

Code of Conduct for
Directors and Senior Management

OF

MULTIBASE INDIA LIMITED
(CIN No. L01122DD1991PLC002959)
74/5 – 6, Daman Industrial Estate
Kadaiya, Nani Daman – 396 210 (UT)

MULTIBASE INDIA LIMITED

Code of Conduct for Directors and Senior Management

1. Introduction

- 1.1. Multibase India Limited is committed to conduct a business in accordance with the applicable laws, rules and regulations and with high standard of business ethics.
- 1.2. This Code of Conduct ("this Code") shall be called "The Code of Conduct for Board Members and Senior Management Personnel" of Multibase India Limited (hereinafter referred to as "the Company").
- 1.3. The subject Code has been framed specifically in compliance with the provisions of Clause 49 of the listing agreement with stock exchanges and Companies Act, 2013.
- 1.4. This Code is framed as a part of maintaining and promoting the business conducts and adhering to the standards of Corporate Governance.
- 1.5. This Code shall come into force with immediate effect.

2. Interpretation

- 2.1. 'Board' shall mean Board of Directors of the Company.
- 2.2. 'Whole – Time Director' shall mean Director of the Company who are in whole time employment of the Company.
- 2.3. 'Non-Executive Director' shall mean those members of the Board who are not in whole time employment of the Company.
- 2.4. 'Independent Director' shall mean a Director as per the provisions of Companies Act, 2013 and Listing Agreement, as amended, from time to time.
- 2.5. 'Senior Management' shall mean personnel of the Company who are members of the top management (excluding Board of Directors) and shall include General Managers, Deputy General Managers, Assistant General Managers and the Compliance Officer.
- 2.6. 'Compliance Officer' shall mean any person responsible for all statutory and legal compliances besides providing services to the shareholders.

3. Applicability

3.1 This Code shall be applicable to the following persons :

3.1.1. Whole-time Directors including the Chairperson of the Company.

3.1.2. All Non-Executive Directors including Independent Directors unless specifically exempted from some provisions of this Code.

3.1.3. All Employees in the category of Assistant General Managers and above of Multibase India Limited and Compliance Officer (hereinafter referred to "Senior Management Personnel").

3.2 The Whole-time Directors and Senior Management Personnel should continue to comply with other applicable / to be applicable policies, rules and procedures of the Company.

4. Compliance with Code of Conduct

4.1 The Directors and Senior Management, as mentioned above are expected to read and understand this Code, act in accordance with the highest standards of personal and professional integrity in all aspects of their activities, to comply with all applicable laws, rules and regulations, to deter wrongdoing and abide by the code of conduct of the Company and other policies and procedures adopted by the company that govern the conduct of its Directors and Senior Management.

4.2 Nothing in this Code shall constitute or be construed to constitute a contract of employment for a definite term or a guarantee of continued employment.

4.3 The Code should be read in conjunction with the policies of the respective business unit.

4.4 The responsibility to familiarize with the policies and procedures shall rest with the Directors and Senior Management to whom the code applies.

5. Code of Conduct for Directors

Code of Conduct for Directors shall be as per Appendix I to this Code.

6. Code of Conduct for Independent Directors

Code of Conduct for Independent Directors shall be as per Appendix II to this Code.

7. Code of Conduct for Senior Management

Code of Conduct for Senior Management shall be as per Appendix III to this Code.

8. Additional Compliance

8.1. Mutual Respect, Honesty and Integrity

8.1.1 The Directors and Senior Management shall conduct the operations with honesty, integrity and openness with respect for the human rights and interests of the employees.

8.1.2 The Directors and Senior Management shall similarly respect the legitimate interests of those with whom they have relationships both internal and external to the company.

8.2. Corporate Business Opportunities

In carrying out their duties and responsibilities, the Directors and the Senior Management should avoid:

- i. appropriating corporate business opportunities for themselves that are discovered through the use of Company property or information or their position as Directors or part of Senior Management
- ii. using company property or information for personal gain
- iii. competing with the Company

8.3 Conflict of Interest

The Directors and Senior Management are expected to avoid personal activities and financial interests, which could conflict with their responsibilities to the company. Examples of such conflicts of interest include:

i. *Employment/Outside Employment –*

The Directors and Senior Management are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company, or is otherwise in conflict with or prejudicial to the Company. The Senior Management should not accept simultaneous employment with suppliers, customers, developers or competitors of the Company, or from taking part in any activity that enhances or supports a competitor's position.

ii. *Related Parties -*

The Senior Management should avoid conducting the business with the relative, or with a business in which a relative is associated in any significant role. Relative includes spouse, siblings, children, parents, grandparents,

grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships and in-laws.

The Company prohibits the employment of such individuals in positions that have a financial dependence or influence (eg., an auditing or control relationship), or a supervisor/subordinate relationship.

iii. Payment or Gift from Others –

- a. Under no circumstances the Senior Management may accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from current and prospective customers, vendors, consultants etc that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commitment of any fraud.
- b. Gifts may be accepted in the form of non cash items of nominal value, customary and reasonable meals and entertainment at which the giver is present, such as the occasional business meal or sporting event and gifts from family or friends with whom the Senior Management have non business relationship.

iv. Other Situations –

If any proposed transaction gives rise to any questions or doubts, Senior Management must consult the Chairman and Managing Director.

8.4 Disclosures and Reporting

- 8.4.1 The Senior Management will seek to promote fair, accurate, timely and understandable disclosure in the reports and documents filed or submitted to regulatory bodies and circulated to shareholders.
- 8.4.2 The Company seeks to provide disclosure to the investing community that is not only in conformity with applicable rules of the regulatory bodies, but also fairly presents to the investors and the public the financial condition and results of operations of the Company.

8.5 Compliance with Laws, Rules and Regulations

The Senior Management is expected to -

- i. Acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers
- ii. Comply with all applicable and identified laws, rules and regulations,

8.6 Insider Trading

The Directors and Senior Management should observe all applicable laws and regulations including the Company policies and Codes as applicable to them with respect to the purchase and sale of the Company's securities.

8.7 Maintaining Confidentiality

The Senior Management shall take all reasonable measures to protect the confidentiality of non-public information about the Company or its subsidiaries and their customers obtained or created in connection with their activities and to prevent the unauthorized disclosure of such information unless required by applicable law or regulation or legal or regulatory process.

9. Amendments and waivers

9.1 The Company reserves the right to amend, waive or alter the policies set forth in the Code at any time.

9.2 Any amendment to the Code or waiver of any of the provision of the Code requires prior approval of the Board.

10. Acknowledgement and Annual Certifications

10.1 Every person to whom the code applies should sign the acknowledgement form at the end of this Code and return the form to the Compliance Officer indicating that they have received, read and understood, and agree to comply with the Code.

10.2 Every person to whom the code applies shall also certify in writing or such prescribed means, his or her continued understanding of this Code before 30th April every year.

10.3 The signed acknowledgement forms and Annual Certifications will be maintained by the Compliance Officer.

11. Violation of the Code

11.1 Actual violations of law, this Code or other Company policies or procedure should be promptly reported to the Chairman and Managing Director or the Compliance Officer of the Company.

11.2 The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other policy of the Company, after giving him a reasonable opportunity of being heard.

APPENDIX I

CODE OF CONDUCT FOR DIRECTORS

The Director of the Company shall:

- 1.1 Dedicate sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, including preparing for meetings and decision-making by reviewing in advance any materials distributed and making reasonable inquiries.
- 1.2 Act in the best interests of, and fulfill their fiduciary obligations to, Company's shareholders.
- 1.3 Comply with all applicable laws, rules and regulations.
- 1.4 Act in a manner to enhance and maintain the reputation of the Company.
- 1.5 Use reasonable efforts to attend Board and Committee meetings regularly.
- 1.6 Disclose potential conflicts of interest that they may have regarding any matters that may come before the Board, and abstain from discussion and voting on any matter in which the Director has or may have a conflict of interest.
- 1.7 Make available to and share with fellow Directors information as may be appropriate to ensure proper conduct and sound operation of the Company and its Board of Directors.
- 1.8 A Director must bring an open and independent mind to Board or Committee meetings and should not make a decision about a matter before attending and participating in the deliberations of the meeting.
- 1.9 While Directors must treat each other with courtesy and observe the other rules in this Code, Directors should be able to engage in vigorous debate on matters of principle
- 1.10 Where a decision is not unanimous, a dissenting Director may disclose the fact that he/she dissented.
- 1.11 Ensure individual employees dignity, will provide opportunity without bias, based on their ability, initiative and potential.

- 1.12 Create and maintain an environment that encourages honesty, personal growth, team work, and open communication, dedication to our vision and values, and mutual respect.
- 1.13 Respect the privacy of records and ensure the confidentiality of information he received while being office of the directors.
- 1.14 Involve and encourage in fraudulent in securities of the company. Should not take advantage of any unpublished in price sensitive information.
- 1.15 Not engage in conduct likely to bring discredit up on the company and be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board. Recognize that their primary responsibility is to the Company's shareholders as a whole.
- 1.16 Avoid contacts of behavior which is considered as unfair method of competition or that restrict free trade with competitors, suppliers, government agencies or customers.
- 1.17 Maintain timely and sufficient records, assets, liabilities and operations. Provide full, fair, timely and clear disclosure of financial information.
- 1.18 Maintain comprehensive system of internal accounting controls. Provide documentation, training and verification to ensure effectiveness of internal controls. Take part in any financial arrangement were the perceived intention of the transaction would conflict with the companies code of conduct.
- 1.19 Integrate environmental, health and safety considerations in to company's business decisions. Wok to minimize any harmful environmental impact of operations and business practices of the company. Protect and conserver natural resources and used energy efficiently

APPENDIX II

CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;

(8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment:

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.

(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

(4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :

(a) the term of appointment;

(b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;

(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;

(d) provision for Directors and Officers (D and O) insurance, if any;

(e) the Code of Business Ethics that the company expects its directors and employees to follow;

(f) the list of actions that a director should not do while functioning as such in the company; and

(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

(5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.

(6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

(1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.

(2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.

(3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

(1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;

(2) All the independent directors of the company shall strive to be present at such meeting;

(3) The meeting shall:

(a) review the performance of non-independent directors and the Board as a whole;

(b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;

(c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

(1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

(2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

APPENDIX II

CODE OF CONDUCT FOR SENIOR MANAGEMENT

An Executive in 'Senior Management' of the Company shall:

- 1.1 Dedicate sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, including preparing for meetings and decision-making by reviewing in advance any materials distributed and making reasonable inquiries.
- 1.2 Seek to comply with all Corporate Policies.
- 1.3 Act in the best interests of, and fulfill their fiduciary obligations to, Company's shareholders.
- 1.4 Conduct themselves in a professional, courteous and respectful manner.
- 1.5 Comply with all applicable laws, rules and regulations.
- 1.6 Act in a manner to enhance and maintain the reputation of the Company.
- 1.7 Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as an Executive, except when authorized or legally required to disclose such information.
- 1.8 Not use confidential information acquired in the course of their service as Executive in senior management of the Company for their personal advantage.