



**WE  
COMPOUND**

**YOUR  
CREATIONS**

Multibase India Limited  
24<sup>th</sup> Annual Report 2014 -15



## Board of Directors

Mr. Deepak Dhanak

Mr. Peter Cartwright

Ms. Suely Mori

Mr. Krishna Joshi

Mr. Harish Narendra Motiwala

Mr. Ashok Chhabra

Managing Director

Non-Executive Director

Non-Executive Director

Non-Executive Director

Independent Director

Independent Director

## Company Secretary

Ms. Sunaina Goraksh

## Auditors

M/s Deloitte Haskins & Sells, Vadodara  
(Firm Reg. No. 117364W)

## Internal Auditors

M/s. Mukund & Rohit, Chartered Accountants

## Bankers

Citi Bank

HDFC Bank Limited

State Bank of India

## Registered Office & Plant

74/5-6, Daman Industrial Estate  
Kadaiya Village, Nani Daman – 396210 (U.T)  
Tel. No.: (0260) 6614 400  
Fax No.: (0260) 2221 578  
Website: [www.multibaseindia.com](http://www.multibaseindia.com)  
CIN: L01122DD1991PLC002959

## Registrar & Transfer Agents

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound  
L.B.S. Marg, Bhandup (W)  
Mumbai – 400078  
Tel. No.: (022) 2596 3838  
Fax No.: (022) 2594 6969  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

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## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 24<sup>th</sup> (Twenty Fourth) Annual General Meeting of the Company will be held on Tuesday, September 29, 2015 at 11.30 am at 74/ 5-6, Daman Industrial Estate, Kadaiya Village, Nani Daman, Union Territory – Daman & Diu – 396210, to transact the following business as:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2015, together with the Auditors' Report and Directors' Report thereon.
2. To appoint a Director in place of Mr. Peter Cartwright (DIN 06797101), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditor and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, and other applicable provisions, if any, of the Companies Act, 2013("the Act"), and rules, circulars, Notifications made/issued thereunder, including any amendment, modification, variation or re-enactment thereof, the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No.117364W) as the Statutory Auditors of the Company which had been approved at the 23<sup>rd</sup> Annual General Meeting of the Company held on 24<sup>th</sup> September, 2014 for a term of 3 consecutive years i.e. from the conclusion of the 23<sup>rd</sup> Annual General Meeting till the conclusion of the 26<sup>th</sup> Annual General Meeting be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/ or otherwise considered by them to be in the best interest of the Company including fixation of their remuneration and reimbursement of out of pocket expenses incurred in connection hereto."

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:  

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions if any of the Companies Act, 2013("the Act") and rules, circulars, notifications made/issued thereunder including any amendment, modification, variation or re-enactment thereof, Ms. Suely Mori (DIN 07046468), who was appointed as an Additional Director by the Board of Directors of the Company and who holds office as such upto the date of this Annual General Meeting pursuant to the provisions of Section 161 of the Act, 2013 read with Article 137 of Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing her candidature for the office of a Director and being eligible, be and is hereby appointed as a Director

of the Company liable to retire by rotation."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Rules made thereunder, Clause 49(VII) of the Equity Listing Agreement entered into with the Stock Exchanges governing the Related Party transactions and such other rules as may be applicable and amended from time to time, consent of the shareholders be and is hereby accorded for the following arrangement/transactions to be entered into by the Company in the ordinary course of business and at arm's length basis for the financial year 2015-16 and for every financial year thereafter:

### Value of Related party transactions/Arrangements per financial year:

(₹ In Crores)

Sr. No.	Related party transaction u/s 188 of the Companies Act 2013 and Clause 49 of the Listing Agreement	Dow Corning Limited(Barry)
	Nature of Relationship	Subsidiary of ultimate holding company
	Name of interested Director(s)/ KMPs	None
1.	Sale, purchase of materials	12.00

### Terms and conditions:

1. At arm's length basis for each such transaction in compliance with applicable laws including Transfer Pricing Guidelines.

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company to severally do or cause to be done all such acts, matters, deeds and things in connection with regard to the said transaction with the related parties and severally execute such agreements, documents and to make such filings as may be necessary in order to give effect to the aforesaid resolution.

By order of the Board of Directors

Sd/-  
(Sunaina Goraksh)  
Company Secretary

### Registered Office:

74/5-6, Daman Industrial Estate,  
Kadaiya Village, Nani Daman,  
Daman and Diu, Union Territory,  
Pin – 396210.  
Tel.: +91 260 6614400  
Fax: +91 260 2221578  
Email: compliance.officer@multibaseindia.com  
Website: www.multibaseindia.com  
CIN: L01122DD1991PLC002959

Date : 4<sup>th</sup> August 2015  
Place: Mumbai

**NOTES:**

1. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 for the business set out under Item No. 4 and 5 of the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THEREAT INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of proxy, to be effective, should be deposited at the Registered office of the Company, duly completed, signed and stamped not less than 48 hours before the commencement of the meeting i.e. 11.30 am on Sunday, 27<sup>th</sup> September, 2015. A PROXY / PROXIES SO APPOINTED SHALL HAVE NO RIGHT TO SPEAK AT THE MEETING AND SHALL NOT BE ENTITLED TO VOTE EXCEPT ON A POLL. A person can act as a proxy on behalf of a member or members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
3. An instrument appointing proxy is valid only if it is properly stamped as per the applicable law. Blank or incomplete, unstamped or inadequately stamped, undated proxies or proxies upon which the stamps have not been cancelled will be considered as invalid. If the Company receives multiple proxies for the same holding of a member, the proxy which is dated last will be considered as valid. If such multiple proxies are not dated or they bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.
4. The proxy-holder shall prove his identity at the time of attending the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23<sup>rd</sup> September, 2015 to Tuesday, 29<sup>th</sup> September, 2015 (Both Days Inclusive).
6. Members holding shares in physical form are requested to notify immediately change of address, transfer, demat request, E-mail id, if any, to the Registrars and Transfer Agents of the Company quoting their Folio Number and those holding shares in demat mode are requested to notify any change in address, Bank Details, E-mail id to their respective depository participants and make sure that such changes are recorded by them.
7. Members/proxies are requested to bring their copies of Annual Report & duly filled admission/attendance slips sent herewith along with the copies of annual report at the meeting and produce the same at the entrance where the Annual General Meeting is held.
8. Corporate Members are requested to send a certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
9. Members desirous of getting any information about the accounts and operations of the Company are requested to send their query to the Registered Office well in advance so that the same may reach the office at least seven days before the date of the meeting to enable the management to keep the information required readily available at the meeting.
10. Members who hold shares in electronic form are requested to write their DP Id and client Id numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
11. The detail of Directors seeking appointment / re-appointment at this Annual General Meeting as required under Clause 49 of the Listing Agreement is annexed hereto.
12. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during normal business hours on all days except Saturday, Sunday and Public holidays, up to the date of the Annual General Meeting.
13. For the security and safety of the shareholders, no article/baggage including water bottles and tiffin boxes will be allowed at the venue of the meeting. The members / attendees are strictly requested not to bring any article / baggage, etc. at the venue of the meeting.
14. The Annual Report of your Company for the Financial Year 2014-15 is displayed on the website of the Company i.e. [www.multibaseindia.com](http://www.multibaseindia.com).
15. Members are requested to register / update their E-mail address with the Company / Link Intime India Pvt. Ltd. so as to receive Annual Report and other communication electronically.
16. The notice of the AGM alongwith the Annual Report 2014-15 is being sent by electronic mode to those members whose email-addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their email-address, physical copies are being sent by the permitted mode.
17. To support the 'Green Initiative', the members who have not registered their email addresses are requested to register the same with RTA/ Depositories.
18. The business set out in the notice will be transacted through remote e-voting system and the. Instructions and other information relating to remote e-voting provided by National Securities Depository Limited are given herein below in this Notice. In case of any queries or grievances in connection with remote e-voting, the shareholders

may contact Ms. Sunaina Goraksh at 022 66946860 or may write to them at the registered office address of the Company.

19. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide the members to exercise their right to vote at 24<sup>th</sup> Annual General Meeting of the Company by electronic means through e-voting facility provided by National Securities Depository Limited (NSDL). Members who are holding shares in physical or dematerialized form as on Tuesday, 22<sup>nd</sup> September 2015 shall exercise their vote by electronic means.

#### EVOTING:

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013, rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members a facility to exercise their right to vote on business proposed to be transacted at the Annual general Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting votes by the members using an electronic voting system from a place other than the venue of the AGM, ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through the ballot paper shall be made available at the AGM premises and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their at the meeting through ballot paper.
- III. The members who have caste their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Thursday, 24<sup>th</sup> September, 2015 at 9:00 am and ends on Monday 28<sup>th</sup> September 2015 at 5:00 P.M. During this period shareholders' of the Company holding shares either in physical form or in de-materialised form, as on the cut-off date Tuesday, 22<sup>nd</sup> September 2015, may cast their vote by remote e-voting. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- V. The process and the manner for e-voting is as under:
  - A. In case a member receives an email from NSDL( for members whose email IDs are registered with the Company/Depository participants:
    - (i) Open the attached PDF file "**e-Voting.pdf**" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case

you are holding shares in physical mode) as password. The file contains your "User ID" and "Password for e-voting". Please note that the password is an initial password.

- (ii) Launch internet browser by typing the URL **<https://www.evoting.nsdl.com/>**
  - (iii) Click on "Shareholder - Login".
  - (iv) Put User ID and password as initial password noted in step (i) above and Click Login.
  - (v) Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
  - (vi) Home page of "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select "EVEN" of Multibase India Limited. Members can cast their vote online from Thursday, 24<sup>th</sup> September 2015 at 9:00 am till Monday, 28<sup>th</sup> September, 2015 at 5:00 P.M.  
**Note: e-Voting shall not be allowed beyond said time.**
  - (viii) Now you are ready for "e-Voting" as "Cast Vote" page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
  - (x) Upon Confirmation, the message "Vote caste successfully will be prompted."
  - (xi) Once you have voted on the resolution you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to **[dhruhil@dmsah.in](mailto:dhruhil@dmsah.in)** with a copy marked to **[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)**.
- B. In case a member receives physical copy of the notice of AGM and e-voting form (For members whose email Ids are not registered with the Company/Depository Participants or requesting physical copy.)
- (i) Initial password is mentioned in the e-voting form;
  - (ii) Please follow all steps from Sr. no.(A)(ii) to (xii)



- VI. In case of any queries, you may refer Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for members available at downloads section [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending the future communications.
- IX. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off-date of Tuesday, 22<sup>nd</sup> September, 2015.
- X. Any person who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares on the cut-off date i.e Tuesday, 22<sup>nd</sup> September, 2015, may obtain the login id and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA. However if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.
- XI. If you forgot your password, you can reset your password by using "Forgot user details/password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. 1800-222-990.
- XII. A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Dhruvil M. Shah, Practising Company Secretary (Membership No. FCS 8021, COP 8978) has been appointed as the Scrutinizer to scrutinize the e-voting process as well as the voting through ballot paper, to be conducted at the Annual General Meeting, in a fair and transparent manner
- XIV. The Scrutiniser shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unlock the votes cast at the meeting, thereafter unlock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make not later than three days of conclusion of the meeting a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.multibaseindia.com](http://www.multibaseindia.com) and on the website of NSDL immediately after the declaration of the result by the Chairman/Managing Director or a person authorised by him in writing. The results shall also be immediately forwarded to BSE Limited.

MEMBERS MAY PLEASE NOTE THAT NO GIFTS/ GIFT COUPONS SHALL BE DISTRIBUTED AT THE VENUE OF THE MEETING.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACTS, 2013

### Item No. 4

Ms. Suely Mori was appointed as an Additional Director of the Company with effect from 13<sup>th</sup> February, 2015. Pursuant to the provisions of Section 161 of the Companies Act, 2013 read with Article 137 of Articles of Association of Company she holds office as such upto the date of this Annual General Meeting. The Company has received a notice in writing from one of its members along with a deposit of ₹1,00,000/- proposing the candidature of Ms. Suely Mori for the office of Directorship pursuant to Section 160 of the Companies Act, 2013. Also company has received the requisite Form 'DIR 8' from Ms. Suely Mori, in terms of Section 164 (2) of the Companies Act, 2013 read with The Companies (Appointment and Qualification of Directors) Rules, 2014, confirming her eligibility for such appointment.

The brief profile covering the details of her qualification and experience, as required pursuant to Clause 49(VIII)(E) of the

Listing Agreement, is annexed to this Notice. Considering her experience and expertise, the Board recommends the appointment of Ms. Suely Mori as Director of the Company liable to retire by rotation.

The Board recommends the passing of the resolution set forth under Item no. 4 as Ordinary Resolution.

None of the Directors, Key Managerial Personnel and / or their relatives, except Ms. Suely Mori and her relatives, are interested and / or concerned in passing of the resolution set forth under Item no. 4.

The brief profile covering the details of the qualification and experience, as required pursuant to Clause 49(VIII)(E) of the Listing Agreement, is annexed to this Notice.

### Item No.5

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Rules made thereunder and under Clause 49(VII)(E) of the Listing Agreement, all the material related party Transactions shall require approval of the shareholders through special resolution.

Dow Corning Limited located in Barry is the subsidiary of the ultimate Holding Company-Dow Corning Corporation. The Company may enter into transaction with the said company which maybe material in nature. Hence in compliance with the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) rules, 2014 and under Clause 49(VII)(E) of the Listing Agreement, the Company proposes to obtain approval of the shareholders by way of special resolution for entering into the said material related party transaction in one or more tranches.

The particulars of the Related Party transactions, which are required to be stated in the Explanatory Statement as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

(₹ In Crores)

Sr. No.	Related party transaction u/s 188 of the Companies Act 2013 and Clause 49 of the Listing Agreement	Dow Corning Limited(Barry)
	Nature of Relationship	Subsidiary of ultimate holding company
	Name of interested Director(s)/ KMPs	None
1.	Sale, purchase of materials	12.00

**Terms and conditions:**

- At arm's length basis for each such transaction in compliance with applicable laws including Transfer Pricing Guidelines

All the entities falling under the definition of related party shall abstain from voting in the aforesaid resolution.

The Board of Directors recommends the resolution set forth in item no. 5 of this Notice for approval of the shareholders as a special resolution. Except for the Director(s) and Key Management Personnel of the Company and their relatives (to the extent of their shareholding interest in the Company), none of the other person is concerned or interested, financially or otherwise in this resolution.

**By order of the Board of Directors**

**Sd/-**  
**(Sunaina Goraksh)**  
Company Secretary

**Registered Office:**

74/5-6, Daman Industrial Estate,  
Kadaiya Village, Nani Daman,  
Daman and Diu, Union Territory,  
Pin – 396210.

Tel.: +91 260 6614400

Fax: +91 260 2221578

Email: [compliance.officer@multibaseindia.com](mailto:compliance.officer@multibaseindia.com)

Website: [www.multibaseindia.com](http://www.multibaseindia.com)

CIN:L01122DD1991PLC002959

Date : 4<sup>th</sup> August, 2015

Place: Mumbai

**Particulars of Directors seeking Appointment / Reappointment at the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement:**

<b>Name of Director</b>	<b>Peter Cartwright</b>	<b>Suely Mori</b>
Type	Non-Executive Director	Non-Executive Director
Date of Birth	26/02/1958	15/03/1960
Date of Appointment	10/02/2014	13/02/2015
Qualification	PHD in Inorganic Chemicals	B.A. in Microbiology and Business law & IP law
No. of Equity Shares held	NIL	NIL
Expertise in Specific Functional area	Commercial, Global Technical Leadership, Managing Large Manufacturing Plant, Environment, Health and Safety.	Attorney with 20 years of experience in management of the law department in the Asia region of major privately held corporation, and provision of legal services as well as supporting ethics and compliance, and regulatory compliance. Member of the regional leadership teams in Japan/Korea, ASEAN/ANZ, and Greater China and the global executive leadership team involved in all aspects of management of the corporation and business, including Asia board of directors organization, risk assessment and management, crisis management and sustainability. Six plus years of experience in private legal practice in major law firms as a commercial attorney, with experience in dispute resolution.
Directorships held in other Companies	Dow Corning India Pvt. Ltd.	NIL
Particulars of Committee Chairmanship / Membership held in other Companies	NIL	NIL
Relationship with other Directors inter-se	None	None

**Note:**

- Pursuant to Clause 49 of the Listing Agreement, only two Committees viz. Audit Committee and Stakeholders Relationship Committee have been considered.



## REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

To

**The Members,**

Your Directors are pleased to present the 24<sup>th</sup> Annual Report together with Audited Financial Statement of your Company for the Financial Year ended March 31, 2015.

(₹ In Lac)

FINANCIAL RESULTS	Year ended 31 <sup>st</sup> March, 2015	Year ended 31 <sup>st</sup> March, 2014
<b>Profit before Depreciation</b>	<b>1,164.37</b>	<b>799.20</b>
Depreciation	70.71	47.22
<b>Profit before Tax</b>	<b>1,093.65</b>	<b>751.98</b>
Provision for tax	371.49	244.09
<b>Profit after Tax</b>	<b>722.16</b>	<b>507.89</b>
Balance brought forward from previous year	2,024.67	1,516.78
<b>Balance carried forward to Balance Sheet</b>	<b>2,737.33</b>	<b>2,024.67</b>

### OPERATIONS

During the year under review, the Company reported gross revenue from operations of ₹ 6,824.92 lac as against ₹ 6,048.19 lac during the FY 2013-14. The Company reported Profit Before Tax of ₹ 1,093.65 Lac and Profit After Tax of ₹ 722.16 Lac as against ₹ 751.98 Lac and ₹ 507.89 Lac respectively for the previous Financial Year.

### DIVIDEND

In order to conserve resources for the long term needs of the Company, your Directors do not recommend payment of any dividend for the year.

### REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company does not have any subsidiaries, associates or Joint ventures.

### BOARD OF DIRECTORS

During the financial year 2014-15, Ms. Suely Mori was appointed as an Additional Director of the Company w.e.f. February 13, 2015, and holds office as such upto the date of the ensuing Annual General Meeting of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 read with Article 137 of Articles of Association of Company. The Company has received a notice in writing

from one of its members proposing the candidature of Ms. Suely Mori for the office of Directorship pursuant to Section 160 of the Companies Act, 2013.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Peter Cartwright will retire at the ensuing Annual General Meeting of the Company and being eligible, offer himself for reappointment.

None of Directors are disqualified from being appointed / re-appointed as Directors of the Company as per the disclosure received from them pursuant to Section 164(2) of the Companies Act, 2013.

Your Board recommends the appointment / reappointment of the above Directors at the ensuing Annual General Meeting.

### DECLARATION GIVEN BY INDEPENDENT DIRECTORS

During the financial year under review, declarations were received from all Independent Directors of the Company that they satisfy the "criteria of Independence" as defined under Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013 read with the Schedules and Rules made thereunder.

### AUDITORS

#### STATUTORY AUDITORS

The Members at the 23<sup>rd</sup> Annual General Meeting ("AGM") had approved the appointment of M/s. Deloitte Haskins & Sells (Firm Registration No. No.117364W) as Statutory Auditors of your Company for a period of 3 years to hold office from the conclusion of the 23<sup>rd</sup> AGM until the conclusion of the 26<sup>th</sup> AGM. In terms of section 139 of the Companies Act, 2013 such appointment is subject to the ratification by the Members at each AGM. M/s Deloitte Haskins & Sells have confirmed their eligibility to act as the Auditors of your Company. Further, as required under Clause 49 of the Listing Agreement with Stock Exchanges, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Accordingly, your Directors seek ratification of the appointment of the Statutory Auditors for the financial year 2015-16

### SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company appointed M/S Dhrumil M Shah & Co, Practicing Company

Secretary, to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is enclosed as 'Annexure I' to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **STATUTORY AUDITORS' REPORT**

The Auditors' Report for the year ended March 31, 2015 does not contain any qualification, reservation or adverse remark.

### **COST AUDIT**

Pursuant to provisions of Rule 5 (1) and Rule 3 (B) of the Companies (Cost records and Audit) Rules, 2014, your Company is not required to conduct Cost Audit.

However the Company is required to maintain cost records.

Accordingly, your Company appointed B. F. Modi & Associates, Cost Accountants for maintenance of the Cost records.

### **AUDIT COMMITTEE**

Your Directors have, in compliance with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, constituted the Audit Committee of the Board. As on date, the members of the Audit Committee are Mr. Harish Narendra Motiwala (Chairman), Mr. Ashok Chhabra and Mr. Krishna Joshi.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2015, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and
- e. the directors, in the case of a listed company, had laid down internal financial controls to be followed by the

company and that such internal financial controls are adequate and were operating effectively.

- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **MANAGEMENT DISCUSSION & ANALYSIS**

A separate report on Management Discussion & Analysis is appended to this Annual Report and forms part of this Directors' Report.

### **CORPORATE GOVERNANCE**

In compliance with Clause 49 of the Listing Agreement, a detailed Report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from a Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is appended to this Annual Report and forms part of this Directors' Report.

### **RISK MANAGEMENT**

The Company recognizes risk management as an integral component of good corporate governance and fundamental in achieving its strategic and operational objectives. It improves decision-making, defines opportunities and mitigates material events that may impact shareholder value. The Board has also adopted a Risk Management Policy. The Company has adopted an enterprise wide framework that incorporates a system of risk oversight, risk management and internal control designed to identify, assess, monitor and manage risks consistent with the size of the business. Multibase applies risk management in a well-defined, integrated framework that promotes awareness of risks and understanding of the company's risk tolerances. The Risk Management Framework enables a systematic approach to risk identification, leverage of any opportunities and provides treatment strategies to manage, transfer and avoid risks.

### **INTERNAL AUDIT**

The Company continues to engage M/s. Mukund & Rohit, Chartered Accountants as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES**

Your Board of Directors during the year under review approved the Corporate Social Responsibility (CSR) Policy for your Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, based on the recommendations of the CSR Committee. The CSR Policy is available on the website of the Company <http://www.multibaseindia.com/financial-result/policies.htm>

As on date, the members of the CSR Committee are Mr. Harish Narendra Motiwalla (Chairman), Mr. Ashok Chhabra and Mr. Deepak Dhanak.

However the Company needs to plough back funds for business expenditure. The Company does not have sufficient reserves and hence has also not paid dividend to its shareholders. Hence the Board on the recommendation of the CSR committee in its meeting held on February 13, 2015 has decided that the company would not spend on CSR activities till the time the Company has sufficient reserves to pay dividend to shareholders.

A brief outline of the CSR Policy of the Company and the Annual Report on CSR activities as required by the Companies (Corporate Social Responsibility Policy) Rules 2014, are set out in 'Annexure II' to this Report.

## **CRITERIA FOR APPOINTMENT OF DIRECTORS AND RELATED MATTERS**

The criteria for appointment of directors, related matter and remuneration policy is provided in 'Annexure III' to this Report.

## **ANNUAL EVALUATION OF THE DIRECTORS AND THE BOARD**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance and the directors individually. The evaluation of the Chairman, non-independent directors and the Board was conducted at the Independent Directors meeting held on 16<sup>th</sup> March 2015. The criteria for evaluation is provided in 'Annexure III' of this report.

## **DETAILS WITH RESPECT TO THE PROGRAMME FOR FAMILIARISATION OF INDEPENDENT DIRECTORS**

The independent directors of the Company are informed about their roles, rights, responsibilities in the company,

nature of the industry in which the company operates, and related matters. The details of the familiarisation programme is uploaded on the website of the Company [www.multibaseindia.com](http://www.multibaseindia.com)

## **RELATED PARTY TRANSACTIONS**

All Related Party Transactions entered by the Company during the financial year were in the ordinary course of business and on an arm's length basis. There were no material related party transactions entered during the year as defined under Clause 49 of the Listing Agreement. In compliance with Clause 49 of the Listing Agreement the Company has adopted a policy to deal with related party transactions and for determining material subsidiary. The policy is on the website of the Company <http://www.multibaseindia.com/financial-result/policies.htm>

## **VIGIL MECHANISM POLICY:**

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Board of Directors in their meeting held on May 31, 2014 established the Vigil Mechanism Policy-Whistle Blower Policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

The employees of the Company have the right to report their concern or grievance to the Chairman of the Audit Committee. The Whistle Blower Policy is available on the website of the Company <http://www.multibaseindia.com/financial-result/policies.htm>

## **MEETINGS**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year seven Board Meetings and five Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under Clause 49 of the Listing Agreement.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

There were no significant/material orders passed by the regulators or courts or tribunals impacting the going concern status of your Company and its operations in future.

## **INSURANCE**

The properties, assets and inventories of your Company are adequately insured.

**INDUSTRIAL RELATION**

The Company considers human resources as its most critical asset and is putting in place various practices to ensure healthy work environment. Industrial relations continued to be cordial and harmonious throughout the year.

**DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014**

The ratio of remuneration of each director to median remuneration of the employees of the company for the financial year under review along with the disclosures as per Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 have been marked as 'Annexure IV'.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in 'Annexure V' which form parts of this Report.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT - 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are enclosed as 'Annexure VI' to this report.

**ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for the contributions made by the employees at all levels enabling the Company to achieve the performance during the year under review.

Your Directors thank the Central Government, Government of Diu & Daman Union Territory as also the Government agencies, bankers, local bodies, Registrar of Companies, stock exchanges, depositories, shareholders, customers, vendors, associates of the Company and other related organizations for their continuous co-operation and support in progress of the Company and also look forward to their continued confidence and trust in the Company.

**For and on Behalf of the Board**

sd/-	sd/-
<b>H. N. Motiwalla</b>	<b>Deepak Dhanak</b>
Non-executive Chairman	Managing Director

**Registered Office:**

74/5-6, Daman Industrial Estate,  
Kadaiya Village, Nani Daman,  
Daman and Diu, Union Territory,  
Pin – 396210.

Tel.: +91 260 6614400  
Fax: +91 260 2221578  
Email: [compliance.officer@multibaseindia.com](mailto:compliance.officer@multibaseindia.com)  
Website: [www.multibaseindia.com](http://www.multibaseindia.com)  
CIN:L01122DD1991PLC002959

Date : 4<sup>th</sup> August, 2015  
Place: Mumbai

## ANNEXURE I TO DIRECTORS' REPORT

### FORM NO MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

MULTIBASE INDIA LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MULTIBASE INDIA LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent of Foreign Direct Investment, overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India

(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- **Not Applicable for this financial year**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not Applicable for this financial year**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;- **Not Applicable**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable for this financial year**

and

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- **Not Applicable for this financial year.**
- vi) Other applicable laws to the Company as per the representation made by the Management.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- ii. The Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that** The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-



Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule Board and Committee Meetings. Agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting(s) and for meaningful participation at the meeting(s).

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and

operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Dhrumil M Shah & Co.**

Sd/-

**Dhrumil M Shah**  
**Company Secretary**  
CP 8978; FCS 8021

Place: Mumbai  
Date: 4<sup>th</sup> August, 2015

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

## ANNEXURE A

To,  
The Members,  
MULTIBASE INDIA LIMITED

My report of even date is to be read along with this letter:

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

- 4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For Dhrumil M Shah & Co.**

Sd/-

**Dhrumil M Shah**  
**Company Secretary**  
CP 8978; FCS 8021

Place: Mumbai  
Date: 4<sup>th</sup> August, 2015

## ANNEXURE II TO DIRECTORS' REPORT

### REPORT ON CSR ACTIVITIES

**1. Brief outline of the Company's CSR policy, including the overview or projects or programs proposed to be undertaken and a reference to the web-link of the CSR policy:**

The Company believes that Corporate Social Responsibility Policy is necessary for social and environmental wellbeing and essential for the sustainability of corporate actions. The policy covers the process the Company shall adopt regarding approval and spending of financial resources on CSR activities.

The CSR Committee of the Board shall recommend CSR expenditure on any of the prescribed activities in compliance of the provisions of Section 135 and Schedule VII of Companies Act 2013, read with Companies (Corporate Social Responsibility) Rules, 2014. CSR Committee shall give preference to local and areas around the Company's operations.

The CSR policy is available on the Company's website <http://www.multibaseindia.com/financial-result/policies.htm>

**2. Composition of CSR committee:**

As on date, the members of the CSR Committee are Mr. Harish Narendra Motiwala (Chairman), Mr. Ashok Chhabra and Mr. Deepak Dhanak.

**3. Average Net Profit of the Company for last three financial years: ₹ 5,72,99,305**

**4. Prescribed CSR expenditure (2 % of the amount as per item 3 above): ₹ 11,45,986**

**5. Details of CSR spent during the financial year:**

- a. Total amount spent for the financial years: NIL
- b. Amount unspent, if any:: ₹ 11,45,986
- c. Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where the projects or programs was undertaken	Amount outlay (budget) project or programs otherwise	Amount spent on the projects or programs sub heads (1) Direct expenditure on projects and programs 2) overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
	NIL	NIL	NIL	NIL	NIL	NIL	NIL

**6. Reasons for not spending two percent of the average net profit of the last financial years:**

The Company needs to plough back funds for business expenditure. The Company does not have sufficient reserves and hence has also not paid dividend to its shareholders. Hence the Board on the recommendation of the CSR committee at its meeting held on February 13,

2015 has decided that the company would not spend on CSR activities till the time the Company has sufficient reserves to pay dividend to shareholders.

**7. The implementation and monitoring of CSR policy would be in compliance with CSR objectives and policy of the Company.**

sd/-

**H. N. Motiwalla**

Chairman of  
CSR Committee

sd/-

**Deepak Dhanak**

Managing Director

Date : 4<sup>th</sup> August 2015

Place: Mumbai

## ANNEXURE III TO THE DIRECTORS' REPORT

A. The Nomination and Remuneration Committee in its meeting held on March 16, 2015 laid down the following criteria for appointment and removal of directors, KMPs, members of senior management.

**1. Criteria for appointment and removal of directors, KMPs, members of senior management as follows;**

- i. The candidate shall possess the necessary qualifications, professional/functional expertise, desired experience that the position to be filled may demand as may be specified from time to time by the NRC which will be in compliance with the applicable laws, policy of the Company, business needs, interest of the Company.
- ii. In addition to the above while recommending the appointment of directors NRC shall be guided by the diversity policy.
- iii. Removal decisions of the directors shall be guided by the disqualifications as may be prescribed under the provisions of the Companies Act, 2013 or applicable laws.
- iv. Removal decisions of the Key Managerial Personnel and Senior Management Personnel shall be guided by Code of Conduct Policy of the Company, or by virtue of disqualifications as may be prescribed under the provisions of the applicable laws.

**2. Criteria for evaluation of the directors, independent directors, and the Board;**

- a. Attendance at the meetings of the Board, Committee meetings and shareholders meetings.
- b. Contribution at the meetings
- c. Expert/Domain knowledge
- d. Decisions taken in the best interest of the company
- e. Adherence to the legal code of conduct
- f. Performance of the annual plan

**3. Criteria for determining qualifications, positive attributes and independence of a director as follows;**

- a. An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, marketing, corporate governance, operations or other disciplines related to the company's business.
- b. An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity

and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

- c. An Independent director should meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement as amended from time to time concerning independence of directors.

### B. REMUNERATION POLICY

#### 1. Introduction

The Company hereunder states the principles governing its remuneration programs. The remuneration policy is designed to attract, motivate and retain employees in a competitive market.

The Board of the Company has adopted the policy on the recommendation of the Nomination & Remuneration Committee. This Policy has been formulated in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

#### 2. Scope

This policy applies to employees below directors' level and to the directors of the Company.

#### 3. Definitions

- i. **"Nomination & Remuneration Committee"** means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchanges.
- ii. **"Board of Directors"** means the "Board of Directors" of Multibase India Limited.
- iii. **"Company"** means Multibase India Limited
- iv. **"Independent Director"** means a Director who satisfies the criteria of independence as prescribed under the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.
- v. **"Policy"** means Remuneration Policy.

#### 4. Policy framework:

The Company cares about its employees at all levels;

offers a competitive compensation package that includes base pay and goal driven incentive programs, which are based on philosophy of pay for performance, merit and retention. Its remuneration programs remain competitive among companies doing business where it operates.

The Company offers array of benefits choices in the area of health and well-being (healthy and fit employees work better); finances, professional development, and work-life balance (employee needs in respect of family, friends, emotional and social needs are recognised; happier employees mean happier career).

The Company evaluates employees purely on merit and performance as per the aligned benchmarks with a view to encourage higher contribution and long term continuation in the company.

The Company retains balance between fixed and variable pay as circumstances, financial performance or goals permits in line with the global policies of Dow Corning in this behalf. It helps the Company to arrive at compensation that is reasonable and sufficient to attract and retain, motivate employees in order to enhance performance and encourage healthy balance in decision making at all levels in the company.

Remuneration and rewards at levels below director levels are determined by the Managing Director in consultation with functional heads.

The appointment and removal of directors, KMPs and senior management shall be recommended by the Nomination and Remuneration Committee to the Board

Remuneration at Board level is determined by the Board on recommendation of Nomination & Remuneration Committee, which is guided by the principles of remuneration policy as above.

Required disclosures, if any, under the applicable provisions of law as above shall be made in the Annual Report.

## 5. Responsibilities & Monitoring

The Nomination and Remuneration Committee of the Board is responsible for monitoring compliance of this policy.

## 6. Policy Review

The Nomination & Remuneration Committee will review this policy from time to time as necessary and make recommendations regarding required changes to the Board for its consideration and approval.

## 7. Interpretation

In the event of any conflict between the provisions of this Policy and the Companies Act, 2013 and rules made there under or Clause 49 of the Listing Agreement or any other statutory enactments/ rules, the provisions of applicable Act or Listing Agreement or statutory enactment/s shall prevail over this Policy.

## 8. Amendment(s)

The Board of Directors may review or amend this policy, in whole or in part, from time to time, after taking into account the recommendations from the Nomination and Remuneration Committee.

## ANNEXURE IV TO DIRECTORS' REPORT

### DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

- I. The percentage increase in remuneration of the executive director, Chief Financial Officer and Company Secretary during the financial year 2014-15, the ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year and the comparison of remuneration of each Key Managerial personnel (KMP) against the performance of the Company is as under:

Sr. No.	Name	Designation	Remuneration (In ₹ Lacs) for F.Y. 2014-15 <sup>#</sup>	% increase in the remuneration for financial year 2014-15 <sup>#</sup>	Ratio of remuneration of director to median remuneration of employees	Comparison of the remuneration against the performance of the company
1.	Mr. Deepak Dhanak	Managing Director	34.11	33.17	10:1	Profit before tax increased by 45.44% and profit after tax increased by 42.18%
2.	Mr. Dharmesh Painter	Chief Financial officer	12.83	39.15	N.A.	
3.	Ms. Ameer Joshi <sup>1</sup>	Company Secretary	3.67	NA*	N.A.	
4.	Ms. Sunaina Goraksh <sup>2</sup>	Company Secretary	1.73	NA*	N.A.	

<sup>1</sup> Resigned w.e.f 1<sup>st</sup> October 2014

<sup>2</sup> Appointed w.e.f 12<sup>th</sup> January 2015

<sup>#</sup> Includes increase on fixed remuneration, variable pay and promotion increases as per the remuneration policy of the Company

\* Employed only for part of the year.

- II. The median remuneration of employees during the financial years was ₹ 3,74,101
- III. There were 40 permanent employees on the rolls of the Company as on March 31, 2015
- IV. In the financial year there was an increase of 5% in the median remuneration.
- V. Relationship between average increase in remuneration and company performance: The Profit before tax for the financial year ended March 31, 2015 increased by 45.44% whereas the increase in average remuneration was 10%.
- VI. Comparison of remuneration of the key managerial personnel(s) against the performance of the Company: The total remuneration of Key managerial personnel increased by 27% from ₹ 41.35 lacs in 2013-14 to ₹ 52.34 lacs in 2014-15 whereas the profit before tax increased by 45.44 % to ₹ 1,093.65 Lac (₹ 751.98 Lac in F.Y. 2013-14)
- VII. A) Variations in the market capitalization of the Company: The market capitalization as on March 31, 2015 was ₹ 30,199.66 lacs (FY. 2013-14 ₹ 4,997.52 lacs)
- B) Price earnings ratio of the Company was 41.78 as at 31<sup>st</sup> March 2015 and was 9.85 as at 31<sup>st</sup> March 2014.
- C) The Company had come out with initial public offer (IPO) in 1993. An amount of ₹ 1,000 invested in the said IPO would be worth ₹ 23,900 as on 31<sup>st</sup> March, 2015 indicating an increase of 239 times over the IPO price.
- VIII. Average increase made in the salaries of employees other than the managerial personnel in the financial year 2014-15 was 7% and average increase in the managerial remuneration for the financial year 2014-15 was 13%.
- IX. The key parameters for the variable component of remuneration availed by the directors: The variable component is paid as per the remuneration policy of the Company.
- X. There are no employees of the Company who receive remuneration in excess of the highest paid director of the Company.
- XI. It is hereby affirmed that the remuneration is paid as per the remuneration policy of the company.



**ANNEXURE V TO THE DIRECTORS' REPORT**  
**DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013**  
**READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014**

**A. CONSERVATION OF ENERGY:**

1)	the steps taken or impact on conservation of energy;	Electricity – The company has put a Program in place to reduce Units per Kgs . The Diesel consumption is reduced by having weekly off on power staggering days. The Company has also identified a Water recycling project.
2)	the steps taken or impact on conservation of energy;	The Variable frequency drives are replaced to reduce 20% electricity consumption. The Tubelights (40 W) are replaced with CFL (18 W) in office . Fork truck uses is under monitoring.
3)	the capital investment on energy conservation equipments;	The Company has made capital instrument in VFD panel for high speed, 40 W feeder is replaced. Spare Equipment to support change over activity resulting in downtime reduction as well as capacity utilization and productivity improvement.

**B. TECHNOLOGY ABSORPTION:**

1)	the efforts made towards technology absorption	The Company plans installation of New R & D Extrusion machine with upgraded technology and New Rehometer lab testing equipment for Silicon Testing.
2)	the benefits derived like product improvement, cost reduction, product development or import substitution	The company has upgraded product performance, identified different product mix and Improved consistency.
3)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NA
	A. the details of technology imported;	
	B. the year of import;	
	C. whether the technology been fully absorbed;	
	D. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
	E. expenditure incurred on Research and Development	

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

(₹ in Lacs)

	<b>FY 2014-15</b>	<b>FY 2013-14</b>
Actual foreign exchange earnings	477.11	456.90
Actual foreign exchange outgo	1994.50	2241.01

**ANNEXURE VI TO DIRECTORS' REPORT****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.**I. REGISTRATION & OTHER DETAILS:**

i)	CIN	L01122DD1991PLC002959
ii)	Registration Date	17/12/1991
iii)	Name of the Company	MULTIBASE INDIA LIMITED
iv)	Category / Sub-category of the Company	Company limited by shares
v)	Address of the Registered office & contact details	74/5-6, Daman Industrial Estate, Kadaiya, Nani Daman – 396210 (U.T)
vi)	Whether listed company	Listed
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, LBS Road, Bhandup (W), Mumbai – 400 078 Tel No.: +91 22 2596 3838 Fax No.: +91 22 25946969 Email:rnt.helpdesk@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the Company)

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service
1	Rubber and plastics	20133

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Multibase SA-Z.I.Chartreuse Guiers, 38380, Entre Deux Guiers,France	N.A.	Holding	75	2(46)

**IV. Shareholding Pattern (Equity Share Capital Break-up as Percentage of Total Equity)****i) Categorywise shareholding**

	At the beginning of the year					At the end of the year				
Category code	Category of Shareholder	No. of shares at the beginning of the year								% change during the year
		Demat	Physical shares	Total no. of shares	% of total shares	Demat	Physical shares	Total no. of shares	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER AND PROMOTER GROUP									
[1]	INDIAN									
a	INDIVIDUALS / HINDU UNDIVIDED FAMILY	0	0	0	0.00	0	0	0	0.00	0
b	CENTRAL GOVERNMENT / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0
c	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0
d	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0
e	ANY OTHER (SPECIFY)	0	0	0	0.00	0	0	0	0.00	0
	Sub Total	0	0	0	0.00	0	0	0	0.00	0
[2]	FOREIGN									
a	INDIVIDUALS (NON-RESIDENT INDIVIDUALS / FOREIGN INDIVIDUALS)	0	0	0	0.00	0	0	0	0.00	0
b	BODIES CORPORATE	94,64,994	0	94,64,994	75.00	94,64,994	0	94,64,994	75.00	0
c	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0
d	QUALIFIED FORE. INVESTOR-CORPORATE	0	0	0	0.00	0	0	0	0.00	0
e	QUALIFIED FORE.INVESTOR-INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0
f	ANY OTHER (SPECIFY)	0	0	0	0.00	0	0	0	0.00	0
	Sub Total	94,64,994	0	94,64,994	75.00	94,64,994	0	94,64,994	75.00	0
	Total (A)	94,64,994	0	94,64,994	75.00	94,64,994	0	94,64,994	75.00	0
(B)	PUBLIC SHAREHOLDING									
[1]	INSTITUTIONS									
a	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0
b	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0
c	CENTRAL GOVERNMENT / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0
d	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0
e	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	
f	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.00	26,855	0	26,855	0.21	0
g	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0
h	QUALIFIED FOREIGN INVESTOR-CORPORATE	0	0	0	0.00	0	0	0	0.00	0
i	QUALIFIED FOREIGN INVESTOR-INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0
j	ANY OTHER (SPECIFY)	0	0	0	0.00	0	0	0	0.00	0
	Sub Total	0	0	0	0.00	26,855	0	26,855	0.21	0

	At the beginning of the year					At the end of the year				
Category code	Category of Shareholder	No. of shares at the beginning of the year								% change during the year
		Demat	Physical shares	Total no. of shares	% of total shares	Demat	Physical shares	Total no. of shares	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
[2]	NON-INSTITUTIONS									
a	BODIES CORPORATE	2,42,338	2,800	2,45,138	1.94	2,02,424	2,800	2,05,224	1.63	-0.31
b	INDIVIDUALS									
	INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO ₹ 1 LAKH.	9,85,844	4,65,805	14,51,649	11.50	13,09,959	4,57,205	17,67,164	14.00	2.50
	INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF ₹ 1 LAKH	11,91,059	0	11,91,059	9.44	7,89,193	0	7,89,193	6.25	-3.19
c	QUALIFIED FORE. INVESTOR-CORPORATE	0	0	0	0.00	0	0	0	0.00	0
d	QUALIFIED FORE.INVESTOR-IND	0	0	0	0.00	0	0	0	0.00	0
e	ANY OTHER (SPECIFY)									
(i)	CLEARING MEMBER	4,444	0	4,444	0.04	48,456	0	48,456	0.38	0.34
(ii)	OFFICE BEARERS	0	2,600	2,600	0.02	0	2,600	2,600	0.02	0
(iii)	NON RESIDENT INDIANS (REPAT)	27,066	0	27,066	0.21	70,795	0	70,795	0.57	0.36
(iv)	NON RESIDENT INDIANS (NON REPAT)	30,450	1,88,800	2,19,250	1.74	42,119	1,88,800	2,30,919	1.83	0.09
(v)	FRIENDS & ASSOCIATES	0	13,800	13,800	0.11	0	13,800	13,800	0.11	0
(vi)	TRUSTS	0	0	0	0.00	0	0	0	0.00	0
	Sub Total	24,81,201	6,73,805	31,55,006	25.00	24,62,946	6,65,205	31,28,151	25.00	-0.21
	Total (B)	24,81,201	6,73,805	31,55,006	25.00	24,89,801	6,65,205	31,55,006	25.00	0
	Total (A)+(B)	119,46,195	6,73,805	126,20,000	100.00	1,19,54,795	6,65,205	1,26,20,000	100.00	0
(C)	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED	0	0	0	0.00	0	0	0	0.00	0
1	PROMOTER AND PROMOTER GROUP	0	0	0	0.00	0	0	0	0.00	0
2	PUBLIC	0	0	0	0.00	0	0	0	0.00	0
	SHARES HELD BY CUSTODIANS	0		0	0.00	0	0	0	0.00	0
	Sub Total	0		0	0.00	0	0	0	0.00	0
	Total (C)	0		0	0.00	0	0	0	0.00	0
	Total (A)+(B)+(C)	119,46,195	6,73,805	1,26,20,000	100.00	1,19,54,795	6,65,205	1,26,20,000	100.00	0

**ii. SHAREHOLDING OF PROMOTERS**

Sr. No.	NAME OF THE SHAREHOLDER	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	MULTIBASE SA	94,64,994	75	0	94,64,994	75	0	0
	<b>Total :</b>	<b>94,64,994</b>	<b>75</b>	<b>0</b>	<b>94,64,994</b>	<b>75</b>	<b>0</b>	<b>0</b>

**iii. CHANGE IN SHAREHOLDING OF PROMOTERS**

		Shareholding at the beginning of the year			Shareholding at the end of the year			
Sr. No.	NAME OF THE SHAREHOLDER	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	% change in shareholding during the year
Nil movement during the year								

**iv. SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS (other than Directors and promoters and holders of GDRS & ADRs)**

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning of (01.04.14)/ end of the year (31.03.2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Marwadi Shares and Finance Ltd.*	0	0	01.04.2014	0		0	
				09.05.2014	100	Purchase	100	0.00
				30.05.2014	(100)	Sale	0	0.00
				11.07.2014	5,000	Purchase	5,000	0.03
				25.07.2014	5,000	Purchase	10,000	0.07
				08.08.2014	100	Purchase	10,100	0.08
				12.09.2014	2,050	Purchase	12,150	0.09
				19.09.2014	(9,200)	Sale	2,950	0.02
				30.09.2014	1,000	Purchase	3,950	0.03
				03.10.2014	100	Purchase	4,050	0.03
				17.10.2014	550	Purchase	4,600	0.04
				24.10.2014	(100)	Sale	4,500	0.04
				31.10.2014	(50)	Sale	4,450	0.03
				07.11.2014	(2,850)	Sale	1,600	0.01
				14.11.2014	1,500	Purchase	3,100	0.02
				28.11.2014	1,000	Purchase	4,100	0.03
				05.12.2014	5,975	Purchase	10,075	0.07
				12.12.2014	30,486	Purchase	40,561	0.32
				19.12.2014	50	Purchase	40,611	0.32
				31.12.2014	349	Purchase	40,960	0.32
				02.01.2015	(38)	Sale	40,922	0.32
				09.01.2015	(1,270)	Sale	39,652	0.31
				16.01.2015	12,180	Purchase	51,832	0.41
				23.01.2015	14,015	Purchase	65,847	0.52
				30.01.2015	2,280	Purchase	68,127	0.53



Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning of (01.04.14)/ end of the year (31.03.2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
				06.02.2015	510	Purchase	68,637	0.54
				13.02.2015	(32,478)	Sale	36,159	0.28
				20.02.2015	(6,149)	Sale	30,010	0.23
				27.02.2015	(1,675)	Sale	28,335	0.22
				06.03.2015	545	Purchase	28,880	0.22
				13.03.2015	204	Purchase	29,084	0.23
				20.03.2015	160	Purchase	29,244	0.23
				27.03.2015	(1,539)	Sale	27,705	0.21
		33,069	0.26	31.03.2015	5,364	Purchase	33,069	0.26
2	Dipak Kanyalal Shah	126,000	0.99	01.04.2014				
				11.07.2014	300	Purchase	126,300	1.00
				12.09.2014	200	Purchase	126,500	1.00
				24.10.2014	500	Purchase	127,000	1.01
		127,000	1.01	31.03.2015				
3	Finquest financials solutions Pvt. Ltd	53,000	0.42	01.04.2014				
				09.05.2014	(53,000)	Sale	0	0.00
		0	0	31.03.2015				
4	Harsha Hitesh Javeri	175,000	1.38	01.04.2014				
				30.05.2014	(170,000)	Sale	5,000	0.04
				01.08.2014	(1,550)	Sale	3,450	0.03
		3,450	0.03	31.05.2015				
5	Hitesh Ramji Javeri	275,000	2.18	01.04.2014				
				30.05.2014	(34,077)	Sale	240,923	1.91
				06.06.2014	(54,667)	Sale	186,256	1.48
				13.06.2014	(11,615)	Sale	174,641	1.38
				04.07.2014	(24,641)	Sale	150,000	1.19
				11.07.2014	(73,809)	Sale	76,191	0.60
				18.07.2014	(75,959)	Sale	232	0.00
				12.09.2014	(232)	Sale	0	0.00
				19.09.2014	232	Purchase	232	0.00
				03.10.2014	(232)	Sale	0	0.00
				10.10.2014	232	Purchase	232	0.00
		0	0	31.03.2015				
6	Ketanbhai Narshi Gada*	0	0	01.04.2014				
				31.10.2014	29,919	Purchase	29,919	0.24
		29,919	0.24	31.03.2015				
7	LSE Securities Ltd	31,589	0.25	01.04.2014				
				02.05.2014	1,000	Purchase	32,589	0.26
				16.05.2014	821	Purchase	33,410	0.26
				23.05.2014	(100)	Sale	33,310	0.26
				30.05.2014	200	Purchase	33,510	0.27
				06.06.2014	(147)	Sale	33,363	0.26
				11.07.2014	(3,558)	Sale	29,805	0.24

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning of (01.04.14)/ end of the year (31.03.2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
				18.07.2014	100	Purchase	29,905	0.24
				25.07.2014	300	Purchase	30,205	0.24
				01.08.2014	1,000	Purchase	31,205	0.25
				08.08.2014	300	Purchase	31,505	0.25
				15.08.2014	(2,500)	Sale	29,005	0.23
				22.08.2014	(1,400)	Sale	27,605	0.22
				05.09.2014	(112)	Sale	27,493	0.22
				19.09.2014	1,400	Purchase	28,893	0.23
				07.11.2014	(300)	Sale	28,593	0.23
				14.11.2014	(1,988)	Sale	26,605	0.21
				21.11.2015	(1,400)	Sale	25,205	0.20
				28.11.2015	(5,403)	Sale	19,802	0.16
				05.12.2014	(4,400)	Sale	15,402	0.12
				12.12.2014	(3,150)	Sale	12,252	0.10
				31.12.2014	(317)	Sale	11,935	0.09
				02.01.2015	(25)	Sale	11,910	0.09
				09.01.2015	(955)	Sale	10,955	0.09
				16.01.2015	(5,443)	Sale	5,512	0.04
				23.01.2015	(310)	Sale	5,202	0.04
				06.02.2015	2300	Sale	7,502	0.06
				13.02.2015	(705)	Sale	6,797	0.05
				20.02.2015	(1,995)	Sale	4,802	0.04
				27.02.2015	400	Purchase	5,202	0.04
				06.03.2015	2,225	Purchase	7,427	0.06
				13.03.2015	(106)	Sale	7,321	0.06
				20.03.2015	(1,600)	Sale	5,721	0.05
				27.03.2015	(714)	Sale	5,007	0.04
		5,007	0.04	31.03.2015				
8	Mamtha A Muthaa	34,025	0.27	01.04.2014		NIL movement during the year	34,025	0.27
		34,025	0.27	31.03.2015				
9	Mangla Shantilal Gada	1,06,812	0.85	01.04.2014				
				02.05.2014	(47,580)	Sale	59,232	0.47
				09.05.2015	(5,199)	Sale	54,033	0.43
				10.10.2014	(2,200)	Sale	51,833	0.41
				31.10.2014	800	Purchase	52,633	0.42
				05.12.2014	(11500)	Sale	41,133	0.33
		41,133	0.33	31.03.2015				
10	Rajesh Poonamchand Maru*	0	0.00	01.04.2014				
				30.05.2014	25,000	Purchase	25,000	0.20
				19.09.2014	5,000	Purchase	30,000	0.24
		30,000	0.24	31.03.2015				

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning of (01.04.14)/ end of the year (31.03.2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
11	Samir Jitendra Javeri*	0	0.00	01.04.2014				
				11.07.2014	24,902	Purchase	24,902	0.20
				25.07.2014	10,000	Purchase	34,902	0.28
				12.09.2014	10,092	Purchase	44,994	0.36
				03.10.2014	6	Purchase	45,000	0.36
		45,000	0.36	31.03.2015				
12	Sangeeta Gupta	22,377	0.18	01.04.2014				
				25.04.2014	(1,477)	Sale	20,900	0.17
				02.05.2014	(200)	Sale	20,700	0.16
				23.05.2014	(200)	Sale	20,500	0.16
				13.06.2014	1,500	Purchase	22,000	0.17
				20.06.2014	1,000	Purchase	23,000	0.18
				04.07.2014	(3,000)	Sale	20,000	0.16
				11.07.2014	(1,000)	Sale	19,000	0.15
				18.07.2014	400	Purchase	19,400	0.15
				25.07.2014	(700)	Sale	18,700	0.15
				01.08.2014	300	Purchase	19,000	0.15
				08.08.2014	700	Purchase	19,700	0.16
				15.08.2014	1,477	Purchase	21,177	0.17
				22.08.2014	223	Purchase	21,400	0.17
				29.08.2014	2,878	Purchase	24,278	0.19
				02.09.2014	4,222	Purchase	28,500	0.23
				19.09.2014	240	Purchase	28,740	0.23
				30.09.2014	3,520	Purchase	32,260	0.26
				03.10.2014	2	Purchase	32,262	0.26
				10.10.2014	(545)	Sale	31,717	0.25
				24.10.2014	3,283	Purchase	35,000	0.28
				31.10.2014	200	Purchase	35,200	0.28
				07.11.2014	(500)	Sale	34,700	0.28
				14.11.2014	(4,700)	Sale	30,000	0.24
				21.11.2014	(1,000)	Sale	29,000	0.23
				28.11.2014	4000	Purchase	33,000	0.26
				05.12.2014	(3,000)	Sale	30,000	0.24
				12.12.2014	(300)	Sale	29,700	0.24
				19.12.2014	100	Purchase	29,800	0.24
				09.01.2015	(800)	Sale	29,000	0.23
				23.01.2015	1,760	Purchase	30,760	0.24
				30.01.2015	835	Purchase	31,595	0.25
				13.02.2015	289	Purchase	31,884	0.25
				20.02.2015	(885)	Sale	30,999	0.25
				06.03.2015	452	Purchase	31,451	0.25
				13.03.2015	353	Purchase	31,804	0.25
				20.03.2015	1,196	Purchase	33,000	0.26
				27.03.2015	2,500	Purchase	35,500	0.28
		35,500	0.28	31.03.2015				

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2014 to 31.03.2015)	
		No. of shares at the beginning of (01.04.14)/ end of the year (31.03.2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
13	Savitri Shahu Gavde	33,347	0.26	01.04.2014				
				30.05.2014	(25,000)	Sale	8347	0.07
				11.07.2014	(8,347)	Sale	0	0.00
		0	0.00	31.03.2015				
14	Shantilal Narshi Gada	83,665	0.66	01.04.2014				
				09.05.2014	(3,665)	Sale	80,000	0.63
				30.05.2014	(25,000)	Sale	55,000	0.44
		55,000	0.44	31.03.2015				
15	Umang M Shah*	0	0.00	01.04.2014				
				13.02.2015	25,000	Purchase	25,000	0.20
				20.02.2015	5,650	Purchase	30,650	0.24
				27.03.2015	9,649	Purchase	40,299	0.32
		40,299	0.32	31.03.2015				

\* Not in the list of top 10 shareholders as on 1<sup>st</sup> April, 2014. The same has been reflected above since the shareholders was one of the top ten shareholder as on 31<sup>st</sup> March, 2015.

**v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL \***

Sr. No.	For each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Deepak Dhanak (At the end of the year or on the date of separation)(31.03.2015)	1	0	1	0
2	Peter cartwright (At the end of the year or on the date of separation)(31.03.2015)	0	0	0	0
3	Suely Mori <sup>1</sup> (At the end of the year or on the date of separation) (31.03.2015)	NA	NA	0	0
4	Krishna Joshi (At the end of the year or on the date of separation) (31.03.2015)	0	0	0	0
5	Harish N Motiwalla (At the end of the year or on the date of separation)(31.03.2015)	0	0	0	0
6	Ashok Chhabra (At the end of the year or on the date of separation)(31.03.2015)	0	0	0	0
7	Dharmesh painter (At the end of the year or on the date of separation)(31.03.2015)	0	0	1	0
8	Amees Joshi <sup>2</sup> (At the end of the year or on the date of separation) (30.09.2014)	1	0	1	0
9	Sunaina Goraksh <sup>3</sup> (At the end of the year or on the date of separation)(31.03.2015)	NA	NA	0	0

<sup>1</sup> Appointed as additional director w.e.f. 13<sup>th</sup> February 2015

<sup>2</sup> Resigned as the Company Secretary w.e.f. 1<sup>st</sup> October 2015

<sup>3</sup> Appointed as the Company Secretary w.e.f. 12<sup>th</sup> January 2015

\* There was NIL movement in the shares held by Directors and Key Managerial Personnel.

**V. Indebtedness: Indebtedness of the company including interest outstanding/accrued but not due for payment**

Sr. No.	Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
	Indebtedness at the beginning of the financial year	0	0	0	0
i	Principal Amount	0	0	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	<b>Total(i + ii + iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Net change in indebtedness during the financial year	0	0	0	0
	Indebtedness at the end of the financial year	0	0	0	0
i	Principal Amount	0	0	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	<b>Total(i + ii + iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A) REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTOR AND/OR MANAGER**

(Amount in ₹)

		Name of managing Director/Whole-time Director(s)	
Sr. No.	Particulars of Remuneration	Deepak Dhanak Managing Director	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	33,89,622	33,89,622
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	21,600	21,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit		
	- others, specify	0	0
5	Others, please specify	0	0
	<b>Total</b>	<b>34,11,222</b>	<b>34,11,222</b>
	Ceiling as per the Companies Act	₹ 54,32,765 (being 5% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)	



**B) REMUNERATION TO OTHER DIRECTORS**

(Amount in ₹)

Sr.No	Particulars of remuneration	Name of Directors	Total Amount
<b>1</b>	<b>Independent Directors</b>		
	For attending Board/committee meetings (Seating Fees)	Harish Motiwalla	5,20,000
		Ashok Chhabra	5,00,000
	Commission	NIL	NIL
	Others, please specify	NIL	NIL
	<b>Total (1)</b>		<b>10,20,000</b>
<b>2</b>	<b>Other Non-Executive Directors</b>	<b>Name of Directors</b>	<b>Total Amount</b>
	For attending Board/committee meetings	Krishna Joshi	0
		Peter cartwright	0
		Suely Mori	0
	Commission	NIL	NIL
	Others, please specify	NIL	NIL
	<b>Total (2)</b>		<b>0</b>
	<b>Total (1 + 2)</b>		<b>10,20,000</b>
	Total managerial remuneration		34,11,222
	Overall ceiling as per Act		1,19,52,083

**C) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Amount in ₹)

SN	Particulars of Remuneration	Key Managerial Personnel		Company Secretary
		Chief Financial Officer	Company Secretary	
1	Gross salary	Dharmesh painter	Amees Joshi <sup>1</sup>	Sunaina Goraksh <sup>2</sup>
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,83,301	3,67,974	1,73,920
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0		0
	- others, specify	0	0	0
5	Others, please specify	0	0	0
	<b>Total</b>	<b>12,83,301</b>	<b>3,67,974</b>	<b>1,73,920</b>

<sup>1</sup> Resigned w.e.f. 1<sup>st</sup> October 2014<sup>2</sup> Appointed w.e.f 12<sup>th</sup> January 2015

**VII. Penalties/Punishment/Compounding of offences**

Type	Section of the Companies Act	Brief Description	Details of penalties/ Punishment/compounding of fees imposed	Authority(RD/ NCLT/ COURT)	Appeals made, if any(give details)
<b>A. COMPANY</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL				
Punishment					
Compounding					

## MANAGEMENT DISCUSSION AND ANALYSIS

### CAVEAT

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and Readers are cautioned that in the case of data and information external to the Company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Further, utmost care has been taken to ensure that the opinion expressed therein contain its perceptions on most of the important trends having a material impact on the Company's operations.

The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic and increasingly fraught with risk and uncertainties. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report, consequent to new information, future events, or otherwise. Estimation and expectation made in the Report may differ from actual performance due to various Economic conditions, Government Policies and other related factors.

### BACKGROUND & INDUSTRY OUTLOOK

Year under review started with the backdrop of the markets recovering from the slow-down. The Company increased its presence in the Automotive (safety and non safety products) and Silicon based thermoplastics segment. The Company prioritized its focus on Silicon-enhanced products and identified new opportunities in Engineering polymer markets. Thermoplastic Elastomers sales in India continued to grow at a steady rate by converting some of the non TPE applications to TPE. The company managed to hold the margins in an increasingly competitive market and during the global economy slowdown through a mix of innovative products, selective price increase and qualifying alternate raw materials.

### OVERVIEW

It has been recognized world over that India is one of the fastest growing economies. The relevant markets for Multibase are growing steadily and we expect that the Company will benefit from this. The business prospects for the Company are good with increased volumes in these market segments. Increased competition and uncertainty in the world petrochemical markets could put some pressure on margins, since there could be the double effect of raw material price rises as well as pressure from competition. Company produces a range of both commodity and specialty products which are used in a wide range of applications in markets such as Automotive, Personal Care, Personal hygiene, Stationery, Telecommunications and Engineering Polymers etc. The Company continuously develops new generation products through its modern R & D plant in Daman to stay ahead of the competition. Global grades are now being produced in Daman to address the requirement of Automotive sector.

### FINANCIAL REVIEW

The overall performance of the Company for the current financial year improved as compared to previous financial year in spite of various challenges faced during the year such as overall slow-down of economy, high inflation and increase of prices of imported raw materials and commodities globally. During the year under review, the Company reported gross revenue from operations of ₹ 6824.92 lac as against ₹ 6048.19 lac during the FY 2013-14. The Company reported Profit Before Tax of ₹ 1093.65 Lac and Profit After Tax of ₹ 722.16 Lac as against ₹ 751.98 Lac and ₹ 507.89 Lac respectively for the previous Financial Year.

### RISKS AND CONCERNS

The threats faced by your Company in achieving its future targets may be due to pressure on pricing due to severe competition and aggressive posturing by competition; both domestic and international. This may affect the margins to an extent. In addition, the uncertainty in the global political, economic and stock market scenarios affected the cost of the raw materials used by the Company. We expect our eminent position as the leading supplier of these products due to our ability in identifying and meeting the customers' expectation in terms of quality, fast reaction time, new developments etc.

The Risk, which the Indian Plastics Industry foresees are possible slow down of Indian and global economy, myths and misconceptions about plastics and its impact on environment and increased competition from the foreign manufacturers. The other risk which prevails in the industry are high fluctuations in the prices of raw materials, technology obsolescence and competition from the global players.

The Company being a part of Dow Corning Corporation, has always come out with positive mitigations against such risks and has been successful in maintaining its leadership position.

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Industrial relations with workmen during the year were normal. The Directors place on record their appreciation for the sincere and efficient services rendered by the executives, staff and workmen of the Company and are confident that they will continue to the Company's prosperity and growth.

### INTERNAL CONTROL SYSTEMS

The Company has put in place adequate system of internal control measures in all risk areas, implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws.

These measures are in the form of procedures / processes set by the management covering all critical and important areas. These controls are periodically updated and are subject to review by internal auditors. Internal audit function has been outsourced to independent firm of Chartered Accountants who submit quarterly reports to the Board. The Audit Committee of Directors reviews the report of the Internal Auditors and recommends steps to be taken to tighten up internal controls.

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

### 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 Corning Corporation, your Company is in addition guided by the Dow Corning 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 Clause 49 of the Listing Agreement entered into with Stock Exchange. 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. The Chairman of the Board is selected at every Board meeting by the Board amongst the Independent Directors of the Company.

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, 2015:

Sr. No.	Name of the Director	Category	No. of Board Meeting during the tenure of Directors in FY 2014-15		Attendance at the last AGM held on 24.09.2014	Directorship in other public companies <sup>1</sup>	Committee position held in other public companies <sup>2</sup>	
			Held	Attended			Chairman	Member
1	Mr. Deepak Dhanak Managing Director (DIN: 03157491)	Executive	7	7	Yes	-	-	-
2	Mr. Harish Narendra Motiwalla (DIN: 00029835)	Independent	7	7	Yes	8	2	3
3	Mr. Ashok Chhabra (DIN: 00059677)	Independent	7	6	Yes	-	-	-
4	Mr. Krishna Joshi (DIN: 00339957)	Non-Executive	7	7	Yes	-	-	-
5	Ms. Suely Mori <sup>3</sup> (DIN 07046468)	Non-Executive	2	-	NA	-	-	-
6	Mr. Peter Cartwright (DIN 06797101)	Non-Executive	7	2	NO	-	-	-

<sup>1</sup> Directorship held in Private Companies, Section 25 Companies and Foreign Companies is not included.

<sup>2</sup> Only Audit Committee and Stakeholder Relationship Committee are taken into consideration as per the provisions of Clause 49 of Listing Agreement. 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.

<sup>3</sup> Appointed as Additional Director w.e.f. February 13, 2015.

- 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 2014-15, the Board of Directors of your Company met 7 times on 07/05/2014, 31/05/2014, 05/08/2014, 24/09/2014, 11/11/2014, 13/02/2015 and 16/03/2015.

The intervening period between any two meetings did not exceed more than 4 months as prescribed under Clause 49 of the Listing Agreement.

- 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 Annexure IA of the Clause 49 of the Listing Agreement 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 2014-15 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](http://www.multibaseindia.com)

### III. Audit Committee

- i) Composition of the Audit Committee, particulars of meetings held and attended during the year 2014-15:

The composition of the Audit Committee is in conformity with Clause 49 of the Listing Agreement 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
Mr. Krishna Joshi	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. The Chairman of the Audit Committee was present at the previous Annual General Meeting held on 24<sup>th</sup> September, 2014.

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 2014-15:

During the year 2014-15, five 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				
		31/05/2014	05/08/2014	11/11/2014	13/02/2015	16/03/2015
1	Mr. Harish Narendra Motiwalla	Present	Present	Present	Present	Present
2	Mr. Ashok Chhabra	Present	Present	Present	Present	Present
3	Mr. Krishna Joshi	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 Clause 49 of the Listing

Agreement and enhanced terms as approved at the Board Meeting held on 31<sup>st</sup> May, 2014 to comply with provisions of 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.



**IV. Nomination and Remuneration Committee (Earlier known as Remuneration Committee)**

The Board of Directors, at their meeting held on May 31, 2014, renamed the Committee as “Nomination and Remuneration Committee” and enhanced its terms of reference pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 (IV) of the Listing Agreement.

- i) Composition of the Nomination and Remuneration Committee, particulars of meetings held and attended during the year 2014-15:

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

Name	Position Held	Category
Mr. Harish Narendra Motiwalla	Chairman	Non-Executive Independent Director
Mr. Ashok Chhabra	Member	Non-Executive Independent Director
Mr. Krishna Joshi	Member	Non-Executive Director

The Company Secretary acts as the Secretary to the Committee.

During the year 2014-15, 2 meetings of Nomination and Remuneration Committee were held on 13/2/2015 and 16/03/2015 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. Formulate the criteria for evaluation of independent directors and the Board.
7. Devise a policy regarding observance of principles of diversity in the composition of the Board.
8. Carrying out such other function as may be necessary or incidental to the above under Companies Act, 2013, Listing Agreement, 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 2014-15, Mr. Deepak Dhanak, Managing Director was paid ₹ 33.89 Lac as Salary, and ₹ 0.22 Lac as Perquisites. He does holds 1(one) equity share in the Company as on March 31, 2015. His tenure is of 3 years commencing from March 2, 2014 till March 1, 2017. 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 2014-15 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, 2015
Mr. Harish Narendra Motiwalla	-	5,20,000	NIL
Mr. Ashok Chhabra	-	5,00,000	NIL
Ms. Suely Mori <sup>1</sup>	-	0	NIL
Mr. Krishna Joshi	-	0	NIL
Mr. Peter Cartwright	-	0	NIL

<sup>1</sup> Appointed as Additional Director w.e.f. February 13, 2015.

Except of Mr. Harish Narendra Motiwalla and Mr. Ashok Chhabra, none other Non-Executive Directors were paid any Sitting Fees during FY 2014-15 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 Board of Directors, at their meeting held on May 31, 2014, renamed the Committee as "Stakeholders Relationship Committee" and enhanced its terms of reference pursuant to the provisions of Section 178 of the Companies Act, 2013.

i) The Committee as of March 31, 2015 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) Name, Designation and Address of Compliance Officer:

Ms. Sunaina Goraksh  
Company Secretary  
5<sup>th</sup> Floor, SCORPIO HOUSE, Opposite Galleria  
Hiranandani Business Park, Powai, Mumbai – 400 076

iii) Procedure for approval and details of meetings and attendance during the year 2014-15:

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 w.e.f. August 14, 2012 provided a prior written intimation of such requests is sent to the Company Secretary for confirmation before processing the requests. The request 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 2014-15, four meetings were held and attended by the members as per the details given below:

Sr. No.	Name of Member	Meetings / Attendance			
		31/05/2014	05/08/2014	11/11/2014	13/02/2015
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

## iv) Terms of reference:

- a) To look into the redressal of shareholders and investors complaints like non-receipt of notices / annual reports, non-receipt of declared dividends, non-receipt of share certificates, etc;
- b) To approve and register share transfer and transmission;
- c) To expedite the process of dematerialization and / or rematerialisation of shares;
- d) To take on record the Certificate taken under Clause 47 (c) of the Listing Agreement from Practising Company Secretary;
- e) To take on record the Reconciliation of Share Capital Audit Report submitted by Practising Company Secretary every quarter.

## 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 2014-15 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 Share Certificates	NIL	NIL	NIL	NIL
Non-receipt of Annual Reports	NIL	2	2	NIL
Non-receipt of stickers	NIL	2	2	NIL
Shares not dematerialized / rematerialized	NIL	NIL	NIL	NIL
Others	NIL	NIL	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>4</b>	<b>4</b>	<b>NIL</b>

**VI. Corporate Social Responsibility Committee**

The Board of Directors, at their meeting held on May 31, 2014, constituted "Corporate Social Responsibility Committee" pursuant to the provisions of Section 135 of the Companies Act, 2013.

The Committee as of March 31, 2015 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 2014-15, two meetings were held and attended by the members as per the details given below:

Sr. No.	Name of Member	Meetings / Attendance	
		13/02/2015	16/03/2015
1.	Mr. Harish Narendra Motiwalla	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.

**VII. Share transfer Committee:**

The Board of Directors, at their meeting held on March 16, 2015, constituted "Share Transfer Committee" in order to expedite the process of issue of duplicate share certificates/transfer /transmission and demat/remat requests.

The Committee as of March 31, 2015 comprises of following members:

Name	Position Held	Category
Mr. Deepak Dhanak	Chairman	Managing Director
Mr. Krishna Joshi	Member	Non-Executive Director

The Company Secretary acts as the Secretary to the Committee.

During the year 2014-15, one meeting was held on 16<sup>th</sup> March 2015 and attended by the members as per the details given below:

Sr. No.	Name of Member	Attendance
1.	Mr. Deepak Dhanak	Present
2.	Mr. Krishna Joshi	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 Clause 49 II (B)(6) of the Listing Agreement entered into with the Stock Exchanges, the Meeting of Independent Directors of the Company was held on March 16, 2015 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

**IX. General Body Meetings**

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

Financial year	AGM No.	Day & Date	Venue	Time
2013-14	23 <sup>rd</sup>	Wednesday, 24 <sup>th</sup> September, 2014	74/5-6, Daman Industrial Estate, Kadaiya, Nani Daman – 396210 (U.T)	12 Noon
2012-13	22 <sup>nd</sup>	Wednesday, 14 <sup>th</sup> August, 2013	74/5-6, Daman Industrial Estate, Kadaiya, Nani Daman – 396210 (U.T)	12 Noon
2011-12	21 <sup>st</sup>	Tuesday, 14 <sup>th</sup> August, 2012	74/5-6, Daman Industrial Estate, Kadaiya, Nani Daman – 396210 (U.T)	11:30 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
23 <sup>rd</sup>	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
22 <sup>nd</sup>	NIL	NA
21 <sup>st</sup>	NIL	NA

## iii) Details of resolutions passed through Postal Ballot:

During the year 2014-15, none of the resolutions were passed through Postal Ballot. 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 29 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 Clause 49(VII) of the Listing Agreement.

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 are 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, 2015 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:

In compliance with the provisions of Clause 49 of the Listing agreement the Board of Directors in their meeting held on March 16, 2015 has adopted the Risk Management Policy. 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 Clause 49 (V) of the Listing Agreement, 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 Clause 49 of the Listing Agreement 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) During the last three years ending on March 31, 2015, 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 of Listing Agreement entered into with Stock Exchange including mandatory requirements of Clause 49.
  - c) Out of non-mandatory requirement the Company has adopted the following:  
During the year under review, there was no audit qualification on the Company's financial statements.
- xi) 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 is denied access to the Audit Committee and there are no instances of any such access.
- xii) 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.
- xiii) Means of Communication:
- a) Financial results  
The quarterly, half yearly and annual results of the Company in the format prescribed under Clause 41 of the Listing Agreement are published in prominent dailies such as Financial Express and Daman Ganga and also posted on the website of the Company i.e., [www.multibaseindia.com](http://www.multibaseindia.com)
  - b) Other information  
Important official news is also posted on the Company's website [www.multibaseindia.com](http://www.multibaseindia.com), as and when released.



The Company has also designated exclusive e-mail id for the use of investors in accordance with Clause 49 of the Listing Agreement which is [compliance.officer@multibaseindia.com](mailto:compliance.officer@multibaseindia.com)

xiv) CEO/CFO Certificate:

The CEO/CFO Certificate for the year ended March 31, 2015 as required under Clause 49(IX) of the Listing Agreement, was placed and taken on record at the Board Meeting of the Company held on May 30, 2015.

xv) Certificate of compliance:

The Certificate of Practising Company Secretary confirming compliance with all requirement of the Clause 49 of the Listing Agreement for the year ended March 31, 2015 is appended to this Report on Corporate Governance.

xvi) Insider Trading Code:

In compliance with Regulation 8(1) and Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has framed the Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Fair Disclosure and Conduct as per SEBI (Prohibition of Insider Trading) Regulations, 2015,

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.

xvii) General Shareholders Information:

a) Annual General Meeting

Date	:	Tuesday, September 29, 2015
Time	:	11.30 a.m.
Venue	:	74/5-6, Daman Industrial Estate, Kadaiya Village, Nani Daman- 396210 U.T.

b) Financial year 2015-16 (tentative schedule)

Quarter Results

Ending on June 30, 2015	:	First week of August 2015
Ending on September 30, 2015	:	Second week of November 2015
Ending on December 31, 2015	:	Second week of February 2016
Year ended March 31, 2016	:	In the month of May 2016

AGM is proposed to be held on September 2016.

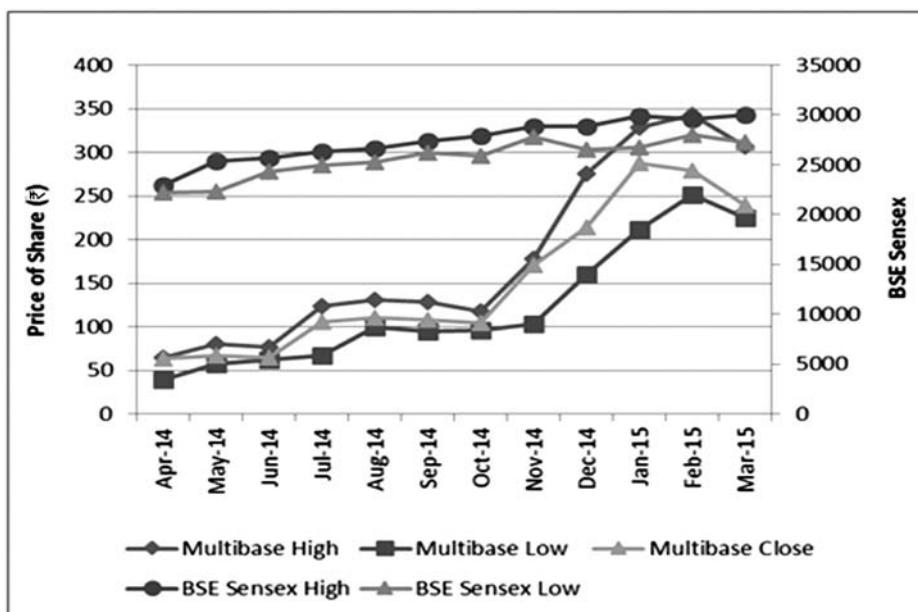
- |  |   |
|--|---|
| c) Date of Book Closure :                | Wednesday, September 23, 2015 to<br>Tuesday, September 29, 2015 (Both days inclusive)   |
| d) Dividend Payment date                 | : No Dividend is recommended by Board   |
| e) Listing on Stock Exchange             | : The Bombay Stock Exchange Ltd. (BSE), Mumbai,<br>The Annual Listing fees for the year 2015-16 is been fully paid<br>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 2014	64.25	39.50	62.95	1,47,359	22939.31	22197.51
May 2014	80.60	56.85	67.45	6,72,431	25375.63	22277.04
June 2014	76.20	61.65	65.00	3,72,300	25725.12	24270.20
July 2014	124.15	67.50	105.15	12,70,130	26300.17	24892.00
August 2014	130.65	100.05	110.00	4,16,749	26674.38	25232.82
September 2014	128.25	95.05	107.55	5,88,505	27354.99	26220.49
October 2014	116.95	96.10	104.15	3,26,692	27894.32	25910.77
November 2014	177.80	103.50	170.75	9,88,025	28822.37	27739.56
December 2014	275.80	160.05	214.45	12,65,688	28809.64	26469.42
January 2015	327.90	211.05	287.20	9,03,464	29844.16	26776.12
February 2015	342.50	251.00	279.40	4,11,095	29560.32	28044.49
March 2015	306.80	225.00	239.30	3,25,107	30024.74	27248.45

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

MIL Share Price and Sensex Movement (For FY 2015-16) Taken 100 as Base Point



## j) Registrar and Transfer Agents

: Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
LBS Road, Bhandup (W), Mumbai – 400 078,  
Tel No.: +91 22 25963838, Fax No.: +91 22 25946969,  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in),  
Website : [www.linkintime.co.in](http://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 Agreement, 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, 2015:

Equity Shares held	No. of Shareholders	% of Shareholders	Number of Shares held	% of Shares held
1-500	5,630	88.29	7,88,127	6.25
501-1000	358	5.61	2,90,500	2.30
1001-2000	174	2.73	2,64,880	2.09
2001-3000	65	1.02	1,62,968	1.29
3001-4000	30	0.47	1,09,085	0.85
4001-5000	36	0.57	1,70,999	1.36
5001-10000	40	0.63	2,99,701	2.37
Above 10000	44	0.69	1,05,33,740	83.47
<b>Total</b>	<b>6,377</b>	<b>100.00</b>	<b>1,26,20,000</b>	<b>100.00</b>

Shareholding pattern as on March 31, 2015:

		Category	No. of Shareholders	No. of Shares held	Percentage of Shareholding	No. Shares Pledged or otherwise encumbered	Percentage of Shares Pledged
<b>A</b>		<b>Promoters' Holding</b>					
	1	Promoters					
		Indian	-	-	-	-	-
		Foreign	1	94,64,994	75.00	-	-
<b>B</b>		<b>Public Shareholding</b>					
	2	Foreign Institutional Investors	1	26,855	0.21	-	-
	3	Non Institutional Investors					
		a. Bodies Corporate	110	2,05,224	1.63	-	-
		b. Indian Public	5947	25,56,357	20.26	-	-
		c. Any other					
		1. Clearing Member	59	48,456	0.38	-	-
		2. Office Bearer	26	2,600	0.02	-	-
		3. NRIs	64	70,795	0.56	-	-
		4. NRN	157	2,30,919	1.83	-	-
		5. Trust	0	0	0	-	-
		6. Friends & Associate	12	13,800	0.11	-	-
		<b>Total (1 + 2 + 3)</b>	<b>6,377</b>	<b>1,26,20,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

m) Dematerialization of shares and liquidity:

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, 2015, 94.72% of outstanding Equity shares of the Company are held in dematerialized form.

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

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

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

p) 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](mailto:compliance.officer@multibaseindia.com)

Compliance Officer  
Ms. Sunaina Goraksh  
Company Secretary  
5<sup>th</sup> Floor, SCORPIO HOUSE, Opp. Galleria  
Hiranandani Business Park, Powai  
Mumbai – 400 076  
Tel No.: 022 66946860  
Fax No.: 022 66946848  
Email:[compliance.officer@multibaseindia.com](mailto:compliance.officer@multibaseindia.com)

For and on behalf of the Board

sd/-

**H. N. Motiwalla**  
Non-Executive Chairman

sd/-

**Deepak Dhanak**  
Managing Director

Mumbai, 4<sup>th</sup> August, 2015

## Declaration of compliance with Code of Conduct

I, Mr. Deepak Dhanak, Managing Director of the Company do hereby give this declaration pursuant to Clause 49(II)(E) of the Listing Agreement;

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](http://www.multibaseindia.com). All the Board Members and Senior Management personnel have affirmed compliances with the code for the year ended March 31, 2015.

Mumbai, May 30, 2015

sd/-  
**Deepak Dhanak**  
Managing Director

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## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of,  
Multibase India Limited

I have examined the compliance of conditions of Corporate Governance by Multibase India Limited for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statement of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

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: 4<sup>th</sup> August, 2015

sd/-  
**DHRUMIL M. SHAH**  
Company Secretary,  
FCS 8021, CP 8978

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MULTIBASE INDIA LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **MULTIBASE INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether

due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2015, and taken on record by the Board of Directors, none of the



directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 25 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for

which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 117364W)

sd/-  
(Gaurav J. Shah)  
(Partner)  
(Membership No. 35701)

Mumbai, 30<sup>th</sup> May, 2015

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

- (ii) In respect of its inventories:

- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the

Companies Act, 2013.

- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services and during the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and there were no unclaimed deposits at the year end.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and other material statutory dues in arrears as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, which have not been deposited as on 31<sup>st</sup> March, 2015 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹) #
Income Tax Act, 1961	Income Tax	Upto Income Tax Appellate Tribunal	From A.Y. 2005-06 To A.Y. 2011-12	3,344,701

# excluding interest & penalty

- (d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- (viii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered

by our audit and in the immediately preceding financial year.

- (ix) In our opinion and according to the information and explanations given to us, the Company has not taken any loan from banks or financial institution. The Company has not issued any debentures.
- (x) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the Company has neither obtained nor utilized any term loans during the year.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm's Registration No. 117364W)

sd/-  
(Gaurav J. Shah)  
(Partner)  
(Membership No. 35701)

Mumbai, 30<sup>th</sup> May, 2015

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015**

		Amount in ₹	
Particulars	Note No.	Figures as at 31-Mar-15	Figures as at 31-Mar-14
<b>I. Equity and Liabilities</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	1	126,200,000	126,200,000
(b) Reserves and surplus	2	285,433,835	214,167,189
		<b>411,633,835</b>	<b>340,367,189</b>
<b>(2) Non-current liabilities</b>			
(a) Deferred tax liabilities (Net)	3	1,684,870	2,346,420
(b) Long term provisions	4	3,819,881	2,796,502
(c) Other Long Term Liabilities	5	100,000	100,000
		<b>5,604,751</b>	<b>5,242,922</b>
<b>(3) Current liabilities</b>			
(a) Trade payables	6	40,001,964	55,632,772
(b) Other current liabilities	7	7,653,295	5,678,204
(c) Short-term provisions	8	3,064,337	1,647,039
		<b>50,719,596</b>	<b>62,958,015</b>
<b>TOTAL</b>		<b>467,958,182</b>	<b>408,568,126</b>
<b>II. Assets</b>			
<b>(1) Non Current assets</b>			
(a) Fixed assets:			
(i) Tangible assets	9	50,105,707	49,556,033
(ii) Intangible assets	9	1,389	43,079
(iii) Capital work-in-progress		2,613,572	754,125
		<b>52,720,668</b>	<b>50,353,237</b>
(b) Long term loans and advances	10	9,893,741	9,492,393
		<b>9,893,741</b>	<b>9,492,393</b>
<b>(2) Current assets</b>			
(a) Inventories	11	93,505,488	111,423,667
(b) Trade receivables	12	100,703,352	106,142,194
(c) Cash and bank balances	13	177,626,244	106,692,443
(d) Short-term loans and advances	14	33,508,689	24,464,192
		<b>405,343,773</b>	<b>348,722,496</b>
<b>TOTAL</b>		<b>467,958,182</b>	<b>408,568,126</b>
<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.  
**For Deloitte Haskins & Sells,**  
Chartered Accountants  
(Firm's Registration No. 117364W)

sd/-  
**Gaurav Shah**  
(Partner)  
(Membership No. 35701)

**For Multibase India Limited**

sd/-  
**H.N. Motiwalla**  
(Director)  
(DIN 00029835)

sd/-  
**Dharmesh Painter**  
(Chief Financial Officer)

sd/-  
**Deepak Dhanak**  
(Managing Director)  
(DIN 03157491)

sd/-  
**Sunaina Goraksh**  
(Company Secretary)

Place :- Mumbai  
Date :- 30<sup>th</sup> May, 2015

Place :- Mumbai  
Date :- 30<sup>th</sup> May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

Amount in ₹

Particulars	Note No.	Figures for the year ended 31-Mar-15	Figures for the year ended 31-Mar-14
<b>I Revenue from operations (Gross)</b>		<b>682,492,713</b>	604,819,170
Less : Excise duty		<b>66,024,434</b>	59,178,638
<b>Revenue from operations (Net)</b>	15	<b>616,468,279</b>	545,640,532
<b>II. Other income</b>	16	12,310,207	8,185,844
<b>III. Total revenue (I + II)</b>		<b>628,778,486</b>	<b>553,826,376</b>
<b>IV. Expenses</b>			
Cost of materials consumed	17	<b>377,601,700</b>	342,992,827
Purchase of stock-in-trade (traded goods)	18	<b>40,554,004</b>	40,171,440
Changes in inventories of finished goods and stock-in-trade	19	<b>(10,198,407)</b>	3,897,472
Employee benefits expense	20	<b>30,901,434</b>	27,968,985
Finance costs	21	<b>597,876</b>	714,861
Depreciation and amortisation expense	9	<b>7,071,075</b>	4,722,018
Other expenses	22	<b>72,885,310</b>	58,160,508
<b>Total expenses</b>		<b>519,412,992</b>	<b>478,628,111</b>
<b>V. Profit before tax (III - IV)</b>		<b>109,365,494</b>	<b>75,198,265</b>
<b>VI. Tax expense:</b>			
(1) Current tax		<b>37,388,663</b>	<b>24,179,956</b>
(2) Short/(Excess) Provision for tax relating to prior years		<b>(33,732)</b>	<b>(23,520)</b>
(3) Deferred Tax		<b>(205,546)</b>	<b>253,117</b>
		<b>37,149,385</b>	<b>24,409,553</b>
<b>VII. Profit for the year (V - VI)</b>		<b>72,216,109</b>	<b>50,788,712</b>
<b>IX. Earnings per share (of ₹ 10/- each):</b> [Refer Note 31]			
(1) Basic		<b>5.72</b>	<b>4.02</b>
(2) Diluted		<b>5.72</b>	<b>4.02</b>

See accompanying notes forming part of the financial statements

In terms of our report attached.  
**For Deloitte Haskins & Sells,**  
Chartered Accountants  
(Firm's Registration No. 117364W)

For Multibase India Limited

sd/-  
**Gaurav Shah**  
(Partner)  
(Membership No. 35701)

sd/-  
**H.N. Motiwalla**  
(Director)  
(DIN 00029835)

sd/-  
**Deepak Dhanak**  
(Managing Director)  
(DIN 03157491)

sd/-  
**Dharmesh Painter**  
(Chief Financial Officer)

sd/-  
**Sunaina Goraksh**  
(Company Secretary)

Place :- Mumbai  
Date :- 30<sup>th</sup> May, 2015

Place :- Mumbai  
Date :- 30<sup>th</sup> May, 2015

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

Amount in ₹

	For the year ended		For the year ended	
	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
<b>(A) Cash flow from operating activities</b>				
Net profit before extraordinary items and tax		109,365,494		75,198,265
<i>Adjustments for:</i>				
Depreciation & amortisation	7,071,075		4,722,018	
(Profit)/ loss on sale of fixed assets (net)	12,682		1,072,759	
Finance cost	597,876		714,861	
Interest income	(10,035,987)		(6,645,675)	
Net unrealised exchange (gain) / loss	(649,816)		(573,227)	
		<u>(3,004,170)</u>		<u>(709,264)</u>
<b>Operating profit before working capital changes</b>		106,361,324		74,489,001
<i>Changes in working capital:</i>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	17,918,179		(8,064,270)	
Trade receivables	5,575,183		(12,785,040)	
Short-term loans and advances	(5,280,200)		4,279,062	
Long-term loans and advances	(288,000)		600,888	
		<u>17,925,162</u>		<u>(15,969,360)</u>
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(15,333,190)		(6,150,054)	
Other current liabilities	1,975,091		(188,856)	
Short-term provisions	1,417,298		1,528,375	
Long-term provisions	1,023,379		(75,188)	
		<u>(10,917,422)</u>		<u>(4,885,723)</u>
Cash generated from operations		113,369,064		53,633,918
Net income tax (paid) / refunds		<u>(37,354,931)</u>		<u>(24,184,579)</u>
<b>Net cash flow from / (used in) operating activities (A)</b>		76,014,133		29,449,338
<b>(B) Cash flows from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(10,976,803)		(10,533,838)	
Proceeds from sale of fixed assets	6,800		164,000	
Net Proceeds/ Repayment from Fixed deposits in banks	(84,500,000)		11,339,981	
Interest received from others	6,487,547		4,992,198	
<b>Net cash flow from / (used in) investing activities (B)</b>		(88,982,456)		5,962,342

Amount in ₹

	For the year ended		For the year ended	
	31-Mar-15	31-Mar-15	31-Mar-14	31-Mar-14
<b>(C) Cash flows from financing activities</b>				
Finance cost	(597,876)		(714,861)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(597,876)</b>		<b>(714,861)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(13,566,199)</b>		<b>34,696,820</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>61,192,443</b>		<b>26,495,624</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>47,626,244</b>		<b>61,192,443</b>
Notes :-				
01. Refer Note 13 for cash and cash equivalents components.				
02. Cash and cash equivalents at the end of the year (refer Note 13)		<b>As at 31-Mar-15</b>		<b>As at 31-Mar-14</b>
Cash on hand		<b>15,031</b>		<b>23,436</b>
With banks -				
In current accounts		<b>11,611,213</b>		<b>14,169,007</b>
In deposit accounts (original maturity of 3 months or less)		<b>36,000,000</b>		<b>47,000,000</b>
		<b>47,626,244</b>		<b>61,192,443</b>

03. The Cash Flow statement has been prepared under the indirect method as set out in Accounting Standard -3 ("AS-3") on Cash flow statement notified by the Companies (Accounting Standards) Rules, 2006.

04. Previous year's figures have been regrouped wherever necessary to correspond with the current year's presentation.

**See accompanying notes forming part of the financial statements**

In terms of our report attached.  
**For Deloitte Haskins & Sells,**  
Chartered Accountants  
(Firm's Registration No. 117364W)

**For Multibase India Limited**

sd/-  
**Gaurav Shah**  
(Partner)  
(Membership No. 35701)

sd/-  
**H.N. Motiwalla**  
(Director)  
(DIN 00029835)

sd/-  
**Deepak Dhanak**  
(Managing Director)  
(DIN 03157491)

sd/-  
**Dharmesh Painter**  
(Chief Financial Officer)

sd/-  
**Sunaina Goraksh**  
(Company Secretary)

Place :- Mumbai  
Date :- 30<sup>th</sup> May, 2015

Place :- Mumbai  
Date :- 30<sup>th</sup> May, 2015

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

Particulars	Figures as at 31-Mar-15	Figures as at 31-Mar-14
<b>1 Share capital</b>		
<b>Authorised</b>		
13,000,000 (Previous year: 13,000,000) equity shares of ₹10/- each	<b>130,000,000</b>	<b>130,000,000</b>
<b>Issued, subscribed and fully paid up</b>		
12,620,000 (Previous year: 12,620,000) equity shares of ₹ 10/- each	<b>126,200,000</b>	<b>126,200,000</b>

**Note**

- (1) The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. If any, dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- (2) Out of the above equity shares 9,464,994 shares i.e. 75% (Previous year 9,464,994 shares i.e. 75%) are held by M/s. Multibase S.A, France, the Holding Company (of which Dow Corning Corporation, USA is the ultimate Holding Company)
- (3) Except for above, no other shareholder holds more than 5% of the equity shares of the Company.
- (4) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period;

	<b>31-Mar-15</b>	31-Mar-14
Numbers of equity shares at the beginning of the year and outstanding at the end of year	<b>12,620,000</b>	12,620,000
Amount equity shares at the beginning of the year and outstanding at the end of year	<b>126,200,000</b>	126,200,000
<b>2 Reserves and surplus</b>		
<b>(a) Securities premium account</b>		
Per last balance sheet	<b>11,700,000</b>	11,700,000
(On 1,800,000 equity shares of ₹ 10/- each issued at a premium of ₹ 6.50/- per share)		
<b>(b) Surplus in the Statement of Profit and loss</b>		
Opening balance	<b>202,467,189</b>	151,678,477
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax) (refer Notes: 9(a))	<b>949,463</b>	-
Add: Profit for the year	<b>72,216,109</b>	50,788,712
Closing balance	<b>273,733,835</b>	202,467,189
	<b>285,433,835</b>	<b>214,167,189</b>
<b>3 Deferred tax liabilities (Net)</b>		
<b>Deferred tax liabilities</b>		
Depreciation	<b>3,819,453</b>	4,056,608
<b>Gross deferred tax liabilities</b>	<b>3,819,453</b>	4,056,608
<b>Deferred tax assets</b>		
Gratuity and leave encashment	<b>1,297,239</b>	949,933
Transition Provisions to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life	<b>456,004</b>	-
Other disallowances	<b>381,340</b>	760,255
<b>Gross deferred tax assets</b>	<b>2,134,583</b>	1,710,188
<b>Deferred tax liabilities (Net)</b>	<b>1,684,870</b>	<b>2,346,420</b>



Particulars	Amount in ₹	
	Figures as at 31-Mar-15	Figures as at 31-Mar-14
<b>4 Long term provisions</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity [Refer Note 30]	2,967,890	2,221,409
Provision for leave encashment [Refer Note 30]	851,991	575,093
	<u>3,819,881</u>	<u>2,796,502</u>
<b>5 Other Long Term Liabilities</b>		
Trade / security deposits received	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
<b>6 Trade payables</b>		
Due to		
(a) Micro, small and medium enterprises	293,138	394,512
(b) Others	39,708,826	55,238,260
	<u>40,001,964</u>	<u>55,632,772</u>

**Note**

The amount due to Micro, small and medium enterprises is determined on the basis of intimation received by the Company from the suppliers.

<b>7 Other current liabilities</b>		
Other Payables		
Statutory remittances	7,653,295	5,678,204
	<u>7,653,295</u>	<u>5,678,204</u>
<b>8 Short-term provisions</b>		
<b>(a) Provision for employee benefits</b>		
Provision for gratuity [Refer Note 30]	100,282	86,150
Provision for leave encashment [Refer Note 30]	78,107	45,173
	<u>178,389</u>	<u>131,323</u>
<b>(b) Provision - Others</b>		
Provision for tax (net of advance tax of ₹ 34,502,715 (₹ 22,664,240 as at March 31, 2014))	2,885,948	1,515,716
	<u>3,064,337</u>	<u>1,647,039</u>

**9 Fixed assets**

Amount in ₹

Particulars	GROSS BLOCK (At Cost)			DEPRECIATION					NET BLOCK		
	As On 01-Apr-14	Addition/ Transfer	Deduction/ Transfer	As On 31-Mar-15	As On 01-Apr-14	Other adjustments / Transition adjustment recorded against Surplus balance in Statement of Profit and Loss	Provided During The Year	Deduction/ Transfer	As On 31-Mar-15	As On 31-Mar-15	As On 31-Mar-14
<b>Tangible assets</b>											
Land & site development	2,841,552	-	-	2,841,552	-	-	-	-	-	2,841,552	2,841,552
Factory building	18,953,732	4,067,711	-	23,021,443	10,548,335	-	704,172	-	11,252,507	11,768,936	8,405,397
	18,232,370	721,362	-	18,953,732	9,923,249	-	625,086	-	10,548,335	8,405,397	8,309,121
Office building	114,475	-	-	114,475	48,384	-	1,663	-	50,047	64,428	66,091
	114,475	-	-	114,475	46,518	-	1,866	-	48,384	66,091	67,957
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-
	2,113,768	-	2,113,768	-	775,048	-	366,244	1,141,292	-	-	1,338,720
Plant & machinery	105,994,102	4,464,115	-	110,458,217	78,728,327	335,094	2,293,649	-	81,357,070	29,101,147	27,265,775
	97,633,052	8,361,050	-	105,994,102	77,313,833	-	1,414,494	-	78,728,327	27,265,775	20,319,219
Laboratory equipment	4,721,328	-	-	4,721,328	691,226	-	583,631	-	1,274,857	3,446,471	4,030,102
	4,721,328	-	-	4,721,328	466,962	-	224,264	-	691,226	4,030,102	4,254,366
Office equipments	2,145,876	472,182	-	2,618,058	750,524	464,329	455,447	-	1,670,300	947,758	1,395,352
	1,966,713	247,412	68,249	2,145,876	655,755	-	103,278	8,509	750,524	1,395,352	1,310,958
Air conditioner	531,708	-	40,450	491,258	252,801	-	71,532	20,968	303,365	187,893	278,907
	531,708	-	-	531,708	201,890	-	50,911	-	252,801	278,907	329,818
Furniture & fixture	5,216,021	-	-	5,216,021	3,052,161	85,880	1,367,460	-	4,505,501	710,520	2,163,860
	5,208,891	7,130	-	5,216,021	2,730,202	-	321,959	-	3,052,161	2,163,860	2,478,689
Computers	8,332,383	-	-	8,332,383	5,223,386	520,164	1,551,831	-	7,295,381	1,037,002	3,108,997
	10,781,436	967,759	3,416,812	8,332,383	6,944,071	-	1,491,586	3,212,271	5,223,386	3,108,997	3,837,365
Total (A)	148,851,177	9,004,008	40,450	157,814,735	99,295,144	1,405,467	7,029,385	20,968	107,709,028	50,105,707	49,556,033
Previous year	144,145,292	10,304,713	5,598,829	148,851,177	99,057,528	-	4,599,688	4,362,072	99,295,144	49,556,033	45,087,765
<b>Intangible assets</b>											
Others											
Computer software	754,658	-	-	754,658	711,579	-	41,690	-	753,269	1,389	43,079
	754,658	-	-	754,658	589,249	-	122,330	-	711,579	43,079	165,409
Total (B)	754,658	-	-	754,658	711,579	-	41,690	-	753,269	1,389	43,079
Previous year	754,658	-	-	754,658	589,249	-	122,330	-	711,579	43,079	165,409

**Note: 9 (a)**

Pursuant to Companies Act, 2013 ('the Act') being effective from 1<sup>st</sup> April 2014, the Company has revised depreciation rates on tangible fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act and In respect of assets whose useful life is already exhausted as on 1<sup>st</sup> April 2014, depreciation of ₹ 9.49 lacs (net of tax impact of ₹ 4.56 lacs) has been adjusted in Retained Earnings in accordance with the requirements of Schedule II of the Act.

**Note: 9 (b)** Figures in bold are for the Current Year.

Amount in ₹

Particulars	Figures as at 31-Mar-15	Figures as at 31-Mar-14
<b>10 Long-term loans and advances (Unsecured, Considered good)</b>		
Capital advances	<b>113,348</b>	-
Security Deposits	<b>1,295,000</b>	1,007,000
Advance income tax and tax deducted at source [Net of provisions ₹ 43,924,157 (As At 31 <sup>st</sup> March, 2014 ₹ 43,924,157)]- Unsecured, considered good	<b>8,485,393</b>	8,485,393
	<b>9,893,741</b>	<b>9,492,393</b>

Particulars	Amount in ₹	
	Figures as at 31-Mar-15	Figures as at 31-Mar-14
<b>11 Inventories</b>		
(Raw materials are valued at cost on moving average basis and Finished goods are valued at lower of cost and net realizable value)		
Raw materials and components	39,364,228	53,320,809
Raw materials in transit	447,432	14,607,438
Finished goods	38,075,359	30,055,468
Finished goods in transit	7,969,317	8,138,094
Stock in trade	7,649,152	5,301,858
	<u>93,505,488</u>	<u>111,423,667</u>
<b>12 Trade receivables</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	-	-
Doubtful	-	-
	-	-
Less : Provision for doubtful trade receivables	-	-
	-	-
<b>Other Trade receivables</b>		
Unsecured, considered good	100,703,352	106,142,194
	<u>100,703,352</u>	<u>106,142,194</u>
	<u>100,703,352</u>	<u>106,142,194</u>
<b>13 Cash and cash equivalents</b>		
<b>A. Cash and cash equivalents (as per AS 3 Cash Flow Statements)</b>		
(a) Cash on hand	15,031	23,436
(b) Balance with banks		
(i) In current accounts	11,611,213	14,169,007
(ii) In other deposit accounts	36,000,000	47,000,000
- original maturity of 3 months or less		
<b>Total</b>	<u>47,626,244</u>	<u>61,192,443</u>
<b>B. Other bank balances</b>		
In other deposit accounts	130,000,000	45,500,000
- original maturity more than 3 months but less than 12 months		
	<u>177,626,244</u>	<u>106,692,443</u>

Particulars	Amount in ₹	
	Figures as at 31-Mar-15	Figures as at 31-Mar-14
<b>14 Short-term loans and advances (Unsecured and Considered Good)</b>		
(a) Security Deposits	909,130	280,730
(b) Employee advances [Refer Note 27]	280	104,175
(c) Prepaid Expenses	505,806	663,351
(d) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	9,687,777	16,853,119
(ii) VAT credit receivable	894,177	487,399
(iii) Service Tax credit receivable	104,474	4,542
	10,686,428	17,345,060
(e) Others		
- Export Incentive Receivable	599,981	2,018,635
- Advances recoverable in cash or kind or for value to be received	20,807,064	4,052,241
	33,508,689	24,464,192
<b>15 Revenue from operations (Net)</b>		
<b>(a) Sale of products</b>		
- Manufacturing sale	628,497,936	556,131,114
Less : Excise duty	66,024,434	59,178,638
- Trading sales	48,566,930	42,721,314
	611,040,432	539,673,790
<b>Manufactured goods</b>		
Thermo plastic elastomers	433,835,605	366,490,430
Silicon masterbatch	125,138,298	124,590,077
Polypropylene compounds	3,127,215	5,508,268
Manufacturing scrap	372,383	363,701
<b>Traded goods</b>		
Thermo plastic elastomers	40,959,580	31,271,465
Others	7,607,350	11,449,849
	611,040,432	539,673,790
<b>(b) Sale of services</b>		
<b>Shared Service</b>	5,427,847	5,966,742
	616,468,279	545,640,532

Amount in ₹

Particulars	Figures as at 31-Mar-15	Figures as at 31-Mar-14
<b>16 Other income</b>		
Interest from bank deposits	10,035,987	6,645,675
Other non-operating income	1,913,379	1,540,169
Liabilities no longer required written back	360,841	-
	<u>12,310,207</u>	<u>8,185,844</u>
<b>17 Cost of materials consumed</b>		
Opening stock	67,928,247	54,914,548
Add: Purchases	349,485,113	356,006,527
Less: Closing stock	39,811,660	67,928,247
Raw material consumed [Refer Note 36]	<u>377,601,700</u>	<u>342,992,828</u>
<b>Major class of materials consumed</b>		
Gum	52,813,225	61,525,302
Oil	66,481,247	59,398,427
Polypropelene	80,606,074	67,710,477
SEBS	135,897,328	116,078,360
Others	41,803,826	38,280,261
	<u>377,601,700</u>	<u>342,992,827</u>
<b>18 Purchase of stock-in-trade (traded goods)</b>		
Thermo plastic elastomers	34,351,938	29,255,794
Others	6,202,066	10,915,646
	<u>40,554,004</u>	<u>40,171,440</u>
<b>19 Changes in inventories of finished goods, and stock-in-trade</b>		
<b>Inventories as at year end</b>		
Finished goods	46,044,675	38,193,562
Stock-in-trade	7,649,152	5,301,858
	<u>53,693,827</u>	<u>43,495,420</u>
<b>Inventories as at year beginning</b>		
Finished goods	38,193,562	40,823,264
Stock-in-trade	5,301,858	6,569,628
	<u>43,495,420</u>	<u>47,392,892</u>
<b>Total</b>	<u>10,198,407</u>	<u>(3,897,472)</u>
<b>20 Employee benefits expense</b>		
Salaries, wages and bonus	27,193,290	24,967,153
Contribution to provident fund	1,357,777	1,319,846
Gratuity expenses [Refer Note 30]	933,752	303,247
Staff welfare expenses	1,416,615	1,378,739
	<u>30,901,434</u>	<u>27,968,985</u>

Particulars	Amount in ₹	
	Figures as at 31-Mar-15	Figures as at 31-Mar-14
<b>21 Finance cost</b>		
(a) Other borrowing costs		
- Bank charges	597,876	714,861
	<u>597,876</u>	<u>714,861</u>
<b>22 Other expenses</b>		
Stores and spares consumed [Refer Note 36]	2,470,388	3,326,378
Power, fuel and utilities	8,305,563	7,349,716
Service charges	4,962,695	3,691,418
Repair & maintenance		
- Building	128,575	242,174
- Machineries	1,941,505	3,161,986
- Others	1,700,742	1,685,050
Legal, professional & other contractual charges	7,511,866	6,422,530
Payments to auditors (Refer Note (i) below)	1,034,944	1,047,192
Printing , stationery and communication charges	1,786,188	1,318,987
Rent, rates and taxes	2,002,558	3,365,450
Travelling and conveyance	6,592,145	6,082,286
Insurance expenses	669,149	795,987
Royalty charges	2,510,112	2,392,501
Support charges	8,446,601	1,168,299
Director's sitting fees	1,020,000	460,000
Freight outward	9,347,746	8,252,152
Commission on sales	8,310,903	4,389,345
Discount, Bad debts and miscellaneous balances written off	1,027	4,279
Loss on sale of fixed assets (Net)	12,682	1,072,759
Net loss on foreign currency transactions and translation (other than considered as finance cost)	2,818,486	1,020,403
Advertisement, subscription and membership fees	316,855	221,106
Miscellaneous expenses	994,580	690,510
	<u>72,885,310</u>	<u>58,160,508</u>
<b>Note</b>		
(i) <b>Payments to the auditors comprise (net of service tax input credit, where applicable):</b>		
(a) To statutory auditors		
For audit	515,000	445,000
For taxation matters	375,000	375,000
For other services	135,000	135,000
Reimbursement of expenses	9,944	17,192
	<u>1,034,944</u>	<u>972,192</u>
(b) To cost auditors for cost audit	-	75,000
	-	75,000

## SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 23. Nature of operations

Multibase India Limited is engaged in manufacturing and selling of Polypropylene Compound, Thermoplastic Elastomer, Silicon Master Batch and Thermoplastic Master Batch.

### 24. Significant accounting policies

(a) The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### (b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### (c) Fixed assets

Fixed assets are shown at cost of acquisition including direct materials, labour and overheads and incidental expenses related to acquisition, and installation, all pre-operative expenditure incurred up to the date of commercial production and borrowings cost till commissioning of assets. All fixed assets are valued at cost less depreciation.

#### (d) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost.

Depreciation on tangible and intangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The estimated useful life of the intangible assets are six year. The amortisation is done on the straight-line method and is revised to reflect the changed pattern, if any. Depreciation is provided at 100% on items of Fixed Assets costing less than ₹ 5,000/-

#### (e) Inventory

Inventories are valued as follows:

Raw materials are valued at Cost on Moving average basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes material cost, cost of conversion and appropriate share of overheads allocated on Moving Average basis. Cost includes excise duty.

#### (f) Foreign currency transactions

Liabilities and Assets arising due to transactions in foreign currency are recorded at the average rates of exchange in force for the month in which the transactions are effected. Exchange differences arising on realisation of/ payment against the Assets and Liabilities denominated in foreign currency is accounted for as income/expenditure at the rate of exchange prevailing on the date of settlement. At the year end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising on such restatement are accounted as income/expenditure.

#### (g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer.

Gross Sales includes excise duty recovered on domestic sales and excludes trade discounts.

Export incentives are accounted for export of goods if entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.



**Interest**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(h) Employee benefits**

Employee benefits include provident fund, gratuity fund and compensated absences.

**(i) Defined contribution plans**

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

**(ii) Defined benefit plans**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

**(iii) Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

**(i) Income taxes**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

**(j) Provisions, contingent liabilities and contingent assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in notes. Contingent assets are neither recognised nor disclosed in the financial statements.

**(k) Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

**(l) VAT credit**

Credit available on the materials is adjusted against Purchases. Credit on capital goods is accounted on booking the capital goods, net of duty / tax. Credit not recouped in payment of excise duty / sales tax is shown under "Short Term Loans and Advances".

**(m) Prior period items**

All identifiable items of income and expenditure pertaining to prior period of accrual (except those not exceeding ₹ 50,000/- in each case) are accounted as "Prior Period Items".

**25. Contingent liabilities against the Company not acknowledged as debt**

	Amount in ₹	
<b>Claims against the Company not acknowledged as debt</b>	<b>2014-15</b>	<b>2013-14</b>
-Towards C-forms pending collection	<b>9,583,853</b>	11,224,530
-The Company has made duty free imports of specific raw material under Advance Licence scheme with a condition to fulfill the related export obligation. The export obligation remaining to be fulfilled in this regard as at year end is	-	365,575
-Income tax demand	<b>3,883,251</b>	3,252,577

Future cash flows in respect of the above matters are determinable only on receipts of judgement/decisions pending at various forums/authorities.

**26. Capital commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 719,398 (Previous Year ₹ 209,999).

**27. Employee Advances'** includes due from Managing Director (against expenses) ₹ NIL (Previous Year ₹ 47,909). Maximum amount outstanding there against at any time during the year is ₹ 47,909/- (Previous Year ₹ 50,375/-)**28. Segment reporting**

The Company operates in a single business segment of "Thermoplastic Compounds". Hence, being a single segment company, no additional reporting requirements under Accounting Standard-17 issued by the Companies (Accounting Standards) Rules, 2006 "(as amended)" are attracted.

**29. Related party disclosure**

- (i) As per Accounting Standard-18 on 'Related Party Disclosures', issued by the Companies (Accounting Standards) Rules, 2006 "(as amended)"; the nature of relationship and nature of transactions with related parties are as below

		Amount in ₹				
		Debit/(Credit)				
	<b>Nature of Relationship Name of the Party</b>	<b>Nature of Transaction</b>	<b>Transaction During</b>		<b>Outstanding Balance as at</b>	
			<b>2014-15</b>	<b>2013-14</b>	<b>31-Mar-15</b>	<b>31-Mar-14</b>
<b>A.</b>	<b>Holding Company</b>					
	Multibase S.A, France	Participation in equity share capital including share premium	-	-	(106,349,940)	(106,349,940)
		Purchase of goods	29,970,891	28,542,602	(8,678,853)	(8,255,754)
		Sale of goods	63,574	-	63,574	-
		Income from shared services operations	3,380,177	3,975,671	544,445	1,707,111
		Others	-	47,798	-	-
<b>B.</b>	<b>Subsidiary of Ultimate holding Co.</b>					
	Dow Corning (Zhangjiagang) Holding Company Limited	Sale of goods	801,319	-	-	-
	Multibase (Zhangjiagang Free Trade Zone) Co. Ltd	Purchase of goods	3,586,550	3,023,518	-	-
	Dow Corning Limited-Barry	Purchase of goods	30,395,774	55,523,213	-	(13,867,181)
	Dow Corning Korea Ltd	Sale of goods	12,482,314	13,656,239	2,259,991	2,768,766
	Dow Corning India Private Ltd	Purchase of Assets	-	2,432,006	-	-

Amount in ₹  
Debit/(Credit)

	Nature of Relationship Name of the Party	Nature of Transaction	Transaction During		Outstanding Balance as at	
			2014-15	2013-14	31-Mar-15	31-Mar-14
	Dow Corning India Private Ltd	Sale of Assets	-	164,000	-	-
	Dow Corning India Private Ltd	Rent Paid	240,000	240,000	(61,416)	-
	Dow Corning India Private Ltd	Purchase of goods	581,078	-	(581,078)	-
	Dow Corning India Private Ltd	Transfer of retirement Benefit of Mr. Krishna Joshi	-	2,312,099	-	(2,312,099)
	Dow Corning Singapore Pte. Ltd	Sale of goods	9,740,698	14,874,913	902,439	4,507,438
	Dow Corning (Thailand) Limited	Sale of goods	18,352,382	9,880,868	6,175,356	873,971
	Multibase, Inc.	Income from shared services operations	2,047,670	1,991,072	1,569,970	906,244
	Multibase, Inc.	Sale of goods	25,254	-	25,254	-
	Multibase, Inc.	Purchase of goods	-	1,223,198	-	(166,236)
<b>C.</b>	<b>Ultimate Holding Company</b>					
	Dow Corning Corporation	Purchase of goods	891,437	336,061	(447,432)	(110,656)
		Support charges & testing fees	8,446,601	1,168,299	(707,197)	702,987
		Royalty	2,510,112	2,392,501	(1,432,447)	(3,132,118)
		Reimbursement of Cost	-	347,599	-	(349,931)
		Misc Payable written back	360,841	-	-	-
<b>D.</b>	<b>Key Management Personnel</b>					
	Mr. Deepak Dhanak	Salary & perquisites*	3,411,222	2,561,555	-	-

\* Does not include provision for Leave Encashment / Gratuity, contribution to Provident fund.

(ii) Following related parties with whom, the company has not entered any transactions during the current year and previous year;

Sr. No	Names of other Related parties	Nature of Relationship
1	Bay Asset Leasing, L.L.C.	Subsidiary of Ultimate holding Co.
2	Dow Corning STI, Inc.	Subsidiary of Ultimate holding Co.
3	Dow Corning United Kingdom Holding Company, L.L.C.	Subsidiary of Ultimate holding Co.
4	Valley Asset Funding LLC	Subsidiary of Ultimate holding Co.
5	Devonshire Underwriters Limited	Subsidiary of Ultimate holding Co.
6	DCC Litigation Facility, Inc.	Subsidiary of Ultimate holding Co.
7	Dow Corning Enterprises, LLC	Subsidiary of Ultimate holding Co.
8	Dow Corning Compound Semiconductor Solutions, LLC	Subsidiary of Ultimate holding Co.
9	Dow Corning Foundation	Subsidiary of Ultimate holding Co.
10	Site Services, Inc.	Subsidiary of Ultimate holding Co.
11	Hemlock Semiconductor Corporation	Subsidiary of Ultimate holding Co.
12	HSCPC, L.L.C.	Subsidiary of Ultimate holding Co.
13	Dow Corning Alabama, Inc.	Subsidiary of Ultimate holding Co.
14	Hemlock Semiconductor, L.L.C.	Subsidiary of Ultimate holding Co.
15	Valley Asset Leasing, LLC	Subsidiary of Ultimate holding Co.
16	Dow Corning Canada Inc.	Subsidiary of Ultimate holding Co.
17	DC Feedstock Financing, LLC	Subsidiary of Ultimate holding Co.
18	DC Canada Financing ULC	Subsidiary of Ultimate holding Co.
19	Dow Corning Europe S.A.	Subsidiary of Ultimate holding Co.
20	Dow Corning S.r.l.	Subsidiary of Ultimate holding Co.
21	Dow Corning Iberica S.A.	Subsidiary of Ultimate holding Co.
22	Dow Corning Kimya Sanayi Ve Ticaret Limited Sirketi	Subsidiary of Ultimate holding Co.
23	Dow Corning Polska Sp.zo.o.	Subsidiary of Ultimate holding Co.
24	Dow Corning Luxembourg Holdings, S.à r.l.	Subsidiary of Ultimate holding Co.
25	Dow Corning Ireland Limited	Subsidiary of Ultimate holding Co.
26	Dow Corning France S.A.S.	Subsidiary of Ultimate holding Co.
27	Dow Corning Korea Holdings, B.V.	Subsidiary of Ultimate holding Co.
28	Dow Corning GmbH	Subsidiary of Ultimate holding Co.
29	Dow Corning Limited Liability Company	Subsidiary of Ultimate holding Co.
30	DC Metals Holdings B.V.	Subsidiary of Ultimate holding Co.
31	DC Netherlands Holding B.V.	Subsidiary of Ultimate holding Co.
32	DC Global Holdings S.à r.l.	Subsidiary of Ultimate holding Co.
33	DC MIT Holdings B.V.	Subsidiary of Ultimate holding Co.
34	DC Japan Holdings B.V.	Subsidiary of Ultimate holding Co.
35	DC Finance S.à r.l.	Subsidiary of Ultimate holding Co.
36	Dow Corning (Zhangjiagang) Co., Ltd.	Subsidiary of Ultimate holding Co.
37	Dow Corning (China) Holding Company Ltd.	Subsidiary of Ultimate holding Co.
38	Dow Corning (Zhangjiagang) Silicone Co. Ltd.	Subsidiary of Ultimate holding Co.

Sr. No	Names of other Related parties	Nature of Relationship
39	Dow Corning Taiwan Inc.	Subsidiary of Ultimate holding Co.
40	Dow Corning China Limited	Subsidiary of Ultimate holding Co.
41	Dow Corning (Shanghai) Management Company Limited	Subsidiary of Ultimate holding Co.
42	Dow Corning Asia Branch	Subsidiary of Ultimate holding Co.
43	Dow Corning (Shanghai) Co., Ltd.	Subsidiary of Ultimate holding Co.
44	Dow Corning Toray Co., Ltd.	Subsidiary of Ultimate holding Co.
45	Site Services Japan, Co., Ltd.	Subsidiary of Ultimate holding Co.
46	Dow Corning Holding Japan Company, Ltd.	Subsidiary of Ultimate holding Co.
47	Dow Corning New Zealand Limited	Subsidiary of Ultimate holding Co.
48	Dow Corning Australia Pty. Ltd.	Subsidiary of Ultimate holding Co.
49	Dow Corning Siloxane (Zhangjiagang) Holding Co. Private Ltd.	Subsidiary of Ultimate holding Co.
50	Hemlock Semiconductor Pte. Ltd.	Subsidiary of Ultimate holding Co.
51	Dow Corning Silicones Malaysia Sdn. Bhd.	Subsidiary of Ultimate holding Co.
52	Dow Corning de Argentina S.R.L.	Subsidiary of Ultimate holding Co.
53	Dow Corning de Mexico S.A. de C.V.	Subsidiary of Ultimate holding Co.
54	Palmyra Recursos Naturais Exploração e Comércio Ltda.	Subsidiary of Ultimate holding Co.
55	Dow Corning de Colombia Ltda.	Subsidiary of Ultimate holding Co.
56	Dow Corning do Brasil Ltda.	Subsidiary of Ultimate holding Co.
57	Dow Corning Silício do Brasil Indústria e Comércio Ltda	Subsidiary of Ultimate holding Co.
58	WVA Manufacturing, LLC	Associate Company
59	Quebec Silicon Limited Partnership	Associate Company
60	Quebec Silicon General Partner Inc.	Associate Company
61	Wacker Chemicals Fumed Silica (Zhangjiagang) Co. Ltd.	Associate Company
62	Dalian DC Silicon Co. Ltd.	Associate Company
63	Fuji Polymer Industries Co., Ltd.	Associate Company
64	Wacker Chemicals Fumed Silica (Zhangjiagang) Holding Co. Private Ltd.	Associate Company
65	Dalian DC Trading Co. Ltd.	Associate Company
66	DC Silicon (Zhangjiagang) Logistics Co. Ltd.	Associate Company

**30. (i) Defined benefit plan being Gratuity (Unfunded)**

As per Actuarial valuations as on 31<sup>st</sup> March 2015 and in accordance with the Accounting Standard-15 (Revised) on 'Employee Benefits' issued under the Companies (Accounting Standards) Rules 2006 "(as amended)".

	Amount in ₹	
a) Net employee benefit expense (recognized in Employee Cost)	2014-15	2013-14
Current service cost	332,999	305,223
Interest cost on benefit obligation	206,068	174,188
Expected return on plan assets	-	-
Net actuarial( gain) / loss recognised in the year	394,685	(176,164)
Past service cost	-	-
Net expense	933,752	303,247

	Amount in ₹				
b) Details of provision for Gratuity	2014-15	2013-14			
Defined benefit obligation	3,068,172	2,307,559			
Fair value of plan assets	-	-			
	3,068,172	2,307,559			
Less: Unrecognised past service cost	-	-			
	3,068,172	2,307,559			
		Amount in ₹			
c) Changes in the present value of the defined benefit obligation are as follows:	2014-15	2013-14			
Opening defined benefit obligation	2,307,559	2,244,165			
Interest cost on benefit obligation	206,068	174,188			
Current service cost	332,999	305,223			
Benefits paid	(173,139)	(239,853)			
Net actuarial( gain) / loss recognised in the year	394,685	(176,164)			
Past service cost	-	-			
Closing defined benefit obligation	3,068,172	2,307,559			
d) Principal actuarial assumptions	2014-15	2013-14			
	%	%			
Discount rate as at 31 <sup>st</sup> March (Refer Note 1)	7.80	9.10			
Expected increase in salary costs (Refer Note 2)	7.00	7.00			
Employee attrition Rate	14.63	11.76			
Mortality Rate	India Assured Lives Mortality (2006-08)	India Assured Lives Mortality (2006-08)ult			
		Amount in ₹			
e) Experience adjustments and assumptions	2014-15	2013-14			
- On Plan commitments	394,685	(176,164)			
- On Plan assets	-	-			
	394,685	(176,164)			
f) Amounts recognised in current year and previous four years	Amount in ₹				
Particular of Gratuity	2014-15	2013-14	2012-13	2011-12	2010-11
Defined benefit obligation	3,068,172	2,307,559	2,244,165	2,210,385	2,020,279
Fair value of plan assets	-	-	-	-	-
Surplus/(Deficit) in the plan	(3,068,172)	(2,307,559)	(2,244,165)	(2,210,385)	(2,020,279)
Actuarial (gain)/loss on plan obligation	394,685	(176,164)	162,452	(202,079)	766,745
Actuarial (gain)/loss on plan assets	-	-	-	-	-

**30. (ii) Defined benefit plan being Leave Encashment (Unfunded)**

As per Actuarial valuations as on 31<sup>st</sup> March 2015 and in accordance with the Accounting Standard-15 (Revised) on 'Employee Benefits' issued under the Companies (Accounting Standards) Rules 2006 "(as amended)".

	Amount in ₹	
a) Net employee benefit expense (recognized in Employee Cost)	<b>2014-15</b>	2013-14
Current Service Cost	<b>128,121</b>	117,434
Interest on obligation	<b>54,389</b>	53,416
Expected return on plan assets	-	-
Net actuarial( gain) / loss recognised in the year	<b>208,882</b>	(107,236)
Past service cost	-	-
Net expense	<b>391,392</b>	63,614
	Amount in ₹	
b) Details of provision for Leave Encashment	<b>2014-15</b>	2013-14
Defined benefit obligation	<b>930,098</b>	620,266
Fair value of plan assets	-	-
	<b>930,098</b>	620,266
Less: Unrecognised past service cost	-	-
	<b>930,098</b>	<b>620,266</b>
	Amount in ₹	
c) Changes in the present value of the defined benefit obligation are as follows:	<b>2014-15</b>	2013-14
Opening defined benefit obligation	<b>620,266</b>	746,189
Interest cost on benefit obligation	<b>128,121</b>	117,434
Interest cost	<b>54,389</b>	53,416
Benefits paid	<b>(81,559)</b>	(189,538)
Net actuarial( gain) / loss recognised in the year	<b>208,882</b>	(107,236)
Past service cost	-	-
Closing defined benefit obligation	<b>930,099</b>	620,265
d) Principal actuarial assumptions	<b>2014-15</b>	2013-14
	%	%
Discount rate as at 31 <sup>st</sup> March (Refer Note 1)	<b>7.80</b>	9.10
Expected increase in salary costs (Refer Note 2)	<b>7.00</b>	7.00
Employee attrition Rate	<b>14.63</b>	11.76
Mortality Rate	<b>India Assured Lives Mortality (2006-08)</b>	India Assured Lives Mortality (2006-08)ult
	Amount in ₹	
e) Experience adjustments and assumptions	<b>2014-15</b>	2013-14
- On Plan commitments	<b>208,882</b>	(107,236)
- On Plan assets	-	-
	<b>208,882</b>	(107,236)
f) Amounts recognised in current year and previous four years		



Amount in ₹

Particular of Leave Encashment	2014-15	2013-14	2012-13	2011-12	2010-11
Defined benefit obligation	930,098	620,266	746,189	813,218	1,441,525
Fair value of plan assets	-	-	-	-	-
Surplus/(Deficit) in the plan	(930,098)	(620,266)	(746,189)	(813,218)	(1,441,525)
Actuarial (gain)/loss on plan obligation	208,882	(107,236)	(204,368)	(501,263)	887,661
Actuarial (gain)/loss on plan assets	-	-	-	-	-

**Note:**

01. Discount rate is determined by reference to market yields at the Balance Sheet date on Govt. Bonds, where the currency and terms of the Govt. Bonds are consistent with the currency and estimated terms for the benefit obligation.
02. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**31. Basic & Diluted earnings per share**

	2014-15	2013-14
Profit after tax attributable to equity share holders (₹)	72,216,109	50,788,712
Weighted average number of shares outstanding during the year (Nos.)	12,620,000	12,620,000
Earning per share (Basic/Diluted) (₹)	5.72	4.02
Nominal value per share (₹)	10	10

32. The Company has not taken/entered into any derivative instrument during the year and there is no derivative instrument outstanding as at the year end. The foreign currency exposures that are not hedged by a derivative instrument or otherwise are as follows.

Amount in ₹

Particulars	Currency	Amount in foreign currency	Equivalent amount in INR
		2014-15	2013-14
Trade Payables	USD	60,161	383,907
Trade Payables	EURO	124,110	99,599
Trade Receivables	USD	176,733	150,690
Trade Receivables	EURO	8,790	20,595
Advance to supplier	USD	269,887	30,857
		3,765,505	8,334,436
		11,061,868	590,247
		16,892,420	1,854,517

Amount in ₹

	2014-15	2013-14
<b>33. Expenditure in foreign currency (accrual basis)</b>		
Foreign travelling	1,386,839	1,504,846
Support charges	8,446,601	1,168,299
Other Services	-	465,234
	<b>9,833,439</b>	<b>3,138,379</b>
<b>34. Value of Import calculated on CIF basis</b>		
Raw material	189,617,038	212,293,067
Capital goods	-	5,343,806
Others	-	64,152
	<b>189,617,038</b>	<b>217,701,025</b>

	Amount in ₹	
	2014-15	2013-14
<b>35. Earnings in foreign currency (Accrual basis)</b>		
Exports at F.O.B. value	<b>42,283,547</b>	39,723,330
Income from Shared services operations	<b>5,427,847</b>	5,966,742
	<b>47,711,394</b>	<b>45,690,072</b>

**36. Details of consumption of imported and indigenous items**

	% of total consumption		Amount in ₹	
	2014-15	2013-14	2014-15	2013-14
<b>Imported:</b>				
Raw materials	<b>55</b>	57	<b>207,296,217</b>	194,770,293
Stores and Spare	<b>-</b>	0	<b>-</b>	64,152
			<b>207,296,217</b>	194,834,445
<b>Indigenous:</b>				
Raw materials	<b>45</b>	43	<b>170,305,482</b>	148,222,535
Stores and Spare	<b>100</b>	98	<b>2,470,388</b>	3,326,378
			<b>172,775,870</b>	151,548,913

**37. Previous Year Comparatives**

The previous year figures have been accordingly regrouped / re-classified to conform to the current year's classification.

**For Multibase India Limited**

sd/-  
**H. N. Motiwalla**  
(Director)  
(DIN 00029835)

sd/-  
**Dharmesh Painter**  
(Chief Financial Officer)

Place :- Mumbai  
Date :- 30<sup>th</sup> May, 2015

sd/-  
**Deepak Dhanak**  
(Managing Director)  
(DIN 03157491)

sd/-  
**Sunaina Goraksh**  
(Company Secretary)

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ROUTE MAP OF ANNUAL GENERAL MEETING





## MULTIBASE INDIA LIMITED

Registered Office: 74/5-6, Daman Industrial Estate, Kadaiya Village, Nani Daman – 396 210 (U.T.)

CIN: L01122DD1991PLC002959, Tel.: +91 260 6614400, Fax: +91 260 2221578

Email: [compliance.officer@multibaseindia.com](mailto:compliance.officer@multibaseindia.com), Website: [www.multibaseindia.com](http://www.multibaseindia.com)

### ATTENDANCE SLIP

Folio No.: \_\_\_\_\_

\*Client ID No.: \_\_\_\_\_

\*DP ID No.: \_\_\_\_\_

I hereby record my presence at the TWENTY-FOURTH ANNUAL GENERAL MEETING of the Company on Tuesday, September 29, 2015 at 11:30 a.m. at 74/5-6, Daman Industrial Estate, Kadaiya Village, Nani Daman – 396210 (U.T.).

Name of attending Member/Proxy

Member's/Proxy's Signature

(To be signed at the time of handing over this slip)

#### NOTE :

Shareholder/Proxy wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.

\* Applicable in case shares are held in demat mode.

----- (TEAR HERE) -----



## MULTIBASE INDIA LIMITED

Registered Office: 74/5-6, Daman Industrial Estate, Kadaiya Village, Nani Daman – 396 210 (U.T.)

CIN: L01122DD1991PLC002959, Tel.: +91 260 6614400, Fax: +91 260 2221578

Email: [compliance.officer@multibaseindia.com](mailto:compliance.officer@multibaseindia.com), Website: [www.multibaseindia.com](http://www.multibaseindia.com)

### PROXY FORM

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

#### 24<sup>th</sup> Annual General Meeting

Name of the member (s)	
Registered address	
E-mail Id	
Folio No/ Client Id	
DP ID	

I/We, being the member (s) of .....shares of the above named company, hereby appoint

1. Name:.....Address: .....

E-mail Id:.....Signature: .....or failing him

2. Name:.....Address: .....

E-mail Id:.....Signature: .....or failing him

3. Name:.....Address: .....

E-mail Id:.....Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the TWENTY-FOURTH ANNUAL GENERAL MEETING of the Company to be held on Tuesday, September 29, 2015 at 11.30 am at 74/5-6, Daman Industrial Estate, Kadaiya Village, Nani Daman – 396210 (U.T) and at any adjournment thereof in respect of following resolutions:

No.	Resolution
1.	Adoption of Audited Balance Sheet as of 31 <sup>st</sup> March, 2015, Profit and Loss Account and Cash Flow Statement for the year ended on that date together with the Auditors' Report and Directors' Report thereon
2.	Re-appointment of Mr. Peter Cartwright (DIN 06797101) as director, who retires by rotation.
3.	Ratification of appointment of M/s Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors
4.	Appointment of Ms. Suely Mori (DIN 07046468) as a Director of the Company.
5.	Approval of material related party transaction

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Affix  
Revenue  
Stamp  
Re.1

Signature of member

Signature of 1<sup>st</sup> Proxy holder

Signature of 2<sup>nd</sup> Proxy holder

Signature of 3<sup>rd</sup> Proxy holder

#### Note:

- This form of proxy in order to be effective should be duly stamped, signed, completed and deposited at the Registered Office of the Company, not less than FORTY EIGHT hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company. A person can act as a proxy on behalf of a member or members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.



