

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) 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 Dow group, your Company is in addition guided by the Dow 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 (hereinafter referred to as Listing Regulations). The Board of Directors of your Company consists of 6 (Six) Directors, comprising of 1 (One) Executive director, 2 (Two) Independent Directors, 3 (Three) Non-executive directors including 1(One) Woman director. Mr. H N Motiwalla is the non-executive independent 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, 2019:

Sr. No.	Name of the Director	Category	No. of Board Meeting during the tenure of Directors in FY 2018-19		Attendance at the last AGM held on 6.09.2018	Directorship in other public companies ¹	Committee position held in other public companies ²	
			Held	Attended			Chairman	Member
1	Mr. Deepak Dhanak Managing Director (DIN: 03157491)	Executive	8	7	Yes	-	-	-
2	Mr. Harish Narendra Motiwalla (DIN: 00029835)	Independent	8	8	Yes	7	5	3
3	Mr. Ashok Chhabra (DIN: 00059677)	Independent	8	8	Yes	-	-	-
4	Mr. Vipul Babu (DIN: 07737345)	Non-Executive	8	7	Yes	-	-	-
5	Ms. Suely Mori (DIN 07046468)	Non-Executive	8	1	No	-	-	-
6	Ms. Maithilee Mistry (DIN: 02152619)	Non-Executive	8	6	Yes			

¹ Directorship held in Private Companies, Section 25 Companies and Foreign Companies is not included.

- 2 Only Audit Committee and Stakeholders Relationship Committee are taken into consideration as per the provisions of Regulation 25 of the Listing Regulations. None of the Directors of the Company 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.
- ii) None of the Non-Executive Directors of the Company have any pecuniary relationship and / or transaction with the Company. The disclosure of fees / compensation, if any, paid to the Non-Executive Directors is done at appropriate place later in this Report on Corporate Governance.
- iii) During the year 2018-19, the Board of Directors of your Company met 8 times on 24/05/2018, 14/06/2018, 10/08/2018, 06/09/2018, 05/11/2018, 20/12/2018, 12/02/2019 and 22/03/2019.
- The intervening period between any two meetings did not exceed the period of one hundred and twenty days as prescribed under Regulation 17 of the SEBI Listing Regulations.
- iv) 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.
- v) 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 2018-19.

A declaration to this effect signed by Managing Director is appended to this Report of Corporate Governance. The Code of Conduct is available on the website of the Company i.e., www.multibaseindia.com

vi) **Particulars of Directorship of other companies: insert below table**

Sr. No.	Name of Director	Name of Company	Position
1.	H N Motiwalla	Excel Industries Limited	Independent Director
		Ashapura Minechem Limited	Independent Director
		Hi-Tech Plast Limited	Independent Director
		Gujarat Organics Limited	Independent Director
		Balkrishna Paper Mills Ltd	Independent Director
		Siyaram Silk Mills Limited	Independent Director
		Ashapura International Limited	Independent Director
		Orient Abrasive Limited	Independent Director

vii. **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.
- **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.

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.

III. Audit Committee

- i) Composition of the Audit Committee, particulars of meetings held and attended during the year 2018-19:

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:

Name	Position Held	Category
Mr. Harish Narendra Motiwalla	Chairman	Non-Executive Independent Director
Mr. Ashok Chhabra	Member	Non-Executive Independent Director
Ms. Maithilee Mistry*	Member	Non-Executive Director
Mr. Krishan Phophalia#	Member	Non-Executive Director

* Resigned w.e.f March 31, 2019

Appointed w.e.f April 1, 2019

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 6th September 2018.

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

Meetings and Attendance during the year 2018-19:

During the year 2018-19, six 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					
		24/05/2018	10/08/2018	05/11/2018	20/12/2018	12/02/2019	22/03/2019
1	Mr. Harish Narendra Motiwalla	Present	Present	Present	Present	Present	Present
2	Mr. Ashok Chhabra	Present	Present	Present	Present	Present	Present
3	Ms. Maithilee Mistry	Absent	Present	Absent	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 shall mandatorily review 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; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
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).

IV. 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 2018-19:

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

Name	Position Held	Category
Mr. Ashok Chhabra	Chairman	Non-Executive Independent Director
Mr. Harish Narendra Motiwala	Member	Non-Executive Independent Director
Ms. Maithilee Mistry*	Member	Non-Executive Director
Mr. Krishan Phophalia#	Member	Non-Executive Director

* Resigned w.e.f March 31, 2019

Appointed w.e.f April 1, 2019

The Company Secretary acts as the Secretary to the Committee.

During the year 2018-19, 3 meetings of Nomination and Remuneration Committee were held on 20/12/2018, 12/02/2019 and 22/03/2019 and was attended by all the members.

ii) Terms of reference:

1. 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.
2. 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.
3. Carry out evaluation of every director's performance as per the criteria laid down.
4. Formulate, in accordance with the provisions of the Act or guidelines or Listing Agreement as may be prescribed in this behalf, the criteria for determining qualifications, positive attributes and independence of a director.
5. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The Policy shall ensure:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully,

- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
6. recommend to the board, all remuneration, in whatever form, payable to senior management.
 7. Formulate the criteria for evaluation of independent directors and the Board.
 8. Devise a policy regarding observance of principles of diversity in the composition of the Board.
 9. Carrying out such other function as may be necessary or incidental to the above under Companies Act, 2013, Listing Regulations or such other applicable regulations.

iii) Employee Stock Option Scheme:

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

iv) 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 2018-19, Mr. Deepak Dhanak, Managing Director was paid ₹ 67.36 Lac as Salary, and ₹ 0.21 Lac as Perquisites. He does hold 1(one) equity share in the Company as on March 31, 2019. On 7th February 2017 he was re-appointed as the Managing Director for a period of 3 years commencing from March 2, 2017 till March 2, 2020. The notice period is 3 months and severance fees is payable as per the statutory requirements.

The details of relationship between Directors inter-se, sitting fees paid to Non-Executive Directors during the year 2018-19 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, 2019
Mr. Harish Narendra Motiwalla	-	9,60,000	NIL
Mr. Ashok Chhabra	-	9,60,000	NIL
Ms. Suely Mori	-	0	NIL
Ms. Maithilee Mistry	-	0	NIL
Mr. Vipul Babu	-	0	NIL

Except Mr. Harish Narendra Motiwalla and Mr. Ashok Chhabra, none other Non-Executive Directors were paid any Sitting Fees during FY 2018-19 since they have voluntarily waived off the sitting fees payable to them.

V. 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, 2019 comprises of following members:

Name	Position Held	Category
Mr. Ashok Chhabra	Chairman	Non-Executive Independent Director
Mr. Harish Narendra Motiwalla	Member	Non-Executive Independent Director
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 Compliance Officer:

Ms. Sunaina Goraksh

Company Secretary

81, 82, 83, 8th floor, 2 North Avenue,

Makermacity, Bandra Kurla Complex,

Bandra (East), Mumbai-400 051.

iv) Procedure for approval and details of meetings and attendance during the year 2018-19:

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 2018-19, four meetings were held and attended by the members as per the details given below:

Sr. No.	Name of Member	Meetings / Attendance			
		24/05/2018	10/08/2018	05/11/2018	12/02/2019
1	Mr. Ashok Chhabra	Present	Present	Present	Present
2	Mr. Harish Narendra Motiwalla	Present	Present	Present	Present
3	Mr. Deepak Dhanak	Present	Absent	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 2018-19 is as follows:

Nature of Complaints	No. of complaints at the beginning of the year	Number of Complaints Received	Number of Complaints Resolved	No. of complaints pending at the end of the year
Non Receipt of Annual Report	0	1	1	0
Non Receipt of Rejected DRF	0	1	1	0
Non-receipt of Share Certificates	0	2	1	1
Non Receipt of Share Certificate(s) - Transfer	2	5	7	0

Nature of Complaints	No. of complaints at the beginning of the year	Number of Complaints Received	Number of Complaints Resolved	No. of complaints pending at the end of the year
Non receipt of stickers for change in the name of the company	0	3	3	0
Others	0	5	5	0
Total	2	17	18	1*

* The one pending investor complaint was resolved in April 2019.

VI. 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, 2019 comprises of following members:

Name	Position Held	Category
Mr. Harish Narendra Motiwalla	Chairman	Non-Executive Independent Director
Mr. Ashok Chhabra	Member	Non-Executive Independent Director
Mr. Deepak Dhanak	Member	Managing Director

The Company Secretary acts as the Secretary to the Committee.

During the year 2018-19, 2 meetings were held and attended by the members as per the details given below:

Sr. No.	Name of Member	Meetings/Attendance	
		24/05/2018	12/02/2019
1.	Mr. Harish Narendra Motiwalla	Present	Present
2.	Mr. Ashok Chhabra	Present	Present
3.	Mr. Deepak Dhanak	Present	Absent

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.

VII. 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 comprises of following members:

Name	Position Held	Category
Mr. Deepak Dhanak	Chairman	Managing Director
Mr. Vipul Babu*	Member	Non-Executive Director
Ms. Maithilee Mistry*	Member	Non-Executive Director
Ms. Latha Nair#	Member	Non-Executive Director
Mr. Krishan Phophalia#	Member	Non-Executive Director

* Resigned w.e.f March 31, 2019

Appointed w.e.f April 1, 2019

The Company Secretary acts as the Secretary to the Committee.

During the year 2018-19, sixteen meetings were held and attended by the members as per the details given below:

Sr. No.	Name of Member	Meetings / Attendance							
		18.04.2018	17.05.2018	18.06.2018	19.07.2018	26.07.2018	20.09.2018	29.10.2018	22.11.2018
1	Mr. Deepak Dhanak	Present	Present	Present	Present	Present	Present	Present	Present
2	Mr. Vipul Babu	NA	NA	NA	Present	Present	Present	Present	Present
3	Ms. Maithilee Mistry	Present	Present	Present	Present	Present	Present	Present	Present

Sr. No.	Name of Member	Meetings / Attendance							
		24.01.2019	31.01.2019	05.02.2019	12.02.2019	13.02.2019	08.03.2019	12.03.2019	28.03.2019
1	Mr. Deepak Dhanak	Present	Present	Present	Present	Present	Present	Present	Present
2	Mr. Vipul Babu	Present	Present	Present	Present	Present	Present	Present	Present
3	Ms. Maithilee Mistry	Present	Present	Present	Absent	Absent	Present	Present	Present

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
- 3) To perform such other functions as may be determined by the Board from time to time.

VIII. Meeting of Independent Directors

As required under Section 149 of the Companies Act, 2013 read with Schedule IV to the Act and Regulation 25(3) of the SEBI Listing Regulations, the Meeting of Independent Directors of the Company was held on February 12, 2019 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 www.multibaseindia.com

IX. General Body Meetings

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

Financial year	AGM No.	Day & Date	Venue	Time
2017-18	27 th	Thursday, 6 th September 2018	Hotel Reevanta, Tin Batti, Devka Road, Nani Daman – 396210 (U.T)	11.00 am
2016-17	26 th	Tuesday, 25 th July 2017	Hotel Reevanta, Tin Batti, Devka Road, Nani Daman – 396210 (U.T)	11.00 am
2015-16	25 th	Wednesday, 28 th September 2016	74/5-6, Daman Industrial Estate, Kadaiya, Nani Daman – 396210 (U.T)	11.00 am

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

AGM No.	No. of Special resolutions passed	Particulars of Special resolutions
27 th	0	None
26 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 March 2, 2014 and fix his remuneration
25 th	1	Revision in remuneration of Mr. Deepak Dhanak (DIN 03157491), Managing Director

iii) Details of resolutions passed through Postal Ballot:

During the year 2018-19, the following resolutions were passed through Postal Ballot.

- a. Re-appointment of Mr. Harish Motiwala (DIN 00029835) as an Independent Director of the Company.
- b. Re-appointment of Mr. Ashok Chhabra (DIN 00059677) as an Independent Director of the Company

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.

X. Disclosures

i) 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 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.

ii) Disclosure of Accounting treatment:

The financial statements of the Company for the year ended March 31, 2019 are prepared in conformity with the Accounting Standards.

iii) Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary 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.

iv) 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.

v) 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.

vi) Remuneration of Directors:

Already disclosed in Clause IV "Nomination and Remuneration committee" section.

vii) Subsidiary Company:

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

viii) 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.

ix) Shareholders:

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.

x) Compliances:

- a) In December 2018 the Company had received a notice from BSE in respect of compliance under Regulation 19(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company had paid fine of Rs. 2,17,120/- levied by BSE. Further at the meeting held on 20th December 2018 the Nomination and Remuneration Committee was reconstituted to meet the requirements of Regulation 19(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

Other than the aforesaid during last 3 years ending on March 31, 2019 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 fully 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:
During the year under review, there was no qualification on the Company's financial statement.

xi) Modified Opinion in Auditors Report:

The Company's financial statement for the year 2018-19 does not contain any modified audit opinion.

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

xiii) Policy on 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 behaviour is prohibited both by law and the Company. During the year under review, there was no complaint of any sexual harassment at work place.

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 and Gujarat Chitra and also posted on the website of the Company i.e., www.multibaseindia.com

b) Other information

Important official news, if any is also posted on the Company's website www.multibaseindia.com, as and when released.

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, 2019 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 May 29, 2019.

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, 2019 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 28 to the Financial Statements.
- xix) Disclosures in relation to Sexual Harassment of Women at Workplace like number of complaints filed and disposed off during the year and pending as on 31st March, 2019 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:

During the year under review, the Company has amended the "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 ("The PIT Regulations").

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company.

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

The Code of Conduct elaborates ways and measures to deal with unpublished price sensitive information and restricts the insider trading by any of the Directors and Designated Persons of the Company.

xxi) General Shareholders Information:

a) Annual General Meeting

Date : Thursday, September 26, 2019
Time : 11.00 a.m.
Venue : Hotel Reevanta, Tin Batti, Devka Road, Nani Daman, Daman 396210

b) Financial year 2019-20 (tentative schedule)

Quarter Results

Ending on June 30, 2019	:	First week of August 2019
Ending on September 30, 2019	:	Second week of November 2019
Ending on December 31, 2019	:	Second week of February 2020
Year ended March 31, 2020	:	In the month of May 2020

AGM is proposed to be held on September 2020.

- | | | |
|------------------------------|---|--|
| c) Date of Book Closure | : | Friday, September 20, 2019, to Thursday, September 26, 2019
(Both days inclusive) |
| d) Dividend Payment date | : | Not applicable |
| e) Listing on Stock Exchange | : | BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai
400 001 |

The Annual Listing fees for the year 2019-20 is been fully paid within stipulated time.

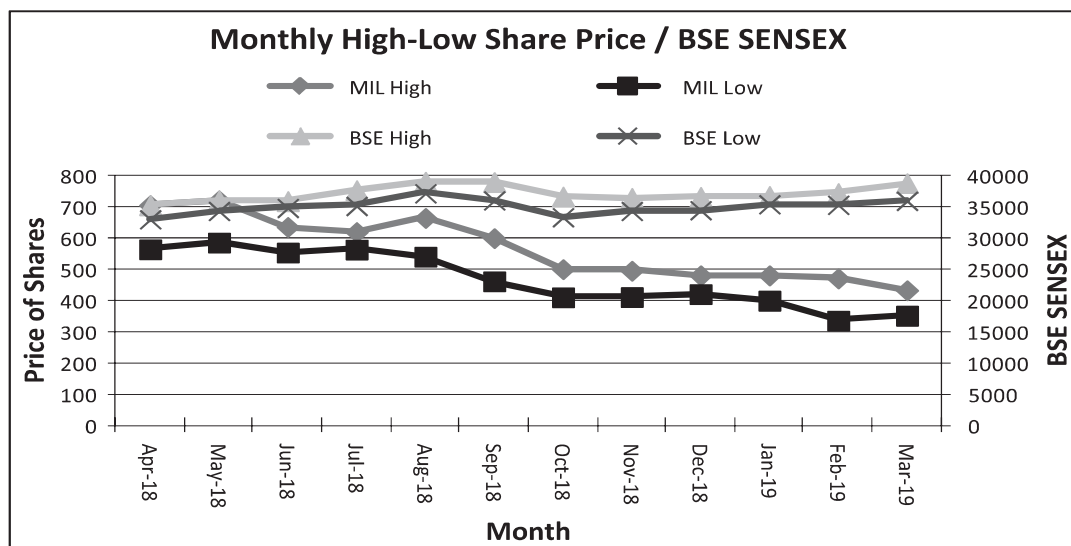
- | | | |
|--|---|-----------------------|
| f) Stock Code | : | 526169 |
| g) Corporate Identification Number (CIN) | : | L01122DD1991PLC002959 |

h) Stock Market Price Data :

Month & Year	Share Price of Multibase on BSE				BSE Sensex	
	Month's High (₹)	Month's Low (₹)	Month's Closing Price (₹)	Volume of shares traded (In no.)	Month's High (Index point)	Month's Low (Index point)
April 2018	704.50	563.50	698.35	1,04,031	35,213.30	32,972.56
May 2018	720.00	585.00	619.10	2,24,891	35,993.53	34,302.89
June 2018	634.80	552.80	587.65	1,50,361	35,877.41	34,784.68
July 2018	618.95	562.70	616.75	46,863	37,644.59	35,106.57
August 2018	664.00	540.00	563.40	99,491	38,989.65	37,128.99
September 2018	598.90	461.00	463.65	65,547	38,934.35	35,985.63
October 2018	499.90	410.00	445.45	83,118	36,616.64	33,291.58
November 2018	495.00	410.5	473.90	73,942	36,389.22	34,303.38
December 2018	480.00	420.00	463.00	38,429	36,554.99	34,426.29
January 2019	479.95	399.00	461.95	67,511	36,701.03	35,375.51
February 2019	470.00	335.25	364.55	1,01,274	37,172.18	35,287.16
March 2019	432.00	351.00	383.30	68,141	38,748.54	35,926.94

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

MIL Share Price and Sensex Movement (For FY 2018-19) 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.inWebsite : 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. Pursuant to the latest amendment to Listing Regulations, the Share Certificates after effecting transfer are dispatched to the shareholders within 15 days from the date of receipt of transfer request, if the transfer documents are found technically in order and complete in all respects. The transfer of shares held in Demat mode is processed electronically by Link Intime India Pvt. Ltd. within 21 days from the date of receipt of the request. The Board of directors have further delegated the power to approve issue of duplicate share certificates, Demat-remat to the Share transfer committee.

The Shares of the Company are compulsorily traded in dematerialized form.

l) Distribution of shareholding as on March 31, 2019:

Equity Shares held	No. of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
1-500	8357	91.09	9,72,405	7.71
501-1000	410	4.47	3,23,705	2.57
1001-2000	196	2.14	2,89,571	2.29
2001-3000	72	0.78	1,78,127	1.41
3001-4000	29	0.32	1,03,866	0.82
4001-5000	32	0.35	1,48,951	1.18
5001-10000	46	0.50	3,56,831	2.83
Above 10000	32	0.35	1,02,46,544	81.19
Total	9,787	100.00	1,26,20,000	100.00

Shareholding pattern as on March 31, 2019:

Category	No. of Shareholders	No. of Shares held	Percentage of Shareholding	No. Shares Pledged or otherwise encumbered	Percentage of Shares Pledged
A					
1	Promoters' Holding				
	Promoters				
	Indian	-	-	-	-
	Foreign	1	94,64,994	75.00	-
B	Public Shareholding				
2	Foreign Institutional Investors	0	0	0	-
3	Foreign Portfolio investors	2	1,40,282	1.11	-
4	Non Institutional Investors				
	a. Bodies Corporate	91	1,52,174	1.21	-
	b. Indian Public	8332	23,77,513	18.83	-
	c. Any other				
1.	Clearing Member	35	48,648	0.38	-
2.	Office Bearer	23	141	0.01	-
3.	NRIs	134	1,08,705	0.86	-
4.	NRN	197	2,08,703	1.65	-
5.	Hindu Undivided Family	227	1,17,301	0.92	-
	Total (1+2+3)	9,045	1,26,20,000	100.00	-

m) 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.

n) 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, 2019, 95.40% of outstanding Equity shares of the Company are held in dematerialized form.

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

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

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

q) 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. Sunaina Goraksh
81,82,83, 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

Mumbai, August 5, 2019

For and on behalf of the Board

H. N. Motiwalla	Deepak Dhanak
Non-Executive Chairman	Managing Director
DIN: 00029835	DIN: 03157491

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

MULTIBASE INDIA LIMITED

74/5 6 Daman Industrial Estate,

Kadaia, Village Nani-Daman,

UT Daman and Diu- 396210.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Multibase India Limited having CIN L01122DD1991PLC002959 and having registered office at 74/5 6 Daman Industrial Estate Kadaia, Village Nani-Daman, UT Daman and Diu- 396210, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Names of Director	DIN	Date of appointment in Company
1.	Harish Narendra Motiwalla	00029835	27/10/2009
2.	Ashok Faqirchand Chhabra	00059677	27/10/2009
3.	Deepak Arun Dhanak	03157491	29/06/2010
4.	Vipulkumar Harshadbhai Babu*	07737345	22/05/2017
5.	Suely Mori*	07046468	13/02/2015
6.	Maithilee Kaizad Mistry*	02152619	03/08/2016

*Resigned w.e.f. March 31, 2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Dhruvil M Shah & Co.

Place: Mumbai

Date: 05th August, 2019

Dhruvil M Shah

Practicing Company Secretary
CP 8978; FCS 8021

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

I Mr. Deepak Dhanak (DIN 03157491), Managing Director of the Company do hereby give this declaration pursuant to Schedule V(D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has laid down Code of Conduct for all Board members and senior management of the Company and the same is posted on the website of the Company i.e. www.multibaseindia.com

All the Board members and Senior Management Personnel have affirmed compliances with the code for the year ended 31st March 2019.

Mumbai, 29th May, 2019

Deepak Dhanak
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
MULTIBASE INDIA LIMITED

I have examined all the relevant records of Multibase India Limited ('the Company') for the purpose of certifying compliance with the conditions of Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the year ended 31st March, 2019.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Dhrumil M Shah & Co.

Place: Mumbai
Date: 5th August, 2019

Dhrumil M Shah
Practicing Company Secretary
CP 8978; FCS 8021