Nomination and Remuneration Committee were held and attended by the members as per the details given below:

| Sr. No. | Name of Member | Meetings / Attendance | |
|---------|-------------------------------|-----------------------|----------------|
| | | 11/11/2021 | 09/02/2022 |
| 1 | Mr. Harish Narendra Motiwalla | Present | Present |
| 2 | Mr. Ashok Chhabra | Present | Present |
| 3 | Mr. Krishan Phophalia | Present | Present |
| 4 | Ms. Bharti Dhar | Not Applicable | Not Applicable |

ii) Terms of reference:

Identify persons who are qualified to become directors and persons who may be appointed in senior management of the Company in accordance with the criteria laid down for such position and recommend to the Board their appointment and removal.

Recommend to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations. The terms of reference of the Nomination and Remuneration Committee are broadly detailed as under:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of independent directors and the Board;
- iv. Devising a policy on Board diversity; and
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- vi. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.
- vii. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

iii) Employee Stock Option Scheme:

The Company does not have any Employee Stock Option Scheme in place.

iv) Performance Evaluation Criteria for Independent Directors:

The Criteria for Performance Evaluation Criteria of Independent Directors are discussed in Annexure III annexed to the Directors' Report.

v) Remuneration Policy:

The Company's remuneration policy is based on three P's: Pay for responsibility, Pay for performance and Pay for growth. Through its Remuneration policy, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The remuneration to the Directors is determined by the Board within the statutory limits based on the recommendation of Nomination and Remuneration Committee and subject to the approval of shareholders and Central Government, if required.

During the year 2021-22, Mr. Deepak Dhanak, Managing Director was paid ₹ 91.23 Lac as Salary. He held 1 equity share in the Company as on March 31, 2022. He was re-appointed as the Managing Director for a period of 3 years commencing from March 2, 2020. The notice period is 3 months and severance fees is payable as per the statutory requirements.

Non-Executive Directors are eligible for sitting fees and commission within the limits prescribed in the Act. The remuneration payable to Non-Executive Directors is decided by the Nomination and Remuneration Committee of the Board of Directors.

The details of relationship between Directors inter-se, sitting fees paid to Non-Executive Directors during the year 2021-22 and the number of equity shares held by them is as follows:

| Name | Relationship between Directors inter-se | Sitting fees paid for Board Meetings and Committee Meetings (In ₹) | Number of Equity Shares held in MIL as on March 31, 2022 |
|------------------------------------|---|--|--|
| Mr. Harish Narendra Motiwalla | - | 760000 | NIL |
| Mr. Ashok Chhabra | - | 760000 | 5 |
| Ms. Bharti Dhar | - | 240000 | NIL |
| Mr. Krishan Phophalia | - | NIL | NIL |
| Mr. RT Paullin (Upto May 26, 2022) | - | NIL | NIL |

As on March 31, 2022, the Company does not have any convertible instruments.

Except as disclosed, there are no pecuniary relationships or transactions between the Non-Executive Directors and the Company during FY 2021-22.

Remuneration Policy of the Company is available on Company's web-site <http://www.multibaseindia.com/pdf/Multibase-Remuneration-Policy.pdf>

Stakeholders Relationship Committee (Earlier known as Shareholders / Investors' Grievance cum Share Transfer Committee)

The Stakeholders Relationship Committee comprises of the following directors and its terms of reference pursuant to the provisions of Part D of Schedule II and Section 178 of the Companies Act, 2013 is listed below:

- i) The Committee as of March 31, 2022 comprises of following members:

| Sr.No | Name | Position Held | Category |
|-------|-------------------------------|---------------|------------------------------------|
| 1. | Mr. Ashok Chhabra | Chairman | Non-Executive Independent Director |
| 2. | Mr. Harish Narendra Motiwalla | Member | Non-Executive Independent Director |
| 3. | Mr. Deepak Dhanak | Member | Managing Director |

The Company Secretary acts as the Secretary to the Committee.

- ii) **Terms of reference:**

The role of the committee shall *inter-alia* include the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

- iii) Name, Designation and Address of Company Secretary & Compliance Officer:

Ms. Parmy Kamani

Company Secretary & Compliance Officer
82, 83, 8th floor, 2 North Avenue,
Makermaxity, Bandra Kurla Complex,
Bandra (East), Mumbai-400 051.

- iv) Procedure for approval and details of meetings and attendance during the year 2021-22:

The power to approve the share transfer / transmission and dematerialization and / or rematerialisation has been delegated to Link Intime India Pvt. Ltd., Registrar & Transfer Agents provided a prior written intimation of such requests is sent to the Company Secretary for confirmation before processing the requests. The requests for share transfer/transmission, dematerialization/rematerialisation and issue of new share certificates in lieu of old/worn-out/lost/defaced/split/consolidation, etc., is processed and attended atleast once in a week in co-ordination with Link Intime India Pvt. Ltd., Registrar & Transfer Agents of the Company.

All the above requests processed during a quarter are then taken into record during quarterly meetings of Stakeholder's Relationship Committee.

During the year 2021-22, 4 meetings were held and attended by the members as per the details given below:

| Sr. No. | Name of Member | Meetings / Attendance | | | |
|---------|-------------------------------|-----------------------|------------|------------|------------|
| | | 11/06/2021 | 12/08/2021 | 11/11/2021 | 09/02/2022 |
| 1 | Mr. Ashok Chhabra | Present | Present | Present | Present |
| 2 | Mr. Harish Narendra Motiwalla | Present | Present | Present | Present |
| 3 | Mr. Deepak Dhanak | Present | Present | Present | Present |

v) Details of Investors' Complaints/Grievance and their status:

The details of Investors' Complaints received and redressed by the Company and Link Intime India Pvt. Ltd. during the year 2021-22 is as follows:

| No. of complaints at the beginning of the year 01/04/2021 | Number of Complaints Received 01/04/2021 to 31/03/2022 | Number of Complaints Resolved 01/04/2021 to 31/03/2022 | No. of complaints pending at the end of the year 31/03/2022 |
|---|--|--|---|
| Nil | Nil | Nil | Nil |

IV. Corporate Social Responsibility Committee

The "Corporate Social Responsibility Committee" is constituted pursuant to the provisions of Section 135 of the Companies Act, 2013.

The Committee as of March 31, 2022 comprises of following members:

| Name | Position Held | Category |
|------------------------------|---------------|------------------------------------|
| Mr. Harish Narendra Motiwala | Chairman | Non-Executive Independent Director |
| Mr. Ashok Chhabra | Member | Non-Executive Independent Director |
| Mr. Deepak Dhanak | Member | Managing Director |
| Ms. Bharti Dhar* | Member | Non-Executive Independent Director |

*inducted as a Member of the Committee w.e.f 9th February, 2022.

The Company Secretary acts as the Secretary to the Committee.

During the year 2021-22, 2 meetings were held and attended by the members as per the details given below:

| Sr. No. | Name of Member | Meetings / Attendance | |
|---------|------------------------------|-----------------------|------------|
| | | 23/06/2021 | 09/02/2022 |
| 1. | Mr. Harish Narendra Motiwala | Present | Present |
| 2. | Mr. Ashok Chhabra | Present | Present |
| 3. | Mr. Deepak Dhanak | Present | Present |

Terms of Reference:

- 1) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;
- 2) Recommend the amount of expenditure to be incurred on the activities referred to in clause (1); and
- 3) Monitor the Corporate Social Responsibility Policy of the Company from time to time.

V. Share transfer Committee:

The "Share Transfer Committee" is constituted in order to expedite the process of issue of duplicate share certificates/transfer /transmission and demat/remat requests.

The Committee as of March 31, 2022 comprises of following members:

| Name | Position Held | Category |
|-----------------------|---------------|------------------------|
| Mr. Deepak Dhanak | Chairman | Managing Director |
| Mr. Krishan Phophalia | Member | Non-Executive Director |

The Company Secretary acts as the Secretary to the Committee.

Terms of Reference:

- 1) To approve the Share Transfer and Transmission, demat/remat requests;
- 2) To approve the issue of Duplicate Share Certificates issued by the Company; and
- 3) To perform such other functions as may be determined by the Board from time to time.

VI. Meeting of Independent Directors

As required under Section 149 of the Companies Act, 2013 read with Schedule IV to Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations, the Meeting of Independent Directors of the Company was held on 09th February 2022 *inter-alia* to review the performance of non-independent Directors and Board as a whole, the Chairperson of the Company and to assess the quality, quantity and flow of information between the management and the Board.

The terms and conditions of appointment of Independent Directors have been placed on the Company's website at http://www.multibaseindia.com/pdf/Terms-of-Appointment_Independent-Director.pdf

VII. General Body Meetings

i) Details of last three Annual General Meetings (AGM):

| Financial year | AGM No. | Day & Date | Venue | Time |
|----------------|------------------|---|--|------------|
| 2020-21 | 30 th | Tuesday, 21 st September, 2021 | Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") | 11.00 a.m. |
| 2019-20 | 29 th | Tuesday, 29 th September, 2020 | Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") | 11.00 a.m. |
| 2018-19 | 28 th | Thursday, 26 th September 2019 | Hotel Reevanta, Tin Batti, Devka Road, Nani Daman – 396210 (U.T) | 11.00 a.m. |

ii) Details of Special resolutions passed in last three Annual General Meetings (AGM):

| AGM No. | No. of Special resolutions passed | Particulars of Special Resolutions |
|------------------|-----------------------------------|---|
| 30 th | Nil | No Special resolution passed. |
| 29 th | 1 | Re-appointment of Mr. Deepak Dhanak (DIN: 03157491) as Managing Director of the Company for a period of 3 years with effect from 2 nd March, 2020. |
| 28 th | 1 | Continuation of the Directorship of Mr. Harish Motiwalla (DIN 00029835) (Non-Executive Independent Director) who shall attain the age of seventy five (75) years, up to March 31, 2024, being the date of expiry of his current term of office. |

iii) Details of resolutions passed through Postal Ballot:

Further, as on date of this Report, none of the resolutions are proposed to be passed through Postal Ballot. As and when required, the Postal Ballot shall be conducted in accordance with the provisions of Section 110 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014.

There were no resolutions passed by way of Postal ballot or by convening of any Extra-Ordinary General Meeting during the financial year 2021-22.

VIII. Disclosures

i) Disclosures on materially significant Related party transactions:

Related party transactions have been disclosed under Note 33 of Significant accounting policies & notes forming part of the financial statements of Audited Accounts in accordance with "Accounting Standard 18". The company has taken prior approval of the Audit Committee for entering into related party transactions which are in the ordinary course of business and at arm's length basis in compliance with Regulation 23 of SEBI Listing Regulations.

A statement in summary form of transactions with related parties in the ordinary course of business and at arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

During the year no material transactions were entered with related parties in conflict with the interest of the Company's business. All the transactions with related parties are entered at arm's length price. The Disclosure of interest in any of transaction is made to the Board every year by the Directors and as and when they become interested. Further, interested Directors neither participate nor vote in the transaction wherein they have potential interest.

The details of material related party transactions i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements are furnished in 'Annexure IV' to the Board Report.

The policy on dealing with related party transactions is disclosed on the website of the Company i.e., <http://www.multibaseindia.com/pdf/Multibase-Remuneration-Policy.pdf>

ii) Web link where policy for determining 'material' subsidiaries: **Not Applicable.**

iii) Disclosure of Accounting treatment:

The financial statements of the Company for the year ended March 31, 2022 are prepared in conformity with the Accounting Standards.

iv) Reconciliation of Share Capital Audit:

M/s. Rathi & Associates, Practicing Company Secretaries, Mumbai carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL/ CDSL.

v) Risk Assessment:

The Company has an effective and efficient Risk Assessment and Management System to track, analyze and mitigate the risks associated with the Company. The Board of Directors periodically reviews the procedure of Risk Assessment and Management and thereby frame a properly defined network with help of which executive management can control risks. The details of risks associated with the Company and the ways to mitigate those risks are discussed in Management Discussion & Analysis Report annexed to the Directors' Report.

vi) Proceeds from public issues, rights issues, preferential issues, etc.:

During the year under review, the Company has not raised any proceeds through public issues, rights issues, preferential issues, etc.

vii) Remuneration of Directors:

Details of remuneration paid to Directors has been disclosed in "Nomination and Remuneration committee" Section of this report.

viii) Subsidiary Company:

In terms of Regulation 24 of the SEBI Listing Regulations, the Company does not have any subsidiary company and hence the requirement of the said clause does apply to the Company.

ix) Management:

- a) Management Discussion & Analysis report is attached to Directors' Report.
- b) There were no material financial and commercial transactions by Senior Management as defined in Regulation 23 of the SEBI Listing Regulations where they have personal interest that may have a potential conflict with the interests of the Company at large.

x) Shareholding of the Directors:

The brief profile and other information pertaining to Directorship held in other Companies, shareholding, etc, of the Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting of the Company is attached to the Notice of Annual General Meeting.

xi) Compliances:

- a) During last 3 years ending on March 31, 2022 there were no non-compliances, penalties, strictures imposed on the Company by Stock exchange, SEBI or any other statutory authority on any matter related to capital markets.
- b) The Company has complied with all the statutory requirements under SEBI Listing Regulations, 2015 to the extent applicable.
- c) Out of the non-mandatory requirement the Company has adopted the following:
 - Modified opinion(s) in audit report - During the year under review, there was no qualification on the Company's financial statement.
 - The Chairman of the Company is a Non-executive Independent Director and not related to the Managing Director /Chief Executive Officer of the Company.

xii) Whistle Blower and access of personnel to the Audit committee:

The Company has set up a Vigil mechanism by way of a Whistle Blower Policy as required under Section 177(9) of the Companies Act, 2013. The company's personnel have access to the Chairman of the Audit Committee in exceptional circumstances.

No person of the Company has denied access to the Audit Committee and there are no instances of any such access.

The Company's Policy on Whistle Blower/Vigil Mechanism is disclosed on its website and can be accessed at <http://www.multibaseindia.com/pdf/mil-whistle-blower-policy.pdf>

xiii) Policy on Prevention of Sexual Harassment at workplace:

The Company is committed to create and maintain an atmosphere in which employees can work together without fear of sexual harassment and exploitation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behavior is prohibited both by law and the Company. During the year under review, there was no complaint of any sexual harassment at work place.

Status of complaints as on March 31, 2022:

| Sr. No. | Particulars | Number of Complaints |
|---------|---|----------------------|
| 1 | Number of complaints filed during the financial year | NIL |
| 2 | Number of complaints disposed of during the financial year | NIL |
| 3 | Number of complaints pending at the end of the financial year | NIL |

xiv) Means of Communication:**a) Financial results**

The quarterly, half yearly and annual results of the Company in the format prescribed under Regulation 33 of the SEBI Listing Regulations are published in prominent dailies such as Financial Express (English) and Gujarat Chitra (Gujarati) and also posted on the website of the Company i.e., <http://www.multibaseindia.com/financial-results.php>

b) Other information

Important official news including presentations made to institutional investors or to the analysts, if any, is also posted on the Company's website www.multibaseindia.com, as and when released as well as sent to Stock Exchange.

The Company has also designated exclusive e-mail id for the use of investors in accordance Regulation 46(j) of the SEBI Listing Regulations which is compliance.officer@multibaseindia.com

xv) CEO/CFO Certificate:

The CEO/CFO Certificate for the year ended March 31, 2022 as required under Regulation 17(8) of SEBI Listing Regulations, 2015, was placed and taken on record at the Board Meeting of the Company held on August 12, 2022.

xvi) Certificate of compliance:

The Certificate of Practising Company Secretary in compliance with Schedule V (E) of the SEBI Listing Regulations confirming compliance with all corporate governance requirements for the year ended March 31, 2022 is appended to this Report on Corporate Governance.

xvii) The Certificate of Company Secretary in practice certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority is annexed herewith as a part of the report.

xviii) Details relating to total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part are given in Note 29 to the Financial Statements.

xix) Disclosures in relation to Prevention of Sexual Harassment of Women at Workplace like number of complaints filed and disposed of during the year and pending as on 31st March, 2022 pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Directors' report.

xx) Insider Trading Code:

The Company has laid down "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" ("the Code") in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"), SEBI (Prohibition of Insider Trading) (Second Amendment) Regulations, 2019 ("The PIT Regulations"), SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019 ("The PIT Regulations") and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2020 ("The PIT Regulations").

The Code is applicable to all Insiders of the Company including the Promoters, Member of Promoter's Group, Directors, Designated Persons and immediate relatives of Directors and Designated Persons.

The Company has also formulated "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Policy and Procedure for Inquiry in case of leak of Unpublished Price Sensitive Information" in compliance with the PIT Regulations.

All the Codes and Policy mentioned above are available on the Company's website.

xxi) General Shareholders Information:

- a) Annual General Meeting
 - Day & Date : Monday, September 26, 2022
 - Time : 11.30 AM
 - Venue : Through Audio Visual means
- b) Financial year 2021-22: 1st April 2022 to 31st March, 2023.
 - Tentative Calendar for the financial year
 - Quarter Ending on June 30, 2022 : August 2022
 - Quarter Ending on September 30, 2022 : November 2022
 - Quarter Ending on December 31, 2022 : February 2022
 - Financial Year ended March 31, 2022 : May 2023
 - AGM is proposed to be held for financial year 2022-23 : September 2023
- c) Date of Book Closure : **Monday, September 19, 2022 to September 25, 2022 (Both days inclusive)**
- d) Dividend Payment date : Credit/ dispatch of final dividend will commence on or after September 26, 2022 and will be completed on or before October 25, 2022, subject to the approval of shareholders at the Annual General Meeting.
- e) Listing on Stock Exchange : BSE Limited
Phiroze Jeejeebhoy
Towers, Dalal Street,
Mumbai 400 001

The Company confirms that its Annual Listing fees for the year 2022-23 has been fully paid within stipulated time.

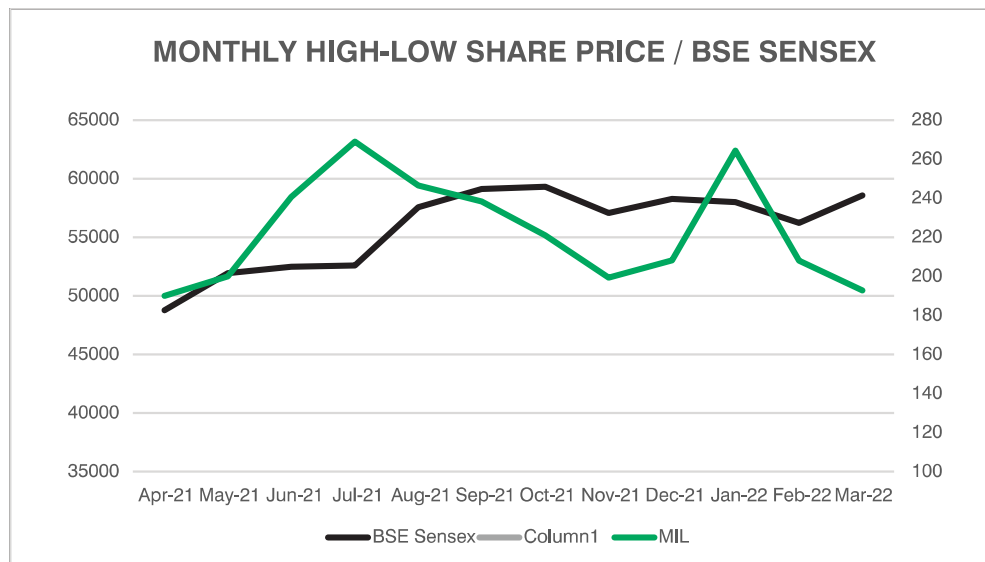
- f) Stock Code : **526169**
- g) Corporate Identification Number (CIN) : L01122DD1991PLC002959

h) Stock Market Price Data :

| Month & Year | Share Price of Multibase on BSE | | | |
|----------------|---------------------------------|--------------------|---------------------------------|--|
| | Month's High (₹) | Month's Low (₹) | Month's Closing Price (₹) | Volume of shares traded (In no.) |
| April 2021 | 206.50 | 165.25 | 190.10 | 2329 |
| May 2021 | 218.00 | 177.05 | 200.00 | 2983 |
| June 2021 | 269.95 | 190.60 | 240.55 | 7472 |
| July 2021 | 297.00 | 237.00 | 269.00 | 5516 |
| August 2021 | 309.00 | 222.35 | 246.45 | 4847 |
| September 2021 | 270.70 | 233.10 | 238.25 | 2717 |
| October 2021 | 257.50 | 220.10 | 220.90 | 2040 |
| November 2021 | 245.70 | 197.00 | 199.35 | 1564 |
| December 2021 | 232.75 | 192.10 | 208.25 | 2399 |
| January 2022 | 319.95 | 203.35 | 264.45 | 7167 |
| February 2022 | 273.30 | 193.10 | 208.00 | 1539 |
| March 2022 | 218.00 | 181.70 | 192.70 | 1367 |

i) Performance of share price of the Company in comparison to BSE Sensex:

MIL Share Price and Sensex Movement (For FY 2021-22) Taken 100 as Base Point



- j) Registrar and Transfer Agents : Link Intime India Pvt. Ltd.
C 101, 247 Park,
LBS Marg, Vikhroli (West)
Mumbai 400083
Tel No.: +91 22 491 86 000
Fax No.: +91 22 491 86 060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

k) Share Transfer System:

The physical transfer of shares is processed and approved by the Company in co-ordination with Link Intime India Pvt. Ltd., atleast once in every week. The Board of directors have further delegated the power to approve issue of duplicate share certificates, Demat-remat to the Share transfer committee.

All share transfers/requests for dematerialization of shares received are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all aspects by the Registrar and transfer Agent. Further, in compliance with Notification No. SEBI/LAD-NRO/GN/2018/24 issued by SEBI, the Company has ceased to accept physical transfer of shares w.e.f. April 1, 2019, except in case of transmission of securities.

Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Any Directors of the Company or and the Company Secretary have been is empowered to approve transfers.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

The Shares of the Company are not suspended from trading. They are however, compulsorily traded in dematerialized form.

l) Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account: **Nil**

m) Distribution of shareholding as on March 31, 2022:

| Equity Shares held | No. of Shareholders | % of Shareholders | Number of Shares held | % of Shares held |
|----------------------|---------------------|-------------------|-----------------------|------------------|
| 1 to 500 | 7,704 | 90.2848 | 9,10,507 | 7.2148 |
| 501 to 1000 | 420 | 4.9221 | 3,40,019 | 2.6943 |
| 1001 to 2000 | 204 | 2.3907 | 2,97,487 | 2.3573 |
| 2001 to 3000 | 74 | 0.8672 | 1,82,515 | 1.4462 |
| 3001 to 4000 | 30 | 0.3516 | 1,09,273 | 0.8659 |
| 4001 to 5000 | 28 | 0.3281 | 1,30,177 | 1.0315 |
| 5001 to 10000 | 37 | 0.4336 | 2,70,843 | 2.1461 |
| 10001 to 99999999999 | 36 | 0.4219 | 1,03,79,179 | 82.2439 |
| TOTAL: | 8,533 | 100.0000 | 1,26,20,000 | 100.0000 |

Shareholding pattern as on March 31, 2022:

| Category | No. of Shareholders | No. of Shares held | Percentage of Shareholding (%) | No. Shares Pledged or otherwise encumbered | Percentage of Shares Pledged |
|--|---------------------|--------------------|--------------------------------|--|------------------------------|
| A Promoters' Holding | | | | | |
| 1 Promoters | | | | | |
| Indian | - | - | - | - | - |
| Foreign | 1 | 94,64,994 | 75.00 | - | - |
| B Public Shareholding | | | | | |
| 2 Foreign Institutional Investors | - | - | - | - | - |
| 3 Foreign Portfolio investors | 1 | 1,29,375 | 1.03 | - | - |
| 4 Non Institutional Investors | | | | | |
| a. Bodies Corporate | 71 | 2,38,986 | 1.89 | - | - |
| b. Indian Public | | | | - | - |
| Individual share capital upto Rs. 2 Lacs | 7,869 | 21,19,535 | 16.80 | | |
| Individual share capital in excess of Rs. 2 Lacs | 4 | 2,43,805 | 1.93 | | |
| c. Any other | - | - | - | - | - |

| Category | No. of Shareholders | No. of Shares held | Percentage of Shareholding (%) | No. Shares Pledged or otherwise encumbered | Percentage of Shares Pledged |
|---|---------------------|--------------------|--------------------------------|--|------------------------------|
| 1. Clearing Member | 24 | 27,732 | 0.22 | | |
| 2. Office Bearer | 14 | 33 | - | - | - |
| 3. NRIs (includes shares held on non-repat basis) | 237 | 2,37,756 | 1.88 | - | - |
| 4. Hindu Undivided Family | 233 | 1,55,805 | 1.23 | - | - |
| 5. NBFCs registered with RBI | 1 | 881 | 0.01 | - | - |
| 6. Trust | 1 | 198 | - | - | - |
| 7. Body Corporate Limited Liability Partnership | 2 | 900 | 0.01 | - | - |
| Total (1+2+3) | 8458 | 1,26,20,000 | 100.00 | - | - |

n) Updating necessary KYC details of registered and/or joint holders holding shares in physical form:

SEBI has vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018, directed all the listed companies to record the Income Tax PAN, bank account details of all their shareholders holding shares in physical form and advise them to dematerialise their physical securities. Accordingly, the Company has sent letters by registered post to the shareholders holding shares in physical form at their last known address, advising them to register their Income Tax PAN (including that of joint holders, if any) and the bank account details. This was followed by two reminder letters to those shareholders who have not responded earlier. All those shareholders who are yet to update their details with the Company are requested to do so at the earliest. The shareholders are also advised to intimate any change in address and/or name, submit National Electronic Clearing Service (NECS) or Electronic Clearing Service (ECS) mandates, nominations, e-mail address, contact numbers, etc., if not so done, by writing to the Company's Registrar & Share Transfer Agents, Link Intime India Pvt Ltd., At C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai – 400 083, phone: 022-49186270, fax: 022-49186060, email: rnt.helpdesk@linkintime.co.in, website: www.linkintime.co.in for providing efficient and better services. Members holding securities in dematerialised form are requested to intimate such changes to their respective depository participants.

o) Dematerialization of shares and liquidity:

SEBI vide notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018, stated that requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialized form with the depositories. In compliance with the aforesaid circulars, the members are requested to dematerialize their shares promptly.

The Company's Shares are traded in Stock Exchange in dematerialized form and are available for trading in both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2022, 95.81% of outstanding Equity shares of the Company are held in dematerialized form.

ISIN No. of the Company's Equity Shares is: INE678F01014

p) Outstanding GDRs /ADRs /Warrants or any Convertible instruments, conversion date and likely impact on equity: NIL

q) Commodity price risk or foreign exchange risk and hedging activities: Nil

r) Plant Location : Multibase India Limited
74/5-6, Daman Industrial Estate,
Kadaiya Village, Nani Daman – 396210 (U.T.).

s) Address for Correspondence :

Registered Office
74/5-6, Daman Industrial Estate,
Kadaiya Village, Nani Daman – 396210(U.T.).
Tel No. : 0260 6614400
Fax No. : 0260 2221578
Email:compliance.officer@multibaseindia.com

: Compliance Officer
Ms. Parmy Kamani
82,83, 8th Floor,
2 North Avenue Maker Maxity,
Bandra Kurla Complex,
Bandra East, Mumbai-400051.
Tel No.: +91-22-4071-6000
Fax No.: +91-22-4022-0749
Email:compliance.officer@multibaseindia.com

t) Details of Credit ratings to be provided, if any: None

u) Dematerialization of shares

Benefits of Dematerialization:

Shares held in dematerialized form have several advantages like immediate transfer of shares, faster settlement cycle, faster disbursement of non-cash corporate benefits like rights, etc., lower brokerage, ease in portfolio monitoring, etc. Besides risks associated with physical certificates such as fake certificates, bad deliveries, loss of certificates in transit, get eliminated.

As per Regulation 40 of the Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialised form, with effect from 1st April 2019. Pursuant to SEBI circular dated 25th January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement; sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

Since there are several benefits arising from dematerialization, we sincerely urge all the shareholders who are still holding their shares in physical form to dematerialize the shares at the earliest.

Direct credit of dividend:

Payment of dividend through electronic mode has following advantages:

- Shareholder need not make frequent visits to his bank for depositing the physical warrants;
- Prompt credit to the bank account of the shareholder through electronic clearing; This would also reduce the amount of unclaimed dividend being transferred to IEPF.
- Fraudulent encashment of warrant is avoided;
- Delay/loss in postal transit is avoided.

As per circular issued by SEBI dated 20th April 2018, the Company through the Registrar and Share Transfer Agent had circulated regular reminder letters with postage prepaid envelopes in July 2018, September 2018, October 2018 and October 2019 to those physical shareholders whose PAN and/ or Bank account details were not available requesting them to register their PAN and/or bank account details.

Members are requested to register their PAN and Bank Account Details (Core Banking Solutions enabled account number, 9 digit MICR code and 11 digit IFS Code), in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Link Intime Private Limited.

Green Initiatives:

In order to capture email addresses of a larger shareholder base and send all intimations electronically, especially during the lockdown period, the Company had appointed NSDL and CDSL to send SMS to those shareholders whose email addresses were not registered with the Company.

We once again request you to join us in this initiative and register your e-mail Id with Link Intime Private Limited in case you are holding shares in physical form. In case you are holding shares in dematerialized form, please register your e-mail Id with your depository participant directly.

Norms for furnishing of PAN, KYC, Bank details and Nomination

SEBI vide circular dated 3rd November 2021 has mandated the listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents (i.e. PAN, KYC, Bank Details and Nomination) are not available with us, on or after 1st April 2023, shall be frozen as per the aforesaid SEBI circular.

The investor service requests forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and the said SEBI circular are available on our website www.multibaseindia.com. In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest.

The Company has sent a letter to the shareholders holding shares in physical form in relation to the aforesaid on 13th June 2022.

In respect of shareholders who hold shares in the dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their respective Depository Participants.

Disclosure on details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not Applicable

Recommendation of Committees

All recommendations / submissions made by various Committees of the Board during the financial year 2021-22 were accepted by the Board.