



# INDIA GELATINE & CHEMICALS LTD.

77/78, Mittal Chambers, 228 Nariman Point, Mumbai - 400 021. INDIA

Tel.: +91 22 2202 0341 Fax : +91 22 2284 5522

Email : igclmumbai@indiagelatine.com, Web : www.indiagelatine.com CIN - L99999GJ1973PLC002260

19<sup>th</sup> September, 2017

**To,**  
**BSE Limited,**  
Department of Corporate Services – CRD,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

**BSE Scrip Code: 531253/ Scrip ID: INDGELA**

Sub: Annual Report pursuant to Regulation 34 of SEBI (Listing  
Obligations and Disclosure Requirements) Regulations,  
2015  
-----

Dear Sir,

Forwarding herewith the Annual Report pursuant to Regulation 34  
of SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015 for financial year ended 31<sup>st</sup> March, 2017.

Kindly acknowledge the receipt and take the same on record.

Thanking you,

Yours faithfully,  
For **INDIA GELATINE & CHEMICALS LTD.,**

**COMPANY SECRETARY**

Encl : As above.

Regd. Office : 703, "SHILP", C. G. Road, Navrangpura, Ahmedabad - 380 009. (Gujarat). INDIA

Tel.: +91 79 2646 9514 Fax : +91 79 2646 5569.

Factory : Plot No. 1/A, G.I.D.C. Industrial Estate, National Highway, VAPI - 396 195. (Gujarat). INDIA

Tel.: +91 260 240 1741, 240 1584, 240 1385, 240 0795

45<sup>th</sup>  
ANNUAL REPORT  
2016-2017



**INDIA GELATINE & CHEMICALS LTD.**



## **INDIA GELATINE & CHEMICALS LTD.**

### **CONTENTS**

					<b>Page No/s.</b>
<b>Board of Directors</b>	—	—	—	—	<b>2</b>
<b>Financial Highlights</b>	—	—	—	—	<b>3</b>
<b>Notice</b>	—	—	—	—	<b>5-9</b>
<b>Directors' Report</b>	—	—	—	—	<b>10-37</b>
<b>Corporate Governance Report</b>	—	—	—	—	<b>38-53</b>
<b>Independent Auditors' Report</b>	—	—	—	—	<b>54-59</b>
<b>Balance Sheet</b>	—	—	—	—	<b>60</b>
<b>Statement of Profit and Loss</b>	—	—	—	—	<b>61</b>
<b>Notes to the Financial Statements</b>	—	—	—	—	<b>62-80</b>
<b>Cash Flow Statement</b>	—	—	—	—	<b>81</b>
<b>Green Initiative</b>	—	—	—	—	<b>82</b>
<b>Proxy</b>	—	—	—	—	<b>83</b>



**INDIA GELATINE & CHEMICALS LTD.**

**BOARD OF DIRECTORS**

**Chairman & Managing Director :**  
**MR. VIREN C. MIRANI**

**Executive Director**  
**MRS. SHEFALI V. MIRANI (From 01.04.2017)**

**Other Directors :**  
**MR. SHRIDHAR N. PITTIE**  
**MR. PRADIP P. MADHAVJI**  
**MR. JAYPRAKASH M. TIWARI**

**Company Secretary :**  
**MS. VARSHA M. ASWANI**

**Statutory Auditors :**  
**MAHENDRA N. SHAH & CO.**  
Chartered Accountants  
201, Pinnacle Business Park, Corporate Road,  
Near AUDA Garden, Prahaladnagar  
Ahmedabad - 380015 Gujarat  
E-mail : mnshahco@gmail.com

**Internal Auditors :**  
**M. D. Kamdar & Co.,**  
Chartered Accountants  
401, Rajhans CHS Ltd.,  
Rokadia Lane,  
Borivali (W)  
Mumbai - 400092

**Secretarial Auditors :**  
**Samdani Shah & Kabra**  
Company Secretaries  
808, Shriromani Complex,  
S.M. Road, Nehru Nagar,  
Ahmedabad - 380015  
Email: pscshirag@gmail.com

**Bankers :**  
Union Bank of India, Mumbai  
HDFC Bank Ltd., Mumbai  
Citibank Ltd., Mumbai

**Head Office :**  
77/78, Mittal Chambers,  
228, Nariman Point, Mumbai - 400 021.  
Tel : +91-22-2202 0341 • Email : igcl@indiaigelatine.com

**Factory :**  
Plot No.1A, GIDC Industrial Estate,  
National Highway No.8,  
Vapi - 396 195 (Gujarat)

**Registered Office :**  
703/704, 'Shilp', 7th Floor,  
Near Municipal Market,  
Sheth C.G. Road, Navrangpura,  
Ahmedabad - 380 009  
Tel : (079) 26488514  
Website : www.indiaigelatine.com  
Investors Relations e-mail id: investors@indiaigelatine.com  
Corporate Identity Number (CIN): L99999GJ1973PLC002280

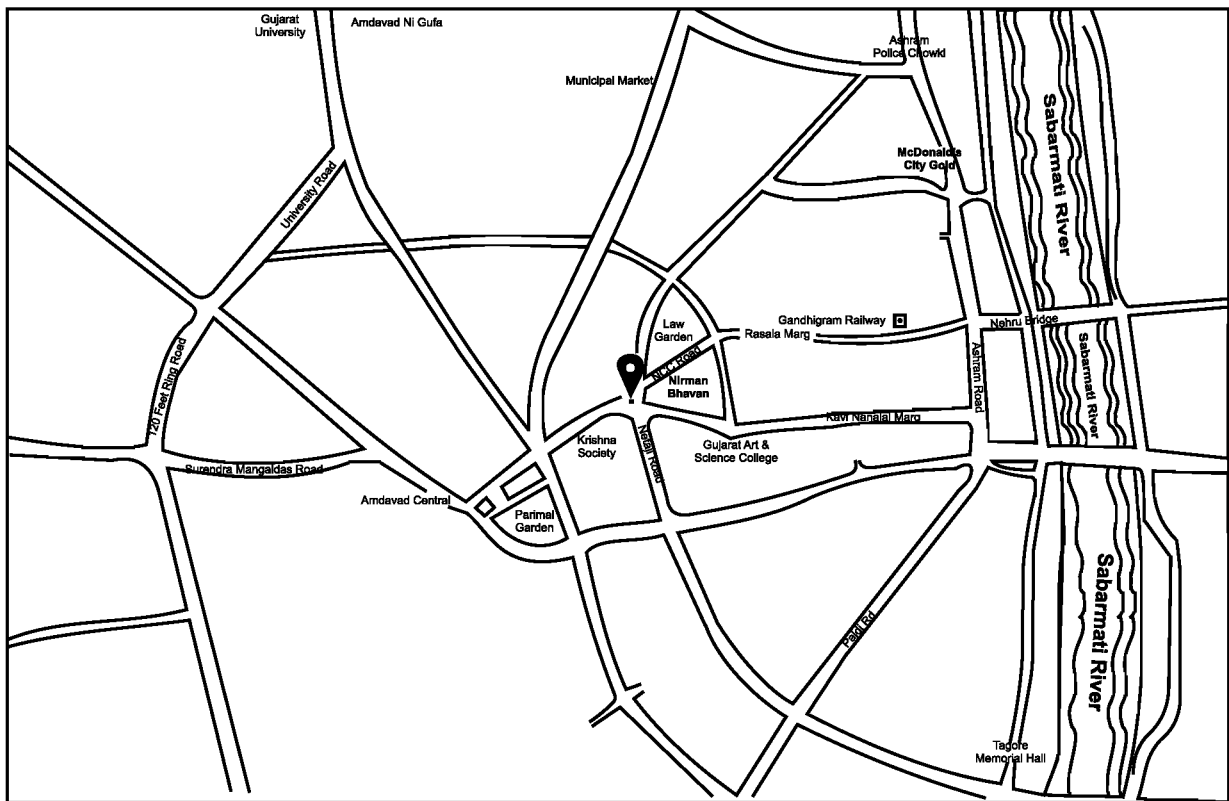
**Registrar & Share Transfer Agent :**  
**LINK INTIME INDIA PRIVATE LIMITED**  
C 101, 247 Park, L B S Marg, Vikhroli West,  
Mumbai - 400 083  
Tel. No. : +91 22 4918 8270 Fax : +91 22 4918 8080  
e-mail: mt.helpdesk@linkintime.co.in

**FINANCIAL HIGHLIGHTS**

₹ Lacs

Sr. No.		2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
1	Shareholders' Funds	10,831	11,438	11,850	12,115	12,401
2	Loan Funds	12	1	Nil	Nil	Nil
3	Debt Equity Ratio	1 : 0.001	1 : 0.001	1 : 0.000	1 : 0.000	1 : 0.000
4	Sales & Other Income	12,011	12,353	12,208	8,928	8,137
5	Profits (Subject to Depreciation & Tax)	2,192	1,785	1,233	948	611
6	Net Profit Subject to Tax	1,704	1,245	722	473	271
7	Profit after Tax	1,140	808	622	366	288
8	Book Value of Share (₹)	115.22	121.68	126.07	128.88	131.93
9	Dividend %	30	18	15	9	9

## ROUTE MAP - VENUE OF AGM



Venue : GICEA, Nirman Bhavan (Gajjar Hall), Near Law Garden, Ahmedabad - 380 006.



## INDIA GELATINE & CHEMICALS LTD.

### NOTICE

NOTICE is hereby given that the 45<sup>th</sup> Annual General Meeting of the Members of INDIA GELATINE & CHEMICALS LTD., will be held at GICEA, Niman Bhavan (Gajjar Hall), Near Law Garden, Ahmedabad- 380 008 on Saturday, 16<sup>th</sup> September, 2017 at 11.00 a.m. to transact the following business:

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2017, the report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mrs. Shefal V. Mirani (holding DIN: 03107547) who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint Statutory auditors in place of retiring auditors.

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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended from time to time ("The Act"), M/s Chandulal M. Shah & Co., Chartered Accountants (Firm Registration No. 101698W), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors in terms of Section 141 of the Act and rules framed thereunder, be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Mahendra N. Shah & Co., Chartered Accountants, the retiring Auditors, for a term of five years, to hold office from the conclusion of the 45<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 50<sup>th</sup> Annual General Meeting to be held in 2022 (subject to ratification of their appointment by the members at every intervening Annual General Meeting, at such remuneration plus service tax and expenses as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient in order to give effect to the above resolution."

By Order of the Board of Directors

Place : Ahmedabad

Date : 14-07-2017

Varsha M Agwani

Company Secretary

#### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT SUCH PROXY NEED NOT BE A MEMBER.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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 proxy for any other person or shareholder.  
A proxy form duly completed and stamped, must reach the registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 8<sup>th</sup> September, 2017 to Saturday, 16<sup>th</sup> September, 2017 (both days inclusive) for the purpose of payment of Dividend.
4. The Directors have recommended a dividend of ₹ 0.90/- per equity share, which on approval by the members at the Annual General Meeting scheduled to be held on Saturday, 16<sup>th</sup> September, 2017 will be paid to the members whose name appear in the register of members/beneficial owners as on Friday, 8<sup>th</sup> September, 2017 as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for the purpose.



## INDIA GELATINE & CHEMICALS LTD.

5. Members are informed that the company's Equity Shares are compulsorily traded in Demat form for all Investors, effective from 1<sup>st</sup> April, 2002. Members may open Depository Account in their names with a Depository Participant to dematerialize their holdings.
6. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules, 2016'), the amount of dividend remaining unclaimed/ unpaid for a period of seven years from the date of transfer to the "Unpaid Dividend Account" is required to be transferred to the Investor Education and Protection Fund (Fund) constituted by the Central Government. The Company had, accordingly, transferred ₹ 3,27,246/- being the unpaid and unclaimed dividend amount pertaining to final dividend declared on 25<sup>th</sup> September, 2008 to the IEPF.

In terms of the above provisions, the Company would be obliged to transfer any money lying in the Unpaid Dividend Account which remain unpaid or unclaimed for a period of 7 years from the date of such transfers, to the Investor Education and Protection Fund. The details of remaining unpaid or unclaimed dividend for the subsequent years as of 31<sup>st</sup> March, 2017 are as under:

Dividend Number	Date of Declaration	For the Accounting Year ended	Due for Transfer date
30 <sup>th</sup>	28-09-2010	2009-2010	03-11-2017
31 <sup>st</sup>	28-09-2011	2010-2011	03-11-2018
32 <sup>nd</sup>	28-09-2012	2011-2012	03-11-2019
33 <sup>rd</sup>	23-08-2013	2012-2013	28-08-2020
34 <sup>th</sup>	05-09-2014	2013-2014	11-10-2021
35 <sup>th</sup>	24-09-2015	2014-2015	29-09-2022
36 <sup>th</sup>	27-09-2016	2015-2016	02/11/2023

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the company as on 27.09.2016 (date of last Annual General Meeting) on the website of the Company ([www.indiagelatin.com](http://www.indiagelatin.com)), as also on the website of the Ministry of Corporate Affairs.

7. The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 w.e.f. 7<sup>th</sup> September, 2016 ('IEPF Rules 2016') (including amendments thereafter). Amongst other things, the Rules provides for the manner of transfer of the unpaid and unclaimed dividends to the IEPF and the manner of transfer of shares in case any dividend has not been encashed by the shareholders on such shares during the last seven years to the designated Suspense Account as prescribed by the IEPF Authority.

In terms of the requirement under the IEPF Rules, 2016, the Company has sent reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend are also uploaded as per the requirements, on the Company's website [www.indiagelatin.com](http://www.indiagelatin.com)

In the event the shareholders do not claim any unclaimed / unpaid dividends for the past seven years, the Company will be required to transfer the respective shares to the IEPF suspense account by the due date prescribed as per the IEPF Rules, 2016 or such other extended date as may be notified. The Company also published notice in the "The Indian Express" and "Financial Express" on 2<sup>nd</sup> December, 2016 to such shareholders.

8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name or e-mail address or contact numbers etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents viz. Link Intime India Pvt. Ltd., to provide efficient and better services. Members holding shares in physical form are





## INDIA GELATINE & CHEMICALS LTD.

requested to intimate such changes to Link Intime India Pvt. Ltd.

9. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 (seven) days in advance, so as to enable the Company to keep the information ready.
10. (a) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report at the meeting.
- (b) Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.
11. E-voting:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended up-to-date, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically as an alternative to participation at the 45<sup>th</sup> Annual General Meeting (AGM) to be held on Saturday, 16<sup>th</sup> September, 2017 at 11.00 am. at GICEA, Nirman Bhavan, (Gajjar Hall), Near Law Garden, Ellisbridge, Ahmedabad 380008. Please note that the remote e-voting through electronic means is optional for shareholders. The Company is also providing the facility of poll at the meeting by way of ballot. The Company has engaged the services of Central Depository Services India Ltd (CDSL) to provide remote e-voting facilities. The remote e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com)

The Company has fixed Friday, 8<sup>th</sup> September, 2017 as the cut-off date for determining voting rights of shareholders entitled to participate in the e-voting process. In this regard, your demat account/folio number has been enrolled by the Company for your participation in e voting on resolutions placed by the Company on e voting system.

Commencement of remote e-voting	End of remote e-voting
Wednesday, 13 <sup>th</sup> September, 2017 at 10.00 hrs.	Friday, 15 <sup>th</sup> September, 2017 at 17.00 hrs.

During this period, members of the company may cast their vote electronically. The e voting module shall be disabled for voting thereafter. Once the vote(s) on a resolution is cast by the member, the member shall not be allowed to change it subsequently as well as not allowed to vote at the meeting.

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 Friday, 8<sup>th</sup> September, 2017

The instructions for members for remote voting electronically (both for physical shareholders as well as demat holders) are as under :

- (i) The voting period begins on Wednesday, 13<sup>th</sup> September, 2017 at 10.00 hrs. and ends on Friday, 15<sup>th</sup> September, 2017 at 17.00 hrs. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 8<sup>th</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders",
- (iv) Now Enter your User ID:
  - a. For CDSL: 18 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.



## INDIA GELATINE & CHEMICALS LTD.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 100 then enter RA00000100 in the PAN field.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "INDIA GELATINE & CHEMICALS LTD." which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click "SUBMIT". A confirmation box will be displayed. If you wish confirm your vote, click on "OK", else to change your vote, click "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.



## INDIA GELATINE & CHEMICALS LTD.

- (xvi) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians:
- Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdsindia.com](mailto:helpdesk.evoting@cdsindia.com)
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdsindia.com](mailto:helpdesk.evoting@cdsindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdsindia.com](mailto:helpdesk.evoting@cdsindia.com)

### In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xx) above to cast vote.
- (B) The voting period begins on Wednesday, 13<sup>th</sup> September, 2017 at 10.00 hrs. and ends on Friday, 15<sup>th</sup> September, 2017 at 17.00 hrs. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 8<sup>th</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

### IMPORTANT NOTES:

1. Any person who acquires shares of the Company and becomes member of the Company after Friday, 11<sup>th</sup> August, 2017 i.e. the date considered for dispatch of the notice and holding shares as on the cut-off date i.e. Friday, 8<sup>th</sup> September, 2017 may obtain the login details by sending a request at [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in)
2. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiner, by use of "remote e-voting" or "Ballot Paper / Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. The facility for Voting at meeting venue shall be decided by the company i.e. "remote e-voting" or "Ballot Paper / Polling Paper"
3. The members who have cast 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.
4. Mr. Chirag Shah, Practicing Company Secretary, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The scrutiner shall within a period not later than 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast 2 (two) witnesses not in the employment of Company and make a consolidated Scrutinizers Report of the votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or the person authorized by him shall declare the result of the voting forthwith.
12. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizers Report shall be placed on the Company's website [www.indiagelatin.com](http://www.indiagelatin.com) and on the website of CDSL within 2 (two) working days of the passing of the resolutions at the AGM of the Company. The Company shall simultaneously communicate the results to BSE Ltd., Mumbai, who shall place the same on their website.
13. All the shareholders who have not updated their PAN details with the RTA kindly use the sequence number provided in the attendance slip.

**DIRECTORS' REPORT**

The Directors of your Company have pleasure to present 45<sup>th</sup> Annual Report with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2017.

₹ lacs

	2016-17	2015-16
<b>FINANCIAL RESULTS</b>		
Total Revenue	8,137.50	9,928.46
Profit for the year after deducting all the expenses but before interest, depreciation and taxation (EBIDTA)	611.85	948.30
<b>FROM WHICH ARE DEDUCTED</b>		
Interest & Financial Charges	0.39	0.17
Depreciation	340.80	474.64
Provision for Taxation		
Current Tax	7.50	125.00
MAT Receivable	(7.50)	-
Deferred Tax	(15.57)	(17.98)
Short / (Excess) provision of taxation of earlier year	0.21	-
	<u>325.63</u>	<u>581.83</u>
<b>NET PROFIT FOR THE YEAR TO WHICH IS ADDED :</b>	<b>286.22</b>	<b>366.47</b>
Surplus Brought Forward	299.26	384.61
<b>BALANCE AVAILABLE FOR APPROPRIATION</b>	<b><u>585.48</u></b>	<b><u>751.08</u></b>
<b>APPROPRIATION FOR</b>		
Proposed Dividend	-	84.60
Corporate Dividend Tax	-	17.22
General Reserve	100.00	350.00
Surplus Carried to next year's account	<u>485.48</u>	<u>299.26</u>
	<b><u>585.48</u></b>	<b><u>751.08</u></b>

**ECONOMIC SCENARIO & OUTLOOK:**

The turnover of the company has decreased by about 18.04% over the previous year. Gelatine sales have decreased by 22.15% and whereas Ossein sales have reduced by 79.56% during the year.

The year started with a very bearish outlook given the underlying conditions of the raw material availability which were similar conditions at the end of previous year too. Although, the company had taken a cautious approach in order to deal with the reduced raw material availability of bovine bones by reducing production, it was not in a position to make sufficient impact in the market due to the existing demand by the other Gelatine manufacturers in the country who were also having to deal with reduced availability of the bones.

During the year the Government of India permitted the import of bones from overseas subject to the obtaining of Sanitary Import Permit. The company has applied for this permit and is likely to be received during the year 2017-2018.

The profitability of the Company was severely under pressure on account of high raw material prices and reduced production. The import of bones is likely to result in a slightly better situation in the coming year.

The exchange rate between the US Dollar and the Indian rupee was also not favourable for exports and since the main product of the Company Gelatine is primarily exported further impacted the profitability.



## **INDIA GELATINE & CHEMICALS LTD.**

G.I.D.C. Vapi, where the plant of the Company is located had been classified as a Critically Polluted Area (CPA) and with the efforts of the Vapi Industries Association it was possible to have the CPA classification lifted during the year. This now allows expansion activities to be carried out by the Industries located in the G.I.D.C.

Besides the certifications / accreditations which the Company already possesses the additional accreditation which was received by the Company during the year 2016-2017 was from the Halal MUI of Indonesia, by virtue of which the Company now becomes eligible for exports of its Gelatine to this new market.

In spite of all the challenges confronting the Companies performance, it has managed to add new customers on to its existing list of customers both domestically and globally and which should result in higher revenues in the coming years.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

A Report on Management Discussion and Analysis is annexed herewith as "Annexure-A".

#### **DIVIDEND:**

Your directors recommend dividend @ 9% i.e. ₹ 0.90/- per share (previous year 9 % i.e. ₹ 0.90 per share) on Equity Shares of ₹ 10/- each of the company for the year ended 31<sup>st</sup> March, 2017.

#### **TAXATION:**

The Company has not made a provision towards current year's Income Tax.

#### **FINANCE:**

The Company continues to get requisite assistance and co-operation from its bankers as and when needed.

#### **INSURANCE:**

All the properties of the Company including building, plant and machinery and stocks have been adequately covered under Insurance.

#### **INDUSTRIAL RELATIONS:**

Industrial relations continued to remain cordial and satisfactory.

#### **PUBLIC DEPOSITS:**

During the financial year 2016-17, your Company has not accepted any deposit within the meaning of Sections 73 & 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

### **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS:**

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexures, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated under various regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

As stipulated in Section 134 (3)(c) of the Companies Act, 2013, your Directors adhere to the "Directors' Responsibility Statement" and confirm as under:

- I) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- II) that the directors have 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 of the Company for the year;
- III) that the directors have 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;
- IV) that the directors have prepared the annual accounts on a going concern basis;
- V) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- VI) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and





## **INDIA GELATINE & CHEMICALS LTD.**

operating effectively.

### **AUDITORS AND AUDITORS REPORT :**

#### **Statutory Auditors :**

The Statutory Auditors of your Company, Messrs Mahendra N. Shah & Co., Chartered Accountants, were appointed to hold office until the conclusion of the ensuing 45<sup>th</sup> Annual General Meeting.

The term of Messrs Mahendra N. Shah & Co., Chartered Accountants, Statutory Auditors of the Company, will expire at the end of the ensuing 45<sup>th</sup> Annual General Meeting of the Company. Messrs Mahendra N. Shah & Co., had been the Statutory Auditors of the Company since inception of your Company. Being more than 10 years and as per the provisions of Section 139 of the Companies Act, 2013 and Rule 3 to 6 of the Companies (Audit and Auditors) Rules made there under, the Statutory Auditor firm, whose term expires, shall be replaced by a new Statutory Auditor.

In terms of the requirements of Section 139 of the Act read with rules made there under, the Board of Directors of the Company on the recommendation of the Audit Committee has appointed M/s. Chandulal M. Shah & Co., Chartered Accountants (Firm Registration No. 101688W) as the Statutory Auditors of the Company in the Board Meeting held on 14<sup>th</sup> July, 2017, for a term of 5 (five) consecutive years commencing from the conclusion of the ensuing 45<sup>th</sup> Annual General Meeting till the conclusion of the 50<sup>th</sup> Annual General Meeting to be held in the year 2022, subject to the approval of the shareholders in the ensuing 45<sup>th</sup> Annual General Meeting (AGM). M/s. Chandulal M. Shah & Co., Chartered Accountants have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The appointment of M/s. Chandulal M. Shah & Co., Chartered Accountants, as Statutory Auditors shall be subject to ratification by the shareholders at every Annual General Meeting during the remaining term of five years.

The Board places on record its appreciation for the services rendered by M/s. Mahendra N. Shah & Co., as Statutory Auditors of the Company.

#### **Secretarial Audit:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 your Company has appointed M/s. Samdari Shah & Kabra, Practising Company Secretaries to conduct the Secretarial Audit of your Company. The Secretarial Audit report is annexed herewith as "Annexure-E" to this report.

### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION :**

(Including criteria for determining qualification, positive attributes, Independence of a Director, policy relating to remuneration of Directors, Key Managerial Personnel and other employees)

#### **(a) Policy on Directors' Appointment**

Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013, the Listing Agreement with Stock Exchanges and good corporate practices. Emphasis is given to persons from diverse fields or professions.

#### **(b) Policy on Remuneration**

Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that –

- Remuneration to unionized workmen is based on the periodical settlement with the workmen union.
- Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen (non-unionized) is industry driven in which it is operating and also taking into account the performance leverage and factors such as to attract and retain quality talent.
- For Directors, it is based on functions and responsibilities shouldered, the shareholders resolutions, provisions of the Act and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.



## **INDIA GELATINE & CHEMICALS LTD.**

### **ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS :**

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the company.

### **DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS :**

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section.

### **NUMBER OF MEETING OF BOARD OF DIRECTORS :**

The Board of Directors have met 5 times and Independent Directors once during the year ended 31<sup>st</sup> March, 2017. The details of which are mentioned in the Corporate Governance Report annexed herewith.

### **DETAILS OF COMMITTEE OF DIRECTORS :**

Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors, number of meetings held of each Committee during the financial year 2016-17 and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report and forming part of the report.

The recommendation by the Audit Committee as and when made to Board has been accepted by it.

### **KEY MANAGERIAL PERSONNEL :**

Your Company has designated Mr. Viren C. Mirani, the Managing Director, Mr. Kalidas P. Vagedia, the Chief Financial Officer and Mrs. Varsha M. Aswani, the Company Secretary, as the Key Managerial Personnel.

### **LOANS, INVESTMENT AND GUARANTEES BY THE COMPANY :**

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 188 of the Companies Act, 2013.

### **ANALYSIS OF REMUNERATION :**

Pursuant to Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 a disclosure on remuneration related information of employees, Key Managerial Personnel and Directors is annexed herewith as "Annexure-B".

### **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 set out herewith as "Annexure-F" to this Report.

### **RELATED PARTY TRANSACTIONS :**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Form No. AOC-2 is set out herewith as "Annexure- G". There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit committee is obtained for the transactions which are of foreseen and repetitive nature. The



## **INDIA GELATINE & CHEMICALS LTD.**

transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit committee and the Board of Directors for their approval.

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY :**

The Company has a vigil mechanism named Whistle Blower Policy to deal with instance of fraud and mismanagement and provide a mechanism for the Directors / Employees of the Company to approach the designated persons / Chairman of the Audit Committee of the Company to, inter alia, report to the management instances of unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

In staying true to our values strength, performance and passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of corporate governance and stakeholder responsibility. The details of the policy is explained in the Corporate Governance Report and also posted on the website of the Company.

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES :**

As a part of its initiative under "Corporate Social Responsibility (CSR)", the Company has undertaken projects in the areas of Sports Training for Tribal Children and promoting healthcare including preventive healthcare. These projects are in accordance with Schedule VII of the Companies Act, 2013. The Report on CSR Activities is annexed herewith as "Annexure-D".

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out herewith as "Annexure C" to this Report.

### **PARTICULARS OF EMPLOYEES :**

The information under Section 134 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2017 is set out herewith as "Annexure E"

### **PREVENTION OF INSIDER TRADING :**

The Company has adopted a Code of Fair Disclosure as per regulation 8(1)& (2) and Code of Conduct as per regulation 9(1)&(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code requires pre-clearance for dealing in the Company's Shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. All Directors and designated employees have confirmed compliance with the code.

### **ACKNOWLEDGEMENT :**

The Board of Directors appreciates the devoted services of the workers, staff and executives who have contributed to the efficient management of the affairs of the Company.

Your directors place on record their gratitude to the State and Central Government, the company's Bankers, Customers, Suppliers and Shareholders for their continued co-operation and support.

**For and on behalf of the Board of Directors**

Place : Mumbai  
Date : 27-05-2017

Viran C. Mirani  
Chairman & Managing Director  
(DIN : 00044901)





## **INDIA GELATINE & CHEMICALS LTD.**

### **ANNEXURE 'A' TO DIRECTORS' REPORT MANAGEMENT DISCUSSION & ANALYSIS REPORT**

#### **1) INDUSTRY STRUCTURE & DEVELOPMENT :**

Pursuant to the initiation of economic reforms in India and the integration of our country into the Global economy, Indian businesses including the Gelatine industry were exposed to International competition. These challenges, devoid of geographical borders, made the Indian Gelatine Industry susceptible to weather changes in the Global market place.

The Gelatine Industry and markets have been volatile for the last year and a half, although the change has been even greater on the domestic front. The growth in the Global arena as well as the domestic one, continues to increase with certain structural changes, primarily in relation to the availability of raw material in some geographies and then coupled with the spurt in availability of raw materials for the Gelatine Industry in other geographies.

As a recent example, a large Bovine Hide production centre namely South America faced an extreme shortage of Bovine Hide materials and this subsequently led to a drop in the availability of Bovine hides and consequently the availability of Bovine Hide Gelatine.

Due to the reversal in the availability of Bovine hides in South America namely Brazil there has been a surplus of Bovine Hide gelatine, around the world which has also led to a tendency of declining Gelatine prices.

These peculiarities are likely to remain as the policies and governments around the world are transient and they tend to amend their laws and policies depending on the current trends at that point of time. This would, hence, lead to cyclical trends for industries such as the Gelatine raw material industries and affect its performance.

At this moment, due to the certain decisions taken by the Indian Government on the restriction of slaughter of Bovine animals, there remains a shortage of the principal raw material; crushed bones and this would naturally have a negative impact on the raw material costs.

To tide over the same, the Gelatine industry under the banner of the association OGMA had taken up the issue for the import of bones into India and it was given an extremely considerate hearing by the Government which has led to the clearance for the import of bones into India. This should result in an easing of raw material availability issues for the Industry and our company.

#### **2) OPPORTUNITIES AND THREATS:**

##### **Opportunities:**

The raw material availability for any industry is a very crucial aspect and due to the availability of crushed bone in other Geographies in the world and the allowance for the import of bones being cleared by the Indian Government it should result in a favourable situation for the Indian Gelatine Industry.

##### **Threats:**

Since the first half of the last Financial Year, there have been indications from the Indian Government for the replacement of Gelatine capsules with cellulose (vegetarian) capsules. Talks have been going between the Indian Government and Gelatine Industry representatives and it is anticipated that the replacement for the Gelatine capsules may not be implemented and that a solution whereby both Gelatine and cellulose based capsules would be available in the market.

The decision from the Expert Committee instituted by the Government of India to study the issue and provide a suitable recommendation to the Government is still awaited.

#### **3) SEGMENT WISE AND PRODUCT WISE PERFORMANCE:**

Osselin sales for our company remain under pressure as the availability of different raw materials such as cattle hide, pigskin for gelatine production around the world have been improving, therefore osselin, which was being used for Gelatine production is not competitive amongst the alternatives available and this has led to reduction of demand for osselin.

DGP sales in the domestic market as the Indian poultry industry remains strong and it is likely to remain steady for the coming year.



## **INDIA GELATINE & CHEMICALS LTD.**

Gelatine sales in the domestic area have also been steady for the past year however, the Company's exposure in the domestic area is limited.

The export markets were somewhat sluggish too during the year on account of greater availability of Bovine hide Gelatine, due to increased availability of Bovine hides in Brazil. This situation is unlikely to last for a long time considering that the other raw material for Gelatine namely pigskin used by the European and US Gelatine makers is decreasing in availability. These fluctuations affect the global trade in Gelatine and would certainly lead to increased volatility in the near future.

### **4) OUTLOOK:**

Given the above information and the challenges in the availability of some raw materials in different areas of the world, the situation remains advantageous for the Indian Gelatine Industry based on the fact that India is a cost effective supply source of Gelatine for the world, which is certainly a positive outlook for the future.

### **5) RISKS AND CONCERNS:**

Issues in relation with the slaughter of bovine animals as well as the pending decision with the Government of India for the replacement of Gelatine capsules with Cellulose based capsules could prove to be a major threat if the recommendation by the expert committee is unfavorable for the Gelatine industry.

### **6) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has proper and adequate internal control systems to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive programme of internal audit, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets. The management is committed to a regular review of this aspect.

### **7) DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

Turnover decreased by 18.83% to ₹ 7,310.24 Lacs during the year ended 31<sup>st</sup> March, 2017 as compared to ₹ 9,118.31 Lacs during the previous year.

EBIDTA (Earnings before Interest, Depreciation, Taxes and Extra Ordinary Item) for the Current year is ₹ 611.86 Lacs as against ₹ 848.30 Lacs in the previous year.

The Board of Directors recommended dividend @ 9% as against @ 9% in the previous year.

### **8) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

The Company recognizes the importance and contribution of its Human Resources for its growth and development and is committed to the development of its people. The Company has implemented various methods and practices for Human Resources Development.

The Company has 97 Employees on its roll as on 31<sup>st</sup> March, 2017.

### **CAUTIONARY STATEMENTS:**

Statements in the Management's Discussion and Analysis describing the Company's projections, estimates, expectations or predictions may be "forward looking predictions" within the meaning of applicable securities laws and regulations. Actual results may differ from such estimates, projections, etc., whether expressed or implied. Factors, which would make a significant difference to the Company's operations, include achievement of better quality and good market price in domestic and overseas market, changes in Government regulations and tax laws, economic conditions affecting demand / supplies and other environmental factors over which the Company does not have any control.



## INDIA GELATINE & CHEMICALS LTD.

### ANNEXURE 'B' TO DIRECTORS' REPORT

1. STATEMENT CONTAINING INFORMATION AS PER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017.

Sr. No.	Director / KMP	Remuneration ₹ Lacs		Median Remuneration of Employees ₹ Lacs		Ratio		Increase % (Amount)	
		16-17	15-16	16-17	15-16	16-17	15-16	16-17	15-16
1.	Viren C. Mirani (Managing Director)	254.36	205.61	3.12	2.62	81.53	76.48	23.71	25.10
2.	Preetal P. Mepani <sup>**</sup> (Company Secretary till 11.11.2016)	2.77	7.38	3.12	2.62	-	2.82	-	18.27
3.	Kalidas P. Vagadia (Chief Financial Officer)	9.96	9.96	3.12	2.62	3.19	3.80	-	16.49
4.	Varsha M. Aswani <sup>***</sup> (Company Secretary from 11.11.2016)	3.85	-	3.12	-	-	-	-	-

Notes:

\*Above % is calculated on the basis of remuneration excluding retirement benefits and sitting fees.

\*\*Ms. Preetal Mepani resigned w.e.f. November 11, 2016, therefore, Increase in her remuneration and ratio not provided.

\*\*\*Ms. Varsha Aswani was appointed on November 11, 2016, therefore, Increase in her remuneration and ratio not provided.

- Number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2017 were 97 Nos. and as on 31<sup>st</sup> March, 2016 were 91 Nos.
- There is no variable component of remuneration to the Directors.
- No employee has received remuneration in excess of Highest paid Director of the Company during the Financial Year 2016-17.
- a) Performance of the Company:

- Profit before tax:

₹ In Lacs

Description	2016-2017	2015-2016
Profit before tax	270.86	473.49

- Variances in EPS of the Company:

₹

Description	As on 31.03.2017	As on 31.03.2016
EPS	3.04	3.80



## INDIA GELATINE & CHEMICALS LTD.

**STATEMENT CONTAINING INFORMATION AS PER SECTION 197(12) READ WITH THE RULES 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED, 31<sup>ST</sup> MARCH, 2017.**

Name	Designation	Remuneration ₹ Lacs	Qualification	Age Years	Experience Year	Date of Commencement of employment	Last Employment and Designation
Viren C. Mirani	Chairman & Managing Director	254.36	B.Com.	62	32	21.07.2000	Sr. Executive in India Gelatine & Chemicals Ltd.

**Note:**

1. The above employment is contractual.
2. The Remuneration also includes retirement benefits like contribution to Provident Fund, Gratuity, Unavailed Leave etc. payable to the Managing Director.

### ANNEXURE 'C' TO DIRECTORS' REPORT

#### INFORMATION IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014]

##### (A) CONSERVATION OF ENERGY :

###### a) Measures taken for Conservation of Energy:

- i) Transparent roofing sheets have been installed in the plant area that provides ample natural light, thereby conserving energy used for lighting to a large extent, during the day time.
- ii) Wind driven Roof Ventilators are installed that operate in lieu of electricity operated exhaust fans.
- iii) The process has been refined in a manner that has resulted in better gelatine yield, thereby reducing cost of production.

###### b) Additional investments and proposals:

- i) Addition of new equipment and processes that will result in shorter production cycle time.
- ii) Persist with modifications in the ETP in order to achieve state pollution norms autonomously.
- iii) Re-evaluation of feasibility of supplementing power requirement with Wind Mill Power Generation.
- iv) Studying feasibility of using alternate fuel boiler in order to save on fuel cost.
- v) Studying feasibility of material conveying system in order to save on manpower cost.
- vi) Awaiting approval from State Load Despatch Centre for Power Trading vide National Power Exchange to save on power cost.

###### c) Impact of measures in the above:

On Implementation of the above, the Company expects to substantially benefit in saving power, chemical & water consumption at various stages of the production cycle.



## INDIA GELATINE & CHEMICALS LTD.

d) Total energy consumption and energy consumption per unit of product:

### FORM – A

Power & Fuel Consumption			
Electricity		2016-17	2015-16
a	Purchased		
	Unit (KWH)	10498857	10101300
	Total Amount (₹ Lacs)	809.46	797.26
	Rate/Unit (₹)	7.71	7.89
b	Own Generation		
1	Through Diesel Generator		
	Units (KWH)	20904	18432
	Unit per Ltr. Of Diesel	3.20	3.25
	Cost / Unit (₹)	17.66	20.35
2	Through FO Base Generator		
	Units (KWH)	N.A.	N.A.
	Unit per Ltr. Of FO	N.A.	N.A.
	Cost / Unit (₹)	N.A.	N.A.
3	Through Steam Turbine Generator	N.A.	N.A.
4	Through Gas Base Generator		
	Units (KWH)	N.A.	N.A.
	Unit per SM <sup>3</sup> of Gas	N.A.	N.A.
	Cost / Unit (₹)	N.A.	N.A.
a	Furnace Oil / LSHS		
	Quantity (Kgs.)	2027294.00	1872200.00
	Total Amount (₹ Lacs)	492.90	420.86
	Average Rate per Kgs. (₹)	24.31	22.49
b	Natural Gas (CNG) / SM <sup>3</sup>		
	Quantity (SM <sup>3</sup> )	443746.31	399883.00
	Total Amount (₹ Lacs)	125.12	129.82
	Average Rate per SM <sup>3</sup> (₹)	28.20	32.57

e) Consumption per unit of production :

	Standards	2016-2017		2015-2016	
Product-Unit	MTs	Osseln	Gelatine	Osseln	Gelatine
Electricity	Unit	1830.99	3743.20	2003.40	3644.69
Furnace Oil	Kgs.	0.00	1425.96	0.00	1419.40
Natural Gas (CNG)	SM <sup>3</sup>	270.00	1725.57	243.10	1697.36



## **INDIA GELATINE & CHEMICALS LTD.**

### **(B) TECHNOLOGY ABSORPTION :**

#### **FORM 'B'**

#### **Research and Development**

- I. For quality improvement of the main products viz. Ossein and Gelatine, Research and Development is carried out by the Company.
- II. The quality of the products manufactured by the company has been accepted by our buyers. There is no rejection in the goods exported. However, there is ample scope for further improvement in the quality.
- III. Research is being done to establish how our waste can be used as raw material input for other industries.
- iv. Process is being developed to manufacture Gelatine using alternate raw materials.

### **(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on Foreign Exchange Earnings and outgo is contained in Item No. 17, 18, 19 & 20 of Note No. 26 to the Financial Statements.

**For and on behalf of the Board of Directors**

Place : Mumbai  
Date : 27-06-2017

**Viren C. Mirani**  
Chairman & Managing Director  
DIN : 00044801



## INDIA GELATINE & CHEMICALS LTD.

### ANNEXURE 'D' TO DIRECTORS' REPORT

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:  
CSR Policy is stated herein below:

Web-link:

<http://indiaigelatine.com/financial/Corp%20Soc%20Resp%20Policy.pdf>

2. Composition of the CSR committee :

Mr. Viren C. Mirani	–	Chairman & Managing Director
Mrs. Shefali V. Mirani	–	Non-executive Director
Mr. Jayprakash M. Tiwari	–	Independent Director

3. Average net profit of the company for last three financial years :  
Average net profit : ₹ 813 lacs
4. Prescribed CSR Expenditure (two percent of the amount as in point 3 above) :  
The company is required to spend ₹ 16.26 lacs towards CSR.

5. Details of CSR spent for the financial year :

(a) Total amount spent : ₹ 23.07 lacs	
I. For the financial year 2016-17	: ₹ 16.62 lacs
II. Shortfall for previous year	: ₹ 06.45 lacs
III. TOTAL	: ₹ 23.07 lacs

(b) Amount unspent, if any : NIL

(c) Manner in which the amount spent during the financial year is detailed below :

(₹ lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) Specify the state and district where projects or programmes were undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure on projects or programmes (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Contribution for giving the disadvantaged youth a path to professional jobs	promoting education, including special education and employment enhancing	New Delhi	6.00	6.00	6.00	6.00
2.	Contribution to make the blind children and poor children of the blind persons gain perfect studies through quality and well deserved education	Providing education, employment enhancing skills and livelihood enhancement projects	Mahad, Mumbai	1.07	1.07	1.07	1.07





## INDIA GELATINE & CHEMICALS LTD.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) Specify the state and district where projects or programmes was undertaken	Amount outlay (budget) project or programme wise	Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure on projects or programmes (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
3.	Contribution for serving the health care services to people of Vapi and surrounding areas	Promoting healthcare	Vapi	10.00	10.00	10.00	10.00
4.	Donation for supporting health care services	Promoting healthcare	Vapi	6.00	6.00	6.00	6.00
			<b>TOTAL</b>	<b>23.07</b>	<b>23.07</b>	<b>23.07</b>	<b>23.07</b>

**\*Details of the implementing agencies –**

1. AAM Foundation
2. The Blind Organisation of India
3. Shri Janseva Mandal – Vapi
4. Rotary Charitable Trust, Vapi

**Kalidas P. Vagadia**  
(Chief Financial Officer)

**Viren C. Mirani**  
(Chairman CSR Committee)  
DIN : 00044901

Date : 27-05-2017

**A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMMES PROPOSED TO BE UNDERTAKEN:**

- The objective of the company's Corporate Social Responsibility policy is to lay down guiding principles for proper functioning of the Corporate Social Responsibility (CSR) activities and also to attain sustainable development of society.
- The company has been engaged in the CSR related activities since many years and has contributed generously in many areas of social development through a charitable trust promoted by the KVS group.
- Since the registered office of IGCL is situated at Ahmedabad and the factory is located at Vapi, both in the State of Gujarat, preference of CSR activities will be given to the local area and areas around where it operates. However, other areas may also be covered if the CSR committee thinks the same to be appropriate.
- Pursuant to the provisions of Schedule VII of the Companies Act, 2013 read with notification No. GSR 130(E) dt. 27/02/14, Corrigenda No. GSR 261(E) dt. 31/03/14 and GSR 588(E) dt. 06/08/14 following would be the areas of CSR activities:
  - a) eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation and making available safe drinking water;
  - b) promoting education, including special education and employment enhancing vocation skills especially





## **INDIA GELATINE & CHEMICALS LTD.**

among children, women, elderly and the differently abled and livelihood enhancement projects;

- c) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- d) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- e) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries, promotion and development of traditional arts and handicrafts;
- f) measures for the benefit of armed forces veterans, war widows and their dependents;
- g) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- h) contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women;
- i) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- j) rural development projects;
- k) slum area development;
- l) similar other objects.

### **ANNEXURE 'E' TO DIRECTORS' REPORT**

**Form No. MR-3**

#### **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31.03.2017**

(Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,  
The Members,  
India Gelatine & Chemicals Ltd

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by India Gelatine & Chemicals Ltd (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2017, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by India Gelatine & Chemicals Ltd ("the Company") for the financial year ended on 31.03.2017 according to the provisions of:

- (I) The Companies Act, 2013 (the Act) and the rules made there under;
- (II) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- (III) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;



## **INDIA GELATINE & CHEMICALS LTD.**

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings ; Not Applicable
- (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; – Not Applicable;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – Not Applicable;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008– Not Applicable;
  - (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; –
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – – Not Applicable; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – – Not Applicable;
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures and Requirement) Regulation 2015;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), - BSE Limited & Ahmedabad Stock Exchange Limited.

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

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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 the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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



## **INDIA GELATINE & CHEMICALS LTD.**

We 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.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place : Ahmedabad  
Date : 27-06-2017

**Chirag Shah**  
Partner  
**Sandani Shah & Kabra**  
FCS No. 5545  
CP No. 3498

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

### **'Annexure A'**

To,  
The Members  
India Gelatine & Chemicals Ltd

Our Secretarial Audit Report of even date is to be read along with this letter.

#### **Management's Responsibility**

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

#### **Disclaimer**

The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad  
Date : 27-06-2017

**Chirag Shah**  
Partner  
**Sandani Shah & Kabra**  
FCS No. 5545  
C P No.: 3498

**INDIA GELATINE & CHEMICALS LTD.****ANNEXURE 'F' TO DIRECTORS' REPORT****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31.03.2018

[Pursuant to section 82(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Form No. MGT-9

**I. REGISTRATION AND OTHER DETAILS :**

CIN	L99999GJ1973PLC002260
Registration Date	16.04.1973
Name of the Company	India Gelatine & Chemicals Ltd.
Category / Sub-Category of the Company	Company having share capital
Address of the Registered office and contact details	703, "SHILP", 7 <sup>th</sup> Floor, Near Municipal Market, Sheth C.G. Road, Navrangpura, Ahmedabad - 380009 Tel. No.: (079) 26469514
Whether listed company	Yes Bombay Stock Exchange, Ahmedabad Stock Exchange
Name, Address and Contact details of Registrar and Transfer Agent, if any	LINK INTIME INDIA PVT. LTD. "C" 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. Email : mt.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 shall be stated :-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the company
1.	Oeslen	20295	1.58
2	Gelatine	20295	73.58
3	Di Calcium Phosphate	20295	24.84

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

Name and address of the company	CIN	Holding / subsidiary/ Associate	% of shares held	Applicable Section
—	—	—	—	—



# INDIA GELATINE & CHEMICALS LTD.

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01-04-2016)				No. of Shares held at the end of the year (as on 31-03-2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) India</b>									
a) Individual/HUF	4486034	4308	4490342	47.77	4486000	3840	4489840	47.76	-0.01
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	1874599	0	1874599	19.94	1863099	0	1863099	19.82	-0.12
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1)</b>	<b>6360633</b>	<b>4308</b>	<b>6364941</b>	<b>67.71</b>	<b>6349099</b>	<b>3840</b>	<b>6352939</b>	<b>67.56</b>	<b>-0.15</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total(A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter</b>									
<b>(A) = (A)(1)+(A)(2)</b>	<b>6360633</b>	<b>4308</b>	<b>6364941</b>	<b>67.71</b>	<b>6349099</b>	<b>3840</b>	<b>6352939</b>	<b>67.56</b>	<b>-0.15</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	3686	72	3638	0.04	3686	72	3638	0.04	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others(specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1)</b>	<b>3686</b>	<b>72</b>	<b>3638</b>	<b>0.04</b>	<b>3686</b>	<b>72</b>	<b>3638</b>	<b>0.04</b>	<b>0.00</b>



# INDIA GELATINE & CHEMICALS LTD.

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01-04-2016)				No. of Shares held at the end of the year (as on 31-03-2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	16005332	477784	2083116	22.1638	1538583	450978	1990561	21.1782	-0.9846
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	681975	0	681975	7.2551	797951	0	797951	8.4888	1.2337
b) NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Employee Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Overseas Depositories (holding) DRs (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any Other (Specify)									
Hindu Undivided Family	142911	0	142911	1.5203	153163	0	153163	1.6294	0.1091
Non Resident Indians (Non Repat)	5773	400	6173	0.0657	5287	400	5687	0.0603	-0.0054
Non Resident Indians (Repatriate)	17177	0	17177	0.1827	18187	0	18187	0.1722	-0.0105
Clearing Member	30390	0	30390	0.3233	14967	0	14967	0.1592	-0.1641
Bodies Corporate	68679	0	68679	0.7413	64927	0	64927	0.6907	-0.0506
<b>Sub Total (B) (3)</b>	<b>2558237</b>	<b>478184</b>	<b>3031421</b>	<b>32.2492</b>	<b>2582845</b>	<b>451378</b>	<b>3034223</b>	<b>32.3768</b>	<b>0.1276</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2) + (B)(3)</b>	<b>2558883</b>	<b>478286</b>	<b>3038069</b>	<b>32.2879</b>	<b>2585811</b>	<b>451458</b>	<b>3037269</b>	<b>32.4168</b>	<b>0.1276</b>
<b>Total (A) + (B)</b>	<b>8917436</b>	<b>482564</b>	<b>9400000</b>	<b>100.0000</b>	<b>8944718</b>	<b>455298</b>	<b>9400016</b>	<b>100.0000</b>	<b>0.0000</b>
<b>C. Non Promoter - Non Public</b>									
(1) Custodian DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
(2) Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Total (A+C)</b>	<b>8917436</b>	<b>482564</b>	<b>9400000</b>	<b>100.0000</b>	<b>8944718</b>	<b>455298</b>	<b>9400016</b>	<b>100.0000</b>	



# INDIA GELATINE & CHEMICALS LTD.

## (B) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01-04-2016)			Shareholding at the end of the year (as on 31-03-2017)			% 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	Aditi P. Mirani	3840	0.041	0.000	3840	0.041		0.000
2	Arjun Falgu Sunil P Mirani	488	0.005	0.000	488	0.005		0.000
3	Chandrasinh Hanaraj Mirani HUF	11824	0.126	0.000	11824	0.126		0.000
4	Dhyanprabha C. Mirani	549534	5.848	0.000	549534	5.848		0.000
5	Jasumati J. Thaker	800	0.008	0.000	800	0.008		0.000
6	Madhav N. Mirani	406554	4.325	0.000	120209	1.279		-3.046
7	Manorama N. Mirani	654680	6.908	0.000	0	0.000		-6.908
8	Nandini Sunil Mirani	2500	0.027	0.000	0	0.000		-0.027
9	Navinchandra R. Mirani HUF	11884	0.127	0.000	11884	0.127		0.000
10	Olive Finance & Investments Pvt. Ltd.	1874599	19.943	0.000	1863099	19.820		-0.122
11	Pratapsinh H. Mirani	404122	4.288	0.000	0	0.000		-4.288
12	Rajeshri N. Mirani	4500	0.048	0.000	0	0.000		-0.048
13	Shafali V. Mirani	765850	8.145	0.000	1438419	15.302	15.302	7.157
14	Sunil P. Mirani	656140	6.980	0.000	138499	1.473		-5.507
15	Viren C. Mirani	1107846	11.786	0.000	2214263	23.556	23.556	11.770
	<b>Total</b>	<b>8364841</b>	<b>87.712</b>	<b>0.000</b>	<b>8362939</b>	<b>87.584</b>	<b>38.858</b>	<b>-0.218</b>





# **INDIA GELATINE & CHEMICALS LTD.**

## **(B) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Shareholder's Name	Shareholding		Date*	Increase / (Decrease) in share holding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares at beginning of the year (01.04.2016)/ end of the year (31.03.2017)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Aditi P. Mirani	3540	0.041	01.04.2016	No change		3540	0.041
		3540	0.041	31.03.2017			3540	0.041
2	Arjun Falgu Sunil P Mirani	468	0.006	01.04.2016	No change	-	468	0.006
		468	0.006	31.03.2017			468	0.006
3	Chandrasinh Hansraj Mirani HUF	11824	0.126	01.04.2016	No change	-	11824	0.126
		11824	0.126	31.03.2017			11824	0.126
4	Divyaprabha C. Mirani	549634	5.846	01.04.2016	No change	-	549634	5.846
		549634	5.846	31.03.2017			549634	5.846
5	Jasurmati J. Thakar	800	0.008	01.04.2016	No change	-	800	0.008
		800	0.008	31.03.2017			800	0.008
6	Madhav N. Mirani	408554	4.325	01.04.2016	(268820)	Disposal (Inter-se transfer) Disposal (Gift)	408554	4.325
				20.12.2016			139634	1.485
				27.03.2017	(19425)		120209	1.279
		120209	1.279	31.03.2017			120209	1.279
7	Manorama N. Mirani	584580	6.006	01.04.2016	(584580)	Disposal (Inter-se transfer)	584580	6.006
				20.12.2016			0	0.000
		0	0.000	31.03.2017			0	0.000
8	Nandini Sunil Mirani	2500	0.027	01.04.2016	(2500)	Disposal (Inter-se transfer)	2500	0.027
				20.12.2016			0	0.000
		0	0.000	31.03.2017			0	0.000





# INDIA GELATINE & CHEMICALS LTD.

## (B) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Shareholder's Name	Shareholding		Date*	Increase / (Decrease) in share holding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares at beginning of the year (01.04.2016)/ end of the year (31.03.2017)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
9	Navinchandra R Mirani HUF	11984	0.127	01.04.2016	No change	-	11984	0.127
		11984	0.127	31.03.2017			11984	0.127
10	Olive Finance & Investments Pvt. Ltd.	1874599	19.943	01.04.2016	(11500)	Sale	1874599	19.943
		1863099	19.820	31.03.2017			1863099	19.820
11	Pratapsinh H Mirani	404122	4.289	01.04.2016	(404122)	Transfer on partition of HUF	404122	4.289
				22.11.2016				0.000
		0	0.000	31.03.2017			0	0.000
12	Rajeshri N. Mirani	4500	0.048	01.04.2016	(4500)	Disposal (Inter-se transfer)	4500	0.048
				20.12.2016			0	0.000
		0	0.000	31.03.2017			0	0.000
13	Shetal V. Mirani	785850	8.145	01.04.2016	632211	Acquisition (Inter-se transfer)	785850	8.145
				20.12.2016			1397861	14.671
				27.03.2017				
14	Sunit P. Mirani	1438419	15.302	31.03.2017	40558	Acquisition (Gift)	1438419	15.302
		858140	8.980	01.04.2016			1438419	15.302
				22.11.2016				
15	Viren C. Mirani				404122	Transfer on partition of HUF		
16	Viren C. Mirani				(900630)	Disposal (Inter-se transfer)		
17	Viren C. Mirani	138499	1.473	27.03.2017	(21138)	Gift	138499	1.473
		1107846	11.786	31.03.2017			138499	1.473
18	Viren C. Mirani	1107846	11.786	01.04.2016	1106417	Acquisition (Inter-se transfer)	1107846	11.786
				20.12.2016			1106417	11.770
		2214268	23.556	31.03.2017			2214268	23.556

\* Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositor to your Company.



# **INDIA GELATINE & CHEMICALS LTD.**

## **(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Shareholder's Name	Shareholding		Date	Increase / (Decrease) in share holding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares at beginning of the year (01.04.2016)/ end of the year (31.03.2017)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Subramanian P	43,450	0.46	01.04.2016	179897	Purchase	43,450	0.46
		223,447	2.38	31.03.2017			223,447	2.38
2	Sangita K. Parikh	48,909	0.52	01.04.2016	0		48,909	0.52
		48,909	0.52	31.03.2017			48,909	0.52
3	Vinodchandra M. Parekh	46,851	0.49	01.04.2016	0		46,851	0.49
		46,851	0.49	31.03.2017			46,851	0.49
4	Maya Rawat	45,241	0.48	01.04.2016	0		45,241	0.48
		45,241	0.48	31.03.2017			45,241	0.48
5	Kalpene Jain	42,077	0.45	01.04.2016	0		42,077	0.45
		42,077	0.45	31.03.2017			42,077	0.45
6	Vinodchandra M. Parekh	29,454	0.31	01.04.2016	0		29,454	0.31
		29,454	0.31	31.03.2017			29,454	0.31
7	Jitendra M. Parekh	26,756	0.28	01.04.2016	0		26,756	0.28
		26,756	0.28	31.03.2017			26,756	0.28
8	Chandrika V. Parekh	25,533	0.27	01.04.2016	0		25,533	0.27
		25,533	0.27	31.03.2017			25,533	0.27
9	Shruti Khandshekar	24,963	0.27	01.04.2016	0		24,963	0.27
		24,963	0.27	31.03.2017			24,963	0.27
10	Amit Laxmichand Patel	20,200	0.21	01.04.2016	0		20,200	0.21
		20,200	0.21	31.03.2017			20,200	0.21



## INDIA GELATINE & CHEMICALS LTD.

### (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholder's Name	Shareholding		Date*	Increase / (Decrease) in share holding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares at beginning of the year (01.04.2016)/ end of the year (31.03.2017)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	<b>Directors</b> Mr. Viren C. Mirani	1,107,846	11.786	01.04.2016	1,108,417	Acquisition (Inter-se transfer)	1,107,846	11.786
		2,214,263	23.556	20.12.2016			2,214,263	23.556
2	Mrs. Shefali V. Mirani	785,850	8.145	31.03.2017	785,850 6,32,211	Acquisition (Inter-se transfer) Acquisition (Inter-se transfer) Acquisition (Gift)	2,214,263	23.556
				01.04.2016			785,850	8.145
				20.12.2016			1,397,881	14.871
				27.03.2017			1,438,419	15.302
1	<b>Key Managerial Personnel</b> Kaldas P. Vagadia	8,836	0.041	31.03.2017	-		1,438,419	15.302
				01.04.2016			3,836	0.041
				31.03.2017			3,836	0.041

\* Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to your Company

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial year</b>				
I) Principal Amount	-	-	-	-
II) Interest due but not paid	-	-	-	-
III) Interest accrued but not due	-	-	-	-
<b>Total (I+II+III)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Change in indebtedness during the Financial year</b>				
. Addition	-	-	-	-
. Reduction	-	-	-	-
<b>Net Change</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Indebtedness at the end of the Financial year</b>				
I) Principal Amount	-	-	-	-
II) Interest due but not paid	-	-	-	-
III) Interest accrued but not due	-	-	-	-
<b>Total (I+II+III)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>



## INDIA GELATINE & CHEMICALS LTD.

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		<b>Mr. Viren C. Mirani</b> (Managing Director)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961  (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	1,56,00,000  2,70,000 0	1,56,00,000  2,70,000 0
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify	- -	- -
5.	Others, please specify- i) Deferred/bonus (pertaining to the current Financial year payable in 2016-17) ii) Retirement benefit	0 0	0 0
	<b>Total (A)</b>	<b>1,58,70,000</b>	<b>*1,58,70,000</b>
	<b>Ceiling as per the Act</b>		<b>1,58,70,000</b>

\* Excluding exempted perquisites

#### B. Remuneration to other directors :

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Mr. P.P. Modhury	Mr. S. M. Pitha	Mr. J. M. Thapar	
	Fee for attending Board and Committee Meetings	1,10,000	95,000	1,10,000	3,15,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	<b>Total B (1)</b>	<b>1,10,000</b>	<b>95,000</b>	<b>1,10,000</b>	<b>3,15,000</b>



## INDIA GELATINE & CHEMICALS LTD.

Sr. No.	Particulars of Remuneration	Name of Director	Total Amount
2.	<b>Other Non-Executive Directors</b>	<b>Mrs. S.V. Minni</b>	
	Fee for attending Board and Committee Meetings	55,000	55,000
	• Commission	-	-
	• Others, please specify	-	-
	<b>Total B (2)</b>	<b>55,000</b>	<b>55,000</b>
	<b>Total (B) = B (1) + B(2)</b>		<b>3,70,000</b>
	<b>Total Managerial Remuneration</b>		<b>3,70,000</b>
	<b>Overall Ceiling as per the Act</b>	<b>-</b>	<b>-</b>

### C. Remuneration to Key Managerial Personnel Other than MD/Manager/ WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CFO	Company Secretary upto 11.11.2016	Company Secretary from 11.07.2016	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Mr. Kailash P. Vagadia	Ms. Prachi P. Mehta	Ms. Varsha M. Agarwal	
		-	2,06,634	3,74,665	5,81,499
		-	70,866	19,985	90,851
		-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of Profit - others, specify	-	-	-	-
5	Others, please specify- Professional Charges	9,96,000			9,96,000
	<b>Total C</b>	<b>9,96,000</b>	<b>2,77,500</b>	<b>3,94,650</b>	<b>15,68,350</b>



# INDIA GELATINE & CHEMICALS LTD.

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : N. A.

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made if any (give Details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place : Mumbai  
Date : 27-05-2017

Viren C. Mirani  
Chairman & Managing Director  
DIN: 00044901





**INDIA GELATINE & CHEMICALS LTD.**

**ANNEXURE 'G' TO DIRECTORS' REPORT**

**FORM AOC – 2**

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

<p>(a) Name(s) of the related party and nature of relationship</p> <p>(b) Nature of contracts/arrangements/transactions</p> <p>(c) Duration of the contracts / arrangements/transactions</p> <p>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</p> <p>(e) Justification for entering into such contracts or arrangements or transactions</p> <p>(f) Date(s) of approval by the Board</p> <p>(g) Amount paid as advances, if any</p> <p>(h) Date on which the special resolution was passed</p> <p>(i) Amount paid as advances, if any</p> <p>(j) Date on which (a) the special resolution was passed in general meeting as required under first provision to Section 188 of the Companies Act, 2013.</p>	<b>N.A.</b>
--	-------------

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

<p>(a) Name(s) of the related party and nature of relationship</p> <p>(b) Nature of contracts/arrangements/transactions</p> <p>(c) Duration of the contracts/arrangements/transactions</p> <p>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</p> <p>(e) Date(s) of approval by the Board, if any</p> <p>(f) Amount paid as advances, if any</p>	<b>N.A.</b>
---	-------------

**By Order of the Board of Directors**

Place : Mumbai  
Date : 27-05-2017

**Viren C. Mirani**  
Chairman & Managing Director  
DIN : 00044901



## INDIA GELATINE & CHEMICALS LTD.

### CORPORATE GOVERNANCE REPORT

Pursuant to the provisions of the Companies Act, 2013 and as per the Regulation 34(3) read with Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) the Company has complied with the requirements of Corporate Governance.

Good Corporate Governance makes excellent business sense. It augments superior Corporate Performance. It is often the distinguishing factor between companies that progress rapidly and companies that stagnate. Good Corporate Governance is a continuous process and is achieved through an optimum mix of regulatory compliance, disclosures and practices, transparent and fair conduct that enhances the trust of various interest groups like shareholders, employees, suppliers, creditors, customers and society at large.

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

For IGCL, Corporate Governance is an important corner stone which creates shareholders' value on a sustainable basis. As stated in the past, your company reiterates its commitment to the concept of trusteeship. The creed of trusteeship, the backbone of good Corporate Governance is pursued by your company with consistent and effective adherence to the philosophy of transparency, adequate disclosure, fairness to all and Independent monitoring and supervision in the conduct of its business operation.

#### 2. BOARD OF DIRECTORS :

##### A. Composition of the Board :

It is well recognized that there should be an optimum combination of Executive and Non-Executive Directors with one Woman Director. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, IGCL's Board meets this requirement as it is consisting of 3 Independent Directors, out of the total 5 directors as on 31.03.2017.

Sr. No.	Name of the Directors	Category		*Number of Directorship(s) held in Indian Public Limited Companies (including IGCL)	**Committee(s) position (including IGCL)	
					Member	Chairman
1.	Mr. Viren C. Mirani	Promoters	Chairman & Managing Director	1	1	0
2.	Mrs. Shefali V. Mirani		Non-Executive	1	0	0
3.	Mr. Jayprakash M. Tiwari	Non Promoters	Non-Executive Independent	1	1	0
4.	Mr. Shrikhar N. Pittle		Non-Executive Independent	2	2	1
5.	Mr. Pradip P. Madhavji		Non-Executive Independent	3	0	4

\* Excludes directorship held in Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013 and memberships of managing committees of various chambers/institutions/boards.

\*\* Only Audit Committee and Stakeholder Relationship Committee have been considered as per the regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).



## **INDIA GELATINE & CHEMICALS LTD.**

### **B. Details of numbers, dates and attendance of the Board Meetings :**

Sr. No.	Name of the Directors	Number of Board meetings held while holding the office	Number of Board meetings attended while holding the office	Attendance at last AGM
1.	Mr. Viren C. Mirani	5	5	YES
3.	Mrs. Shefall V. Mirani	5	5	YES
4.	Mr. Shridhar N. Pittle	5	4	NO
5.	Mr. Pradip P. Madhavji	5	5	YES
6.	Mr. Jayprakash M. Thewari	5	5	YES

Total 5 Board meetings were held in the year 2016-2017.

The dates on which the said meetings were held are as follows :

(1)	23.05.2016	(4)	11.11.2016
(2)	15.07.2016	(5)	14.02.2017
(3)	27.09.2016		

### **C. Disclosure of relationships between Directors inter-se: Mr. Viren C. Mirani, Managing Director is the spouse of Mrs. Shefall V. Mirani, Non-Executive Director.**

### **D. Number of shares and convertible instruments held by non-executive directors.**

Details of equity shares held by the Non Executive Directors as on March 31, 2017 are given below:

Name	Category	Number of equity shares
Mrs. Shefall V. Mirani	Non-Independent, Non-Executive	14,38,419

The Company has not issued any convertible instruments

### **E. Web link where details of familiarization programmes imparted to Independent Directors is disclosed:**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to familiarize the Independent Directors of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. Hence a policy was formulated for the same.

The aforesaid policy was approved by the Board of Directors effective from 10<sup>th</sup> February, 2018. The said policy may be referred to, at the company's official website at [www.indiagelatine.com](http://www.indiagelatine.com)

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The details regarding Independent Directors' Familiarisation Programmes are available on website of the Company i.e. [www.indiagelatine.com](http://www.indiagelatine.com)



## **INDIA GELATINE & CHEMICALS LTD.**

### **F. MEETING OF THE INDEPENDENT DIRECTORS:**

As per Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Independent Directors are required to hold atleast one meeting in a year to discuss the following:

- 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.

Accordingly, a meeting had been held on 27<sup>th</sup> February, 2017, without the attendance of Non Independent Director's and members of management. All the Independent Directors attended the meeting and discussed the above points.

### **G. CODE OF CONDUCT:**

The Board of Directors has laid down the Code of Conduct for Directors and Senior Management ("the Code") for all the Board members and senior management personnel and the same is available on website of the Company. All the Directors and Senior Management have confirmed the compliance/adherence to the said code.

### **H. INSIDER TRADING:**

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 which became effective from 15<sup>th</sup> May, 2015, the Company has inter-alia, devised and adopted Code of Conduct for prevention of Insider Trading to regulate, monitor and report trading in Company's securities by persons having access to unpublished price sensitive information of the Company. The said policy is available on website of the Company.

The Company Secretary is the Compliance Officer for the purpose of this code. During the year, there has been due compliance with the code by the Company and all insiders.

## **3. AUDIT COMMITTEE :**

- A. The audit committee of the Company is constituted in line with the provisions of Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), read with Section 177 of the Companies Act, 2013.

### **B. Terms of Reference :**

The terms of reference of the audit committee are broadly as under:

- oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - ✦ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
  - ✦ Changes, if any, in accounting policies and practices and reasons for the same.
  - ✦ Major accounting entries involving estimates based on the exercise of judgment by management.
  - ✦ Significant adjustments made in the financial statements arising out of audit findings.
  - ✦ Compliance with listing and other legal requirements relating to financial statements.
  - ✦ Disclosure of any related party transactions.



## **INDIA GELATINE & CHEMICALS LTD.**

- ✦ Qualifications in the draft audit report.
- ✦ Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing 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;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Considering such other matters the Board may specify;
- Reviewing other areas that may be brought under the purview of role of Audit Committee as specified in SEBI Regulations and the Companies Act, as and when amended.

### **REVIEW OF INFORMATION BY AUDIT COMMITTEE MANDATORILY**

- Management discussion and analysis of financial conditions and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee) submitted by management.
- Management Letters/ Letter of internal control weaknesses issued by the Statutory Auditors.
- Internal Audit Reports related to internal control weaknesses; and
- The appointment, removal and the terms of remuneration of the internal auditor.

### **B. Composition:**

All the members of the Audit Committee are qualified and having insight to interpret and understand financial statements.



## INDIA GELATINE & CHEMICALS LTD.

The Audit Committee of the company comprises of the following members:

Sr. No.	Name of Member	Category	Status	No. of meetings attended
1.	Mr. Pradip P. Madhavji	Non Executive Independent Director	Chairman	4
2.	Mr. Shridhar N. Pittle	Non Executive Independent Director	Member	4
3.	Mr. Jayprakash M. Tiwari	Non Executive Independent Director	Member	4

### C. Meetings during the year:

Total 4 meetings were held in the year 2016-2017.

The dates on which the said meetings were held are as follows :

(1)	23.05.2016	(3)	11.11.2016
(2)	16.07.2016	(4)	14.02.2017

The Company Secretary is the Secretary to the Committee.

Statutory Auditors and Internal Auditors were invited and they attended all the meetings.

## 4. NOMINATION AND REMUNERATION COMMITTEE:

### A. Brief description of Terms of Reference:

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Whole-time Directors as well as the nomination and appointment of Directors.

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II).

### B. Composition:

Remuneration committee consists of 3 (three) Directors:

Sr. No.	Name of Member	Category	Status	No. of meetings attended
1.	Mr. Shridhar N. Pittle	Non Executive Independent Director	Chairman	3
2.	Mr. Pradip P. Madhavji	Non Executive Independent Director	Member	3
3.	Mr. Jayprakash M. Tiwari	Non Executive Independent Director	Member	3





## **INDIA GELATINE & CHEMICALS LTD.**

### **C. Meetings during the year:**

Total 3 meetings were held in the year 2016-2017.

The dates on which the said meetings were held are as follows :

- (1) 23.05.2016
- (2) 15.07.2016
- (3) 11.11.2016

### **D. Performance evaluation criteria for Independent Directors:**

Performance evaluation of the Board, its Committees and all the Individual Directors has been determined by the Nomination and Remuneration Committee, in adherence of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 (2) of the Companies Act, 2013.

The performance evaluation for the financial year was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board. The evaluation of all Directors (including Independent Directors) was done by the entire Board of Directors (excluding the Director being evaluated).

### **E. Nomination and Remuneration Policy:**

As recommended by the NRC, the Board has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other Employees. The Policy envisages payment of remuneration according to qualification, experience and performance. The said policy may be referred to, at the company's official website i.e. [www.indiagelatineltd.com](http://www.indiagelatineltd.com)

Link : <http://indiagelatine.com/financial/Nomination%20&%20Remuneration%20Policy.pdf>

## **5. REMUNERATION OF DIRECTORS:**

### **A. All pecuniary relationship or transactions of the Non-Executive Directors via-&-via the Company:**

None except for the Sitting Fee to Independent Directors.

### **B. Criteria of making payments to Non-Executive Directors:**

The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company [www.indiagelatineltd.com](http://www.indiagelatineltd.com)

The Non-Executive Directors are entitled to sitting fees for attending Meetings of the Board and its Committees

### **C. Disclosures with respect to Remunerations:**

- I. Details of remuneration/ sitting fees paid to Directors during the financial year 2016-17 is given below:



## INDIA GELATINE & CHEMICALS LTD.

Name	Salary	Service term	Comm.	Sitting fees	Perks	Retirement benefit	Total
Mr. Viren C. Mirani (Managing Director) (Re-appointed for further period of three years)	1,56,00,000	01.04.2014 to 31.03.2017	-	-	2,70,000	85,68,274	2,54,36,274
Mrs. Shefali V. Mirani	-	-	-	55,000	-	-	55,000
Mr. Pradip P. Madhavji	-	-	-	1,10,000	-	-	1,10,000
Mr. Shridhar N. Pittle	-	-	-	95,000	-	-	95,000
Mr. Jayprakash M. Thurl	-	-	-	1,10,000	-	-	1,10,000

### II. Service contracts, notice period, severance fee:

Notice period for termination of appointment of Managing Director is six months on either side. No severance pay is payable on termination of appointment.

### 6. STAKEHOLDER RELATIONSHIP COMMITTEE:

A. The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 178 of the Act.

#### B. Terms of reference:

The terms of reference and the ambit of powers of Stakeholders Relationship / Grievance Redressal Committee are as per the governing provisions of the Companies Act, 2013 (section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The status of member correspondences, queries, grievances etc. are endeavored to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders Relationship/ Grievance Redressal Committee which meets at quarterly intervals.

C. The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Member	Category	Status	Number of meetings during the financial year 2016 -17	
				Meetings held	Meetings attended
1.	Mr. Pradip P. Madhavji	Non Director Executive Independent	Chairman	4	4
2.	Mr. Shridhar N. Pittle	Non Director Executive Independent	Member	4	4
3.	Mr. Viren C. Mirani	Managing Director	Member	4	4

#### D. Name and designation of Compliance Officer:

Ms. Varsha Aswari, Company Secretary is the Compliance Officer of the Company.



## **INDIA GELATINE & CHEMICALS LTD.**

### **E. Details of investor complaints received and redressed during the year 2016-17 are as follows:**

<b>Opening Balance</b>	<b>Resolved during the year</b>	<b>Resolved during the year</b>	<b>Pending at the end of the year</b>
0	4	4	0

### **7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Corporate Social Responsibility Committee was formed pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

#### **A. Terms of reference :**

The terms of reference of the Corporate Social Responsibility (CSR) Committee broadly comprises:

To recommend to the Board, the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company i.e. [www.indiagelatineltd.com](http://www.indiagelatineltd.com)

#### **B. Composition:**

The Corporate Social Responsibility (CSR) Committee comprises 3 (three) members. The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility Committee.

The attendance of Members was as follows:

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Status</b>	<b>No. of meetings attended</b>
1.	Mr. Viren C. Mirani	Chairman	2
2.	Mr. Jayprakash M. Tiwari	Member	2
3.	Mrs. Shefali V. Mirani	Member	2

#### **C. Meetings during the year:**

Total 2 meetings were held in the year 2016-17.

The dates on which the said meetings were held are as follows:

1. 11.11.2016
2. 14.02.2017



## INDIA GELATINE & CHEMICALS LTD.

### 8. GENERAL BODY MEETINGS:

#### a) Location and time, where last three Annual General Meetings were held:

Consecutive Year	No. of AGM	Held at	Date	Time
2015-2016	44th	GICEA (Nirman Bhavan) Gajjar Hall, Near Law Garden, Ellisbridge, Ahmedabad-380006	27.09.2016	11.00 am
2014-2015	43rd	GICEA (Nirman Bhavan) Gajjar Hall, Near Law Garden, Ellisbridge, Ahmedabad-380006	24.09.2015	11.00 am
2013-2014	42nd	GICEA (Nirman Bhavan) Gajjar Hall, Near Law Garden, Ellisbridge, Ahmedabad-380006	05.09.2014	11.00 am

#### b) Whether any special resolutions passed in the previous three Annual General Meetings

Date of Annual General Meeting	Details of Special Resolutions passed, if any
27.09.2016	Approve the re-appointment and payment of remuneration to Mr. Viren C. Mirani (DIN: 00044901) as Managing Director
24.09.2015	Permission to Company to maintain Books of Accounts and Statutory Registers under the Companies Act, 2013 at place other than Registered Office of the company
05.09.2014	<ol style="list-style-type: none"> <li>Pursuant to the provisions of Section 180(1) (c) of the Companies Act, 2013 and in substitution, modification and in ratification of the earlier resolution(s) passed under the provisions of the Companies Act, 1956, to borrow money upto a limit of not exceeding in the aggregate * 100 Crores (Rupees One hundred crores only) over and above the aggregate of the paid up capital and free reserves of the Company.</li> <li>Re-appointment and modification in the remuneration payable to Managing Director, Mr. Viren C. Mirani.</li> </ol>

#### c) Whether any Special Resolution passed last year through postal ballot—details of voting pattern:

During the year, 2 (Two) Special Resolutions were passed through Postal Ballot procedure on 8<sup>th</sup> December, 2016. The details of voting pattern in respect of these Special Resolutions are mentioned below:

#### Special Resolutions passed by way of postal ballot:

The Board of Directors by its Resolution passed on 27<sup>th</sup> September, 2016 had appointed Mr. Chirag Shah, Practicing Company Secretary, to act as the Scrutinizer for conducting the Postal Ballot / e-voting process.



## INDIA GELATINE & CHEMICALS LTD.

The Company had also offered e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with the Central Depository Services India Ltd (CDSL) to enable its members to cast their votes electronically pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force). The postal ballot process was carried out as per the procedure laid down in terms of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. Mr. Chirag Shah had carried out the scrutiny of all the postal ballot forms received up to the close of working hours (6 P.M.) on 8th December, 2016 and that he had submitted his Report thereon to the Chairman of the Company. Based on the Scrutinizer's Report, Mr. Viren C. Mirani, Chairman and Managing Director, declared the result of the voting exercise on 12<sup>th</sup> December, 2016, as follows:

**A. Special Resolution for adoption of new set of Articles of Association in line with provisions contained in the Companies Act, 2013.**

Particulars	No. of Postal ballot forms	No. of shares	% of total paid up equity Capital	% of total votes polled
Total postal ballot forms received	34	31448	0.3348%	0.7281%
Less: Invalid Postal Ballot forms	4	2428	0.0258%	0.0561%
Net valid postal ballots with voting exercised	30	29020	0.3087%	0.6701%
Voting exercised through e-voting	19	4301923	45.7851%	99.3299%
Total valid votes exercised	49	4330943	46.0739%	100.0000%
Total Postal Ballot with ASSENT in physical and electronic mode	48	4330942	46.0739%	100.0000%
Total Postal Ballot with DISSENT in physical and electronic mode	1	1	0.0000%	0.0000%

Since total votes polled in favour of the resolution are 100.00% and total votes polled against the resolution are 0.00%, the resolution has been passed as Special Resolution.

**B. Special Resolution Approving the alteration of Object Clause of Memorandum of Association of the Company**

Particulars	No. of Postal ballot forms	No. of shares	% of total paid up equity Capital	% of total votes polled
Total postal ballot forms received	34	31448	0.3348%	0.7281%
Less: Invalid Postal Ballot forms	4	2428	0.0258%	0.0561%
Net valid postal ballots with voting exercised	30	29020	0.3087%	0.6701%
Voting exercised through e-voting	19	4301923	45.7851%	99.3299%
Total valid votes exercised	49	4330943	46.0739%	100.0000%
Total Postal Ballot with ASSENT in physical and electronic mode	48	4330942	46.0739%	100.0000%
Total Postal Ballot with DISSENT in physical and electronic mode	1	1	0.0000%	0.0000%



## **INDIA GELATINE & CHEMICALS LTD.**

Since total votes polled in favour of the resolution are 100.00% and total votes polled against the resolution are 0.00%, the resolution has been passed as Special Resolution.

- d) Person who conducted the postal ballot exercise:  
Mr. Chirag Shah, Practicing Company Secretary
- e) Whether any special resolution is proposed to be conducted through postal ballot

No Resolution requiring Postal Ballot has been placed for Shareholder's approval at this Annual General Meeting.

### **9. MEANS OF COMMUNICATION:**

- a) Quarterly results

The Quarterly limited reviewed un-audited financial results and the Annual Audited Financial results for the complete financial year are sent to the Stock Exchanges immediately after they are approved by the Board and are also published in the newspapers.

- b) Newspapers wherein results are normally published:

The quarterly/ half-yearly/ annual financial results are published in "Indian Express (English and Gujarati editions) and Financial Express".

- c) Website, where displayed:

The quarterly/ half-yearly/ annual financial results are also placed on the Company's website i.e. [www.indiagelatine.com](http://www.indiagelatine.com)

In line with the existing provisions of the SEBI (LODR) Regulations, 2015, the Company has created a separate e-mail address viz. [investor@indiagelatine.com](mailto:investor@indiagelatine.com) for resolving the complaints / grievances of the investors.

- d) No formal presentations were made to the institutional investors and analysts during the year under review.

### **10. GENERAL SHAREHOLDER INFORMATION:**

- a) 45<sup>th</sup> Annual General Meeting:  
Date : 16<sup>th</sup> September, 2017  
Time : 11.00 a.m.  
Venue : GICEA (Nirman Bhavan)  
Gajjar Hall, Law Garden,  
Ellisbridge, Ahmedabad - 380006

- b) Financial Year:

The Financial Year of the Company starts from 1<sup>st</sup> April of a year and ends on 31<sup>st</sup> March of the following year.

- c) Dividend payment date:

The Board of Directors of your Company has recommended a dividend of ₹ 0.90/- per equity share of ₹ 10/- each i.e. @ 9% for the financial year 2016-17. Date of payment of dividend would be within 30 days from the approval in the Annual General Meeting.

- d) The name and address of each Stock Exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):





## INDIA GELATINE & CHEMICALS LTD.

The equity shares of the Company are listed at:

- BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
- Ahmedabad Stock Exchange (ASE), Kamdhenu Complex, Opp. Sahajanand College, Panjarapole, Ahmedabad - 380 015

The listing fees for the financial year 2017-18 have been paid by the Company within the stipulated time.

**e) Stock Code:**

**Stock Exchange**

Ahmedabad Stock Exchange Ltd.

Bombay Stock Exchange Ltd.

Demat ISIN in NSDL and CDSL

**Stock Code**

25710

531253

INE342D01012

**f) Market price data- High, low during each month in last financial year:**

Monthly high & low prices of the equity shares of the Company at the BSE (Bombay Stock Exchange) Limited during financial year 2016-17 are as under:

(₹)

MONTH	HIGH	LOW
April	83.80	70.05
May	84.00	67.10
June	72.40	67.15
July	76.20	64.30
August	73.00	65.10
September	72.90	65.00
October	83.00	65.00
November	78.00	58.00
December	78.20	62.55
January	74.00	64.40
February	82.20	66.25
March	94.00	68.05

**g) In case the securities are suspended from trading, the Directors Report shall explain the reason thereof: Not applicable**

**h) Registrar to an issue and share transfer agents:**

**Registrar & Share Transfer Agent:**

M/S LINK INTIME (INDIA) PVT. LTD.

C-101, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai - 400 083

Tel No : +91 22 49188270 Fax: +91 22 49188060

E-mail id : [mlhelpdesk@linkintime.co.in](mailto:mlhelpdesk@linkintime.co.in)

Website : [www.linkintime.co.in](http://www.linkintime.co.in)



## INDIA GELATINE & CHEMICALS LTD.

### j) Share transfer system:

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialized form.

In case of shares held in physical form, the transferred share certificates duly endorsed are dispatched within 15 days from the date of receipt of documents, provided documents are valid and complete in all respects. In compliance of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the share transfer system of the Company is audited every six months by a Practicing Company Secretary and a certificate to that effect is issued by him.

### j) Distribution of Shareholding as at 31.03.2017

No. of Equity Shares held	No. of Shareholders	No. of Shares held	Share Holding %
Upto 500	3681	540864	5.7538
501 to 1000	589	439634	4.6770
1001 to 2000	265	375600	3.9957
2001 to 3000	71	177148	1.8845
3001 to 4000	59	206841	2.2004
4001 to 5000	34	155520	1.6545
5001 to 10000	41	289572	3.0808
10001 and above	45	7214833	76.7535
<b>Total</b>	<b>4755</b>	<b>9400000</b>	<b>100.0000</b>

### Ownership pattern as on 31.03.2017

Sr. No.	Category	No. of shares	% of Shareholding
1.	Promoter & Promoter Group	6352939	67.58
2.	Public	2866642	31.46
3.	Domestic Companies	64927	0.68
4.	Banks, Financial Institutions	3838	0.04
5.	NRI NON REP	5667	0.06
6.	NRI REP	16187	0.17
	<b>Total</b>	<b>9400000</b>	<b>100.00</b>

### k) Dematerialization of shares and liquidity:

The shares of the Company are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As at 31<sup>st</sup> March, 2017, 8944710 Equity shares out of 94,00,000 Equity Shares of the Company, forming 95.16% of the Company's paid-up capital is held in the dematerialized form. Majority of demat shares are with National Securities Depository Limited. The status of shares held in demat and physical format is given below. The Company's shares are liquid and actively traded on the BSE.

Particulars	As on 31 <sup>st</sup> March 2017	As on 31 <sup>st</sup> March 2016
<b>A. Shares in Demat form</b>	<b>8944710</b>	<b>8917436</b>
NSDL	8308575	8215150
CDSL	635135	702286
<b>B. Shares in Physical form</b>	<b>455290</b>	<b>482564</b>
<b>TOTAL (A+B)</b>	<b>9400000</b>	<b>9400000</b>



## **INDIA GELATINE & CHEMICALS LTD.**

- l) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued these types of securities.

- m) Commodity price risk or foreign exchange risk and hedging activities:**

The Company has entered into forward exchange contracts/ options which are not intended for trading or speculative purposes but for the purpose of hedging. It enables to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

- n) Plant Location:**

Manufacturing Plant of the Company is situated at Plot No.1A, GIDC Industrial Estate, National Highway No.8, Vapi-386 185, Gujarat

- o) Address for correspondence:**

**INDIA GELATINE & CHEMICALS LTD.**

703/704, "Ship", 7th floor,

Near Municipal Market,

Sheth C.G. Road, Navrangpura,

Ahmedabad – 380 009

Tel. No.: (079) 26469514

E-mail : varsha@indigelatine.com • investor@indigelatine.com

Website: www.indigelatine.com

Registrar & Share Transfer Agent

**M/S LINKINTIME (INDIA) PVT. LTD.**

C-101, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai - 400 083

Tel No : +91 22 49188270 Fax: +91 22 49188060

E-mail id : mt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

### **11. Disclosures :**

- A. Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large.**

There are no materially significant related party transactions made by the Company with its Promoters, Directors in Management, their subordinates or relatives, etc. that may have potential conflict with the interests of the Company at large.

Transactions with related parties as per requirements of Accounting Standard (AS-18) – 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in Item No.13 B & C of Note No. 26 to the Financial Statements in the Annual Report.

- B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years;**

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

- C. Details of establishment of vigil mechanism:**

Your Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers and shareholders in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.



## **INDIA GELATINE & CHEMICALS LTD.**

Your Company prohibits any kind of discrimination, harassment, victimization or any other unfair practice being adopted against an employee. In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted and put in place a Whistle Blower Policy with an objective to provide its employees and a mechanism whereby concerns can be raised in line with the Company's commitment to highest standards of ethical, moral and legal business conduct and its commitment to open communication.

No person has been denied access to the Audit Committee for any grievance.

**D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**E. Web link where policy for determining material subsidiaries is disclosed: Not Applicable**

**F. Web link where policy on dealing with related party transactions:**

The policy on dealing with related party transactions is available on the website of the Company i.e. [www.indiagelatineltd.com](http://www.indiagelatineltd.com)

**12. Green Initiative for Paperless Communications:**

The Ministry of Corporate Affairs, Government of India (MCA) has, vide Circular No. 18/2011 dated 29<sup>th</sup> April, 2011, undertaken a 'Green Initiative in Corporate Governance' allowing companies to send the Annual Report and other documents to their shareholders electronically.

The Securities and Exchange Board of India has, vide Circular No. CIR/CFD/DIL/7/2011 directed listed companies to supply soft copies of Annual Reports to all those shareholders who have registered their e-mail addresses for the purpose.

Keeping in view the underlying theme and the circulars issued by MCA and SEBI, the Company proposes to send various communications and documents like notice calling general meetings, audited financial statements, directors' report, auditor's report etc., henceforth, in electronic form, to the e-mail address provided by the Members to the Depositories or to the Company.

Please note that you will continue to be entitled to receive, upon your request, free of cost, a copy of the Annual Report and all other communication that may be sent to you electronically. The Annual Report will also be available on the Company's website [www.indiagelatineltd.com](http://www.indiagelatineltd.com)

This is also a golden opportunity for every shareholder of India Gelatine & Chemicals Limited to contribute to this Corporate Social Responsibility initiative of the company. To support this green initiative in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

**13. Disclosure of compliance of Regulation 17 to 27 and clauses (b) to (f) of sub regulation (2) of Regulation 46:**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (f) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**14. Declaration stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management:**

As provided under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, I hereby declare that the Board Members and the Senior management personnel have affirmed compliance with the Code of conduct as applicable to them for the year ended 31<sup>st</sup> March, 2017.

**For and on behalf of the Board of Directors**

Place : Mumbai  
Date : 27-05-2017

**Viren C. Mirani**  
Chairman & Managing Director  
DIN:00044901



## INDIA GELATINE & CHEMICALS LTD.

CEO/CFO CERTIFICATE UNDER REGULATION 17(6) OF SEBI (LODR) REGULATIONS, 2015

### CEO/CFO CERTIFICATE

The Board of Directors,  
INDIA GELATINE & CHEMICALS LTD.

We certify that :

We, Viren C. Mirani, Chairman and Managing Director and Kalidas P. Vagadia, Chief Financial Officer of the Company, certify that:

- A. We have reviewed the Financial Statements and the Cash Flow Statement of India Gelatine & Chemicals Limited (the Company) for the year ended 31<sup>st</sup> March, 2017 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee, wherever applicable:
  - (i) significant changes, if any, in the Company's internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai  
Date : 27-05-2017

Kalidas P. Vagadia  
(Chief Financial Officer)

Viren C. Mirani  
(Chairman & Managing Director)  
DIN No. 00044801

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
INDIA GELATINE & CHEMICALS LTD.

We have examined the compliance of conditions of Corporate Governance by INDIA GELATINE & CHEMICALS LTD. (the company) for the year ended on 31<sup>st</sup> March, 2017, as stipulated in Chapter IV read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company, for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said company with Stock Exchanges.

We 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.

Place : Ahmedabad  
Date : 27-05-2017

For Mahendra N. Shah & Co.,  
Chartered Accountants  
FRN 105775W  
CA Chirag M. Shah  
Partner  
M. No.F-45708





## **INDIA GELATINE & CHEMICALS LTD.**

### **INDEPENDENT AUDITORS' REPORT**

**To the Members of  
INDIA GELATINE & CHEMICALS LTD.**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of INDIA GELATINE & CHEMICALS LIMITED ("the Company") which comprises the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone 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 standalone financial statements are free from material misstatement.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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:





## **INDIA GELATINE & CHEMICALS LTD.**

- (i) in the case of the Balance sheet, of the state of affairs of the company as at March 31, 2017;
- (ii) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors report) Order, 2018 ("The Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, We give in the Annexure "A" statement on the matter specified in paragraphs 3 & 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 purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013;
  - f. with reference to the adequacy of the Internal financial controls over financial reporting of the Company and operating effectiveness of such control, refer to our separate report to "Annexure : B";
  - g. With respect to the other matters included in the auditors' report and to best of our information and according to the explanation given to us :
    - 1) The company has disclosed the impact of pending litigation on its financial position in its standalone financial statements Refer to Item No. 8 of Note No. 26 to the standalone financial statement;
    - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
    - 4) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 6<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Item No. 11 of Note No. 26.

Place: Ahmedabad  
Date: 27-06-2017

For Mahendra N. Shah & Co.,  
Chartered Accountants  
FRN 105775W

CA Chirag M. Shah  
Partner  
M. No.F-45708



## **INDIA GELATINE & CHEMICALS LTD.**

### **ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

**1. In respect of Fixed Assets :**

- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of five years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties are in the name of the company.

**2. In respect of Inventories:**

According to information and explanation given to us, Physical verification of inventories has been conducted in reasonable interval by the Management and no material discrepancies were noticed on physical verification during the year.

- 3. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (II) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4. In our opinion and according to the information and explanations given to us, the company has not granted loan or given guarantee or provided security as provided in the section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5. According to information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 78 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6. The Central Government has prescribed maintenance of Cost Records under section 148(1) of the Companies Act, 2013 in respect of manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- 7. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account and records :
  - (a) the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on which it becomes payable.
  - b) According to the information and explanations given to us, there are no material dues of Income Tax, Sales Tax, and Service Tax, Value Added Tax, Wealth Tax, Duty of Customs and Cess which have not been deposited with the appropriate authorities on account of any dispute, except in respect to Income Tax penalty and Excise Duty, the following dues have not been deposited by the Company on account of disputes according to information and explanations given to us:



## INDIA GELATINE & CHEMICALS LTD.

Name of the Statute	Nature of dues	Amount (₹ lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	8.15	1980-81 to 1983-84	Dy. Commissioner of CEGAT Excise
Service Tax Act	Service Tax	6.19	2008-09 to 2013-14	CEGAT Ahmedabad & Commissioner of Excise
Income Tax Act, 1961	Demand raised in Scrutiny Assessment	53.23	2012-13	Commissioner of Income Tax
Income Tax Act, 1961	Demand raised in Scrutiny Assessment	49.26	2013-14	Commissioner of Income Tax

8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. According to the information and explanations given by the management, the company has not raised any amount by way of initial public offer or further public offer including debt instruments and term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
10. According to the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of Mahendra N. Shah & Co.,  
Chartered Accountants  
FRN 105775W

CA Chirag M. Shah  
Partner  
M. No. F-45706

Place : Ahmedabad  
Date : 27-06-2017





**INDIA GELATINE & CHEMICALS LTD.**

**ANNEXURE 'B'**

**Annexure to the Independent Auditors' report of even date on the Standalone financial statements of India Gelatine & Chemicals Ltd.**

**Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Sec.143 of the Companies Act, 2013("the Act")**

We have audited the Internal financial controls over financial reporting of India Gelatine & Chemicals Ltd ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining Internal financial controls based on the Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's Internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal financial controls systems over financial reporting and their operating effectiveness. Our audit of Internal financial controls over financial reporting included obtaining an understanding of Internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting.**

A company's Internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purpose in accordance with generally accepted accounting principles. A company's Internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.



## **INDIA GELATINE & CHEMICALS LTD.**

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting was operating effectively as on March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

For and on behalf of Mahendra N. Shah & Co.,  
Chartered Accountants  
FRN 105775W

Place : Ahmedabad  
Date : 27-05-2017

CA Chirag M. Shah  
Partner  
M. No. F-45708



# INDIA GELATINE & CHEMICALS LTD.

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2017

Amount in ₹

	Refer Note No.	As at 31.03.2017	As at 31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share capital	1	9,40,00,000	9,40,00,000
(b) Reserves and surplus	2	114,61,02,802	111,74,61,022
		124,01,02,802	121,14,61,022
<b>2 Non-current Liabilities</b>			
(a) Deferred tax liabilities (Net)	3	7,80,77,574	7,78,34,480
(b) Other Long term liabilities	4	50,000	5,62,182
(c) Long-term provisions	5	14,50,83,529	14,03,34,062
		22,12,21,103	21,86,30,724
<b>3 Current Liabilities</b>			
(a) Trade payables		4,54,50,883	2,82,14,314
(b) Other current liabilities	6	1,84,63,683	1,68,12,809
(c) Short-term provisions	7	8,10,42,489	9,04,45,941
		14,49,47,035	13,54,73,064
<b>Total</b>		160,62,71,040	156,54,84,810
<b>II. ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Fixed assets			
(i) Tangible assets	8(a)	43,74,74,117	45,08,87,853
(ii) Intangible assets	8(b)	16,48,720	16,48,720
(iii) Capital work-in-progress	8(c)	1,08,57,300	40,90,485
(b) Non-current investments	9	26,49,24,874	6,78,66,035
(c) Long-term loans and advances	10	14,48,41,542	14,31,41,543
(d) Other Non Current Assets	11	-	22,44,262
		85,86,48,353	88,95,58,888
<b>2 Current Assets</b>			
(a) Current investments	12	9,21,84,493	-
(b) Inventories	13	27,46,29,021	23,93,70,812
(c) Trade receivables	14	8,17,72,769	6,09,81,921
(d) Cash and cash equivalents	15	8,81,87,288	40,55,70,386
(e) Short-term loans and advances	16	19,83,02,003	17,81,72,105
(f) Other current assets	17	1,35,39,135	1,18,50,708
		74,66,24,667	89,59,26,912
<b>Total</b>		160,62,71,040	156,54,84,810

Significant Accounting Policies and the accompanying Notes are an integral part of the Financial Statements

25 & 26

As per our attached report of even date.

For MAHENDRA N. SHAH & CO.  
Chartered Accountants  
FRN105775W  
CA Chirag M. Shah  
Partner  
M. No.: F-45706  
Place : Ahmedabad  
Date : 27-05-2017

Viren C. Mirani  
Chairman & Managing Director  
Shefali V. Mirani  
Executive Director  
Yareha M. Aswani  
Company Secretary  
Place : Mumbai  
Date : 27-05-2017

Pradip P. Madhavji  
Shridhar N. Pittle  
Jayprakash M. Thawar  
Directors



# INDIA GELATINE & CHEMICALS LTD.

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Amount in ₹

	Refer Note No.	For the Year ended March 31, 2017	For the Year ended March 31, 2016
<b>I. Revenue from operations</b>	<b>18</b>	<b>75,86,05,733</b>	<b>94,26,19,755</b>
<b>II. Other Income</b>	<b>19</b>	<b>5,51,43,914</b>	<b>5,03,25,995</b>
<b>III. Total Revenue (I + II)</b>		<b>81,37,49,647</b>	<b>99,28,45,750</b>
<b>IV. Expense:</b>			
Cost of materials consumed	<b>20</b>	<b>40,63,40,418</b>	<b>38,03,77,274</b>
Changes in Inventories (Finished goods work-in-progress and Stock-in-Trade)	<b>21</b>	<b>(8,43,24,233)</b>	<b>8,60,27,163</b>
Employee benefit expenses	<b>22</b>	<b>5,18,62,877</b>	<b>5,84,21,251</b>
Finance costs	<b>23</b>	<b>38,889</b>	<b>18,655</b>
Depreciation and amortization expense		<b>3,40,60,277</b>	<b>4,74,63,504</b>
Other expenses	<b>24</b>	<b>38,88,64,885</b>	<b>37,11,91,023</b>
<b>Total expenses</b>		<b>78,68,63,193</b>	<b>94,54,98,670</b>
<b>V. Profit before tax (III - IV)</b>		<b>2,70,86,454</b>	<b>4,73,48,880</b>
<b>VI. Tax expense:</b>			
(1) Current tax		<b>7,65,000</b>	<b>1,25,00,000</b>
(2) MAT Receivable		<b>(7,65,000)</b>	<b>-</b>
(3) Deferred tax		<b>(15,58,896)</b>	<b>(17,98,000)</b>
<b>VII. Profit for the year (V-VI)</b>		<b>2,86,43,340</b>	<b>3,68,48,880</b>
<b>VIII. Short / (Excess) Provision of taxation of earlier year (Net)</b>		<b>21,480</b>	<b>-</b>
<b>IX. Profit for the year (VII - VIII)</b>		<b>2,88,21,880</b>	<b>3,68,48,880</b>
<b>X. Earnings per equity share:</b>			
<b>Basic &amp; Diluted</b>		<b>3.04</b>	<b>3.90</b>
<b>Weighted average number of Equity Shares (face value of ₹ 10 each)</b>		<b>94,00,000</b>	<b>94,00,000</b>

Significant Accounting Policies and the accompanying Notes are an integral part of the Financial Statements

25 & 26

As per our attached report of even date.

For MAHENDRA N. SHAH & CO.  
Chartered Accountants  
FRN105775W  
CA Chirag M. Shah  
Partner  
M. No.: F-45708  
Place : Ahmedabad  
Date : 27-05-2017

Viren C. Mirani  
Chairman & Managing Director  
Shafail V. Mirani  
Executive Director  
Varsha M. Aswani  
Company Secretary  
Place : Mumbai  
Date : 27-05-2017

Pradip P. Madhavji  
Shridhar N. Pittle  
Jayprakash M. Tharal  
Directors





# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 1 Share Capital

	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	Number	In ₹	Number	In ₹
<b>Authorised</b> Equity Shares of ₹ 10/- each	1,25,00,000	12,50,00,000	1,25,00,000	12,50,00,000
<b>Issued</b> Equity Shares of ₹ 10/- each	94,00,000	9,40,00,000	94,00,000	9,40,00,000
<b>Subscribed &amp; Fully Paid up</b> Equity Shares of ₹ 10/- each fully paid	94,00,000	9,40,00,000	94,00,000	9,40,00,000
<b>Total</b>	94,00,000	9,40,00,000	94,00,000	9,40,00,000

### (a) Particulars of Share Holders holding more than 5% shares in the Company

Name of Shareholder	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Viren C. Mirani	22,14,263	23.56	11,07,846	11.79
Olive Finance & Investment Pvt Ltd	18,63,099	19.82	18,74,589	19.94
Shetal V. Mirani	14,38,419	15.30	7,65,650	8.15
Divyaprabha C. Mirani	5,49,534	5.85	5,49,534	5.85
Sunil P. Mirani	1,38,499	1.47	6,56,140	6.98
Manorama N. Mirani	-	-	5,84,580	6.01

### (b) Terms and Rights attached to Equity Shares:

The company has only one class of equity shares having a par value of ₹10/- each per share.  
Each Equity shareholder is entitled to one vote per share.  
The company declares and pays dividend in Indian Rupees.

### Note 2 Reserves & Surplus

	As at 31 <sup>st</sup> March, 2017 ₹	As at 31 <sup>st</sup> March, 2016 ₹
<b>a. Capital Reserves</b>	6,30,26,000	6,30,26,000
<b>b. Securities Premium Account</b>	13,63,40,000	13,63,40,000
<b>c. General Reserves</b>		
Opening Balance	88,81,88,723	85,31,88,723
(+) Transferred from statement of Profit and Loss	1,00,00,000	3,50,00,000
Closing Balance	89,81,88,723	88,81,88,723
<b>d. Surplus in Statement of Profit and Loss :</b>		
Opening balance	2,99,26,299	3,84,61,706
(+) Net Profit for the current year	2,86,21,880	3,66,46,880
(-) Proposed Dividend	-	84,60,000
(-) Dividend Distribution Tax	-	17,22,287
(-) Transfer to Reserves	1,00,00,000	3,50,00,000
Closing Balance	4,85,48,179	2,99,26,299
<b>Total</b>	<b>114,81,02,902</b>	<b>111,74,81,022</b>

**INDIA GELATINE & CHEMICALS LTD.****NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017****Note 3 Deferred Tax Liabilities (Net)**

₹

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Deferred Tax Liability	12,87,94,423	12,87,94,423
Deferred Tax Asset	6,11,59,963	4,74,17,876
Add/(Less) : Provided /(written back) during the year on Accumulated Depreciation	-	(19,44,087)
Add/(Less) : Provided /(written back) during the year	(15,56,886)	(17,98,000)
<b>Total</b>	<b>7,80,77,574</b>	<b>7,76,34,460</b>

**Note 4 Other Long Term Liabilities**

₹

Security Deposit	50,000	5,62,182
<b>Total</b>	<b>50,000</b>	<b>5,62,182</b>

**Note 5 Long Term Provisions**

₹

(a) Provision for employee benefits Leave Encashment (unfunded)	2,06,44,075	1,58,84,828
(b) Others : Provisions for Tax & Disputed Matters	12,44,49,454	12,44,49,454
<b>Total</b>	<b>14,50,93,529</b>	<b>14,03,34,082</b>

**Note 6 Other Current Liabilities**

₹

(a) Advance from Customers	46,16,903	43,90,442
(b) Unpaid dividend	22,80,024	24,34,387
(c) Other Current Liabilities	1,15,57,756	99,87,880
-	-	-
<b>Total</b>	<b>1,84,53,683</b>	<b>1,68,12,809</b>



# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 7 Short Term Provisions

₹

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
(a) Provision for employee benefits	14,92,469	14,78,854
(b) Others :		
(i) Proposed Dividend	-	84,60,000
(ii) Tax on Dividend	-	17,22,267
(iii) Provision for Income Tax & Others	7,95,50,000	7,67,85,000
<b>Total</b>	<b>8,10,42,469</b>	<b>9,04,45,941</b>



# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 8 Fixed Assets

(₹)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	Balance as at 1 <sup>st</sup> April, 2016	Additions	Sale / Adjustment	Balance as at 31 <sup>st</sup> March, 2017	Up to 31 <sup>st</sup> March, 2016	Accumulated Depreciation Reversed / Adjusted	Depreciation for the year	Adjustment due to Sale etc.	Balance as at 31 <sup>st</sup> March, 2017	Balance as at 31 <sup>st</sup> March, 2016
<b>a Tangible Assets</b>										
Land (Freehold)	4,40,377	-	-	4,40,377	-	-	-	-	4,40,377	4,40,377
Land (Leasehold)	21,00,254	-	-	21,00,254	3,81,885	-	-	-	17,18,369	17,18,371
Buildings	17,00,00,000	-	-	17,00,00,000	7,47,82,041	-	37,94,000	-	9,52,17,959	9,51,87,957
Plant and Equipment	92,56,57,189	1,33,30,807	-	93,89,87,996	80,76,64,494	-	2,43,13,043	-	81,46,74,953	81,79,83,720
Furniture and Fixtures, Office equipment	2,34,20,005	3,76,409	-	2,37,96,414	1,80,52,042	-	10,85,822	-	48,44,392	53,77,785
Vehicles	4,04,13,806	1,04,44,400	1,05,04,063	4,13,62,269	1,80,82,388	-	4,780,405	72,05,377	2,85,46,895	2,53,51,117
Laboratory Equipment	30,21,228	60,151	-	30,81,379	32,17,284	-	77,887	-	5,95,223	6,00,930
<b>Total</b>	<b>117,28,87,785</b>	<b>2,42,20,917</b>	<b>1,05,04,063</b>	<b>119,76,12,765</b>	<b>72,28,19,802</b>	<b>-</b>	<b>8,44,80,277</b>	<b>72,05,377</b>	<b>63,74,74,117</b>	<b>48,88,87,845</b>
<b>b Intangible Assets</b>										
Technical Know How	3,00,74,285	-	-	3,00,74,285	2,94,25,565	-	-	-	18,48,720	15,48,720
<b>Total</b>	<b>3,00,74,285</b>	<b>-</b>	<b>-</b>	<b>3,00,74,285</b>	<b>2,94,25,565</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,48,720</b>	<b>15,48,720</b>
<b>c Capital Work in Progress</b>										
<b>Total</b>	<b>40,80,485</b>	<b>67,00,015</b>	<b>-</b>	<b>1,07,80,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,07,80,500</b>	<b>40,80,485</b>
<b>Total (a+b+c)</b>	<b>120,77,82,855</b>	<b>3,09,20,932</b>	<b>1,05,04,063</b>	<b>123,92,07,850</b>	<b>75,14,45,467</b>	<b>-</b>	<b>8,44,80,277</b>	<b>72,05,377</b>	<b>73,59,36,137</b>	<b>48,88,87,845</b>
<b>Previous Year</b>	<b>119,80,35,822</b>	<b>2,88,88,609</b>	<b>2,68,81,396</b>	<b>125,38,05,827</b>	<b>71,38,34,802</b>	<b>-</b>	<b>4,74,63,884</b>	<b>68,82,288</b>	<b>69,93,87,665</b>	<b>48,17,91,888</b>



# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 9 Non-Current Investments

Details of Non Current Investments (At Cost)								
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount (₹)	
			As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016			As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a)	<b>Investment in Equity Shares</b>							
1	Tamilnadu Jalbhara Mills Ltd	Others	50,000.00	50,000.00	Quoted	Fully Paid	5,00,000	5,00,000
2	Autolife (India) Ltd	Others	100.00	100.00	Quoted	Fully Paid	9,000	9,000
3	Shri Vigneshwara Cotton Mills Limited	Others	6,000.00	6,000.00	Unquoted	Fully Paid	60,000	60,000
4	SKM Engg. Products Export (I) Ltd	Others	10,000.00	10,000.00	Quoted	Fully Paid	1,00,000	1,00,000
5	Upam Solutions P.Ltd.	Associate	-	10,000.00	Unquoted	Fully Paid	-	1,70,00,000
					<b>TOTAL</b>		<b>6,69,000</b>	<b>1,76,69,000</b>
(b)	<b>Investments in Debentures/ Bonds</b>							
1	National Highway Authorities of India Bonds(Taxfree)	Others	12,362.00	12,362.00	Quoted	Fully Paid	1,23,62,000	1,23,62,000
2	Cholamandalam Investment & Finance Co. Ltd MCD	Others	20.00	20.00	Quoted	Fully Paid	1,00,00,000	1,00,00,000
3	NHAI Bonds(Benefit U/S 54 EC)	Others	600.00	600.00	Quoted	Fully Paid	60,00,000	60,00,000
4	NHAI Bonds(Taxfree)	Others	8,571.00	8,571.00	Quoted	Fully Paid	85,71,000	85,71,000
					<b>TOTAL</b>		<b>3,69,33,000</b>	<b>3,69,33,000</b>
(c)	<b>Investments in Mutual Funds</b>							
1	Kotak India Growth Fund	Others	6,723.84	7,270.00	Unquoted	Fully Paid	66,88,185	70,28,603
2	Kotak India Growth Fund - II	Others	100.00	100.00	Unquoted	Fully Paid	64,25,329	72,29,832
3	ICICI Pru-Balanced Advantage Fund - Reg. (M)(D)	Others	18,79,883.79	-	Quoted	Fully Paid	2,58,72,113	-
4	ICICI Pru-Dynamic Plan - Reg. (D)	Others	2,17,078.45	-	Quoted	Fully Paid	44,32,883	-
5	Kotak Balance Reg (D)	Others	18,24,488.12	-	Quoted	Fully Paid	2,48,84,888	-
6	Reliance Regular Savings Balance Fund (D) (D)	Others	29,31,735.71	-	Quoted	Fully Paid	3,08,88,888	-
7	SBI - M - Balanced Fund Reg. (D)	Others	8,23,833.44	-	Quoted	Fully Paid	1,85,25,737	-
8	SBI - Pharma Fund Reg. (D)	Others	1,81,884.85	-	Quoted	Fully Paid	1,02,73,299	-
9	Tide Balance Fund Plan A (M) (D)	Others	8,68,898.49	-	Quoted	Fully Paid	3,87,81,334	-
10	Edelweiss Aife Fund	Others	-	-	Quoted	Fully Paid	3,04,15,365	-
11	Birla SL Balance 95 Fund Reg. (D)	Others	2,64,823.37	-	Quoted	Fully Paid	3,88,83,388	-
					<b>TOTAL</b>		<b>22,33,15,674</b>	<b>1,42,68,035</b>
(d)	<b>Other Non-Current Investments</b>							
1	National Savings Certificate	Others	-	-	Unquoted	Fully Paid	8,000	8,000
					<b>TOTAL</b>		<b>8,000</b>	<b>8,000</b>
	<b>Total (a+b+c+d)</b>				<b>G. TOTAL</b>		<b>28,48,24,574</b>	<b>6,75,68,035</b>



# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 9 Non-Current Investments

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Investments (Non Trade)</b>		
(a) Investment in Equity Shares	6,69,000	1,75,69,000
(b) Investments in debentures or bonds	3,59,33,000	3,59,33,000
(c) Investments in Mutual Funds	22,83,16,674	1,42,58,035
(d) Other non-current Investments - National Savings Certificate	8,000	8,000
<b>Total</b>	<b>26,49,24,674</b>	<b>6,78,68,035</b>
Aggregate amount of quoted Investments (Market Value of ₹ 26,12,13,175) (Previous year ₹ 3,62,22,070)	<b>26,29,30,137</b>	<b>3,65,42,000</b>
Aggregate amount of unquoted Investments at cost	<b>1,19,94,537</b>	<b>3,13,24,035</b>

### Note 10 Long Term Loans and Advances

<b>Unsecured, considered good</b>		
(a) Security Deposits	63,62,311	36,62,311
(b) Other Loans & Advances	13,94,79,231	13,94,79,232
<b>Total</b>	<b>14,48,41,542</b>	<b>14,31,41,543</b>

### Note 11 Other Non Current Assets

Sundry Advances for Capital Goods	-	22,44,282
<b>Total</b>	<b>-</b>	<b>22,44,282</b>

### Note 12 Current Investments

Details of Current Investments (At Cost)								
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount (₹)	
			As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016			As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a)	Investment in Equity Shares							
1	ICICI Pru-Equity Income Fund - Reg. (Q) (D)	Others	8,89,288.87	-	Quoted	Fully Paid	1,89,83,672	-
2	ICICI Pru-Dynamic Bond Fund - Reg. (M) (D)	Others	82,612.89	-	Quoted	Fully Paid	19,00,898	-
3	ICICI Pru-Equity Arbitrage Fund - Reg. (D)	Others	17,81,223.07	-	Quoted	Fully Paid	2,34,84,593	-
4	Kotak Equity Arbitrage Fund-M(D)	Others	28,31,186.71	-	Quoted	Fully Paid	3,26,53,294	-
5	Kotak Bond Regular Plan (Q) (D)	Others	9,87,318.02	-	Quoted	Fully Paid	1,89,83,294	-
6	Tata Dynamic Bond Fund A (B) (D)	Others	18,89,132.87	-	Quoted	Fully Paid	1,39,00,898	-
		<b>Total</b>					<b>8,21,84,483</b>	<b>-</b>





# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 12 Current Investments

₹

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Investments		
(a) Investments in Mutual Funds	9,21,84,493	-
<b>Total</b>	<b>9,21,84,493</b>	<b>-</b>

### Note 13 Inventories

₹

(Valued at cost or net realisable value whichever is lower)		
a. Raw Materials	1,49,16,798	6,50,41,221
b. Work-in-progress	12,79,76,718	6,34,33,128
c. Finished goods	10,24,53,027	8,26,71,383
d. Stores and spares and components	2,80,34,869	2,79,71,515
e. Loose Tools	2,48,534	2,53,567
<b>Total</b>	<b>27,46,29,021</b>	<b>23,93,70,812</b>

### Note 14 Trade Receivables (Unsecured)

₹

(a) Outstanding for a period exceeding six months from the date they are due for payment (considered good)	2,81,083	5,76,309
(b) Others (considered good)	9,15,11,886	6,03,85,612
<b>Total</b>	<b>9,17,72,769</b>	<b>6,09,61,921</b>

### Note 15 Cash and Cash Equivalents

₹

	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
(a) Cash on hand		1,59,183		1,87,570
(b) Balances with banks				
(i) In Current Accounts	6,45,50,188		37,82,30,518	
(ii) Earmarked Balances (unpaid dividend accounts)	22,80,024	6,88,30,180	24,34,387	
(iii) In Deposit Accounts :				37,88,64,903
(a) Margin money Deposit	1,82,07,893		1,87,07,893	
(b) Bank deposits with more than 12 months maturity	30,00,000	1,82,07,893	1,00,00,000	2,67,07,893
<b>Total</b>		<b>8,61,97,268</b>		<b>40,55,70,368</b>



# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 16 Short Term Loans and Advances

₹

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Unsecured, considered good</b>		
a. Loans and advances to related parties	-	2,09,99,999
b. Staff Loans & Advances	1,58,000	1,77,750
c. Other Loans and Advances	19,81,44,003	15,89,94,356
<b>Total</b>	<b>19,83,02,003</b>	<b>17,81,72,105</b>

### Note 17 Other Current Assets

₹

Interest Receivable	1,35,39,135	1,18,50,708
<b>Total</b>	<b>1,35,39,135</b>	<b>1,18,50,708</b>

### Note 18 Revenue From Operations

₹

	2016-2017	2015-2016
<b>(a) Sale of products</b>		
Gross Sales	74,33,50,435	82,49,98,204
<b>Less:</b>		
Excise duty	1,23,29,232	1,31,87,430
<b>Net Sales</b>	<b>73,10,24,203</b>	<b>81,18,30,774</b>
<b>Details of finished goods sold :</b>		
Osselin	1,15,37,101	5,64,98,020
Gelatine	53,79,05,837	89,09,20,682
DI-calcium Phosphate	18,18,81,265	16,44,12,072
<b>Total Sales</b>	<b>73,10,24,203</b>	<b>81,18,30,774</b>
<b>(b) Other Operating Revenue</b>		
(i) Miscellaneous Sales	96,19,549	98,78,485
(ii) Export Incentives	83,07,998	1,03,07,729
(iii) Service Tax Refund	6,16,770	7,63,797
(iv) HCL Lifting charges	90,37,213	87,40,870
<b>Total</b>	<b>2,75,81,530</b>	<b>3,08,88,881</b>
<b>Grand Total</b>	<b>75,86,05,733</b>	<b>84,25,19,755</b>



# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 19 Other Income

₹

	2016-2017	2015-2016
Interest Income	1,80,00,304	1,25,22,011
Dividend Income	2,33,41,970	1,56,84,005
Profit on sales of Investments	1,19,35,822	2,19,48,373
Sundry Balances Written back	15,14,458	-
Miscellaneous Income	3,81,560	1,73,606
<b>Total</b>	<b>5,51,43,814</b>	<b>5,03,25,895</b>

### Note 20 Raw Materials Consumed

₹

	2016-2017		2015-2016	
	₹	₹	₹	₹
<b>Opening Stock</b>		<b>6,50,41,221</b>		<b>2,73,48,387</b>
Add: Purchase during the year				
I) Crushed Bones	33,68,70,080		40,01,70,683	
II) Lime	1,78,32,880		1,89,93,271	
III) Hydrochloric Acid	1,31,858		9,08,174	
iv) Raw material Gelatine	13,80,375	35,82,14,893	-	41,80,72,128
		<b>42,12,86,214</b>		<b>44,64,18,496</b>
Less: Closing Stock		<b>1,49,16,796</b>		<b>6,50,41,221</b>
Consumption of materials which includes Consumption of		<b>40,63,40,418</b>		<b>38,03,77,274</b>
i) Crushed Bones		<b>38,70,85,385</b>		<b>38,23,84,583</b>
ii) Lime		<b>1,77,42,561</b>		<b>1,70,78,690</b>
III) Hydrochloric Acid		<b>1,32,067</b>		<b>9,34,001</b>
iv) Raw material Gelatine		<b>13,80,375</b>		<b>-</b>

### Note 21 Changes in Inventories

₹

	2016-2017		2015-2016	
	₹	₹	₹	₹
<b>Closing Stock</b>				
Finished	10,24,63,027		8,26,71,383	
Work In Process	12,78,75,715	23,04,28,742	8,34,33,128	14,81,04,509
Less :				
<b>Opening Stock</b>				
Finished	8,26,71,383		15,35,82,610	
Work In Process	8,34,33,128	14,81,04,509	8,05,49,082	23,41,31,872
<b>(Increase)/Decrease</b>		<b>(8,43,24,233)</b>		<b>8,80,27,163</b>



# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 22 Employee Benefit Expenses

	2016-2017	2015-2016
	₹	₹
Salary, Wages & Bonus	5,83,78,437	5,32,25,385
Staff Welfare Expenses	8,07,540	8,70,290
Contribution to Provident Fund	19,75,298	20,15,022
Contribution to ESI Scheme	2,31,128	1,74,193
Gratuity - Contribution to LIC Scheme	26,82,476	23,36,381
<b>Total</b>	<b>6,18,82,877</b>	<b>5,84,21,261</b>

### Note 23 Finance Cost

	2016-2017	2015-2016
	₹	₹
Interest Expenses	38,889	16,855
<b>Total</b>	<b>38,889</b>	<b>16,855</b>



# INDIA GELATINE & CHEMICALS LTD.

## NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Note 24 Other Expenses

	2016-2017		2015-2016	
	₹	₹	₹	₹
Packing Materials Consumed		80,27,285		81,18,888
Stores, Spares & Tools Consumed		3,57,78,291		3,37,63,508
Power & Fuel		14,38,04,493		13,59,89,529
Labour Charges		2,94,80,505		2,96,10,217
CETP, Water and Effluent Treatment Charges		3,84,04,596		3,00,03,848
Repairs:				
Machinery	1,21,73,319		1,08,04,317	
Building	1,03,04,484		1,42,15,314	
Others	10,44,056	2,35,21,858	15,36,338	2,65,54,969
Export Expenses		1,41,07,861		1,32,44,829
Freight and Cartage		56,28,828		89,27,883
Insurance		62,65,172		60,63,218
Rent, Rates & Taxes		18,14,689		19,17,478
Postage and Telephone		15,91,198		18,37,575
Stationery & Printing		9,99,755		9,18,369
Advertisement & Sales Promotion Exp.		18,48,798		27,53,015
Commission and Discount on Sales		72,61,867		1,44,15,918
Legal & Professional fees		1,58,03,408		1,73,34,613
Directors' Sitting Fees		3,71,710		2,28,970
Donation		8,25,500		41,500
CSR Expenses		23,07,500		18,50,000
Travelling Expenses		1,39,77,593		1,64,23,800
General Expenses		1,67,99,018		1,38,35,302
Sales Tax		32,75,543		1,23,79,823
<b>Total</b>		<b>36,86,64,963</b>		<b>37,11,91,023</b>



## INDIA GELATINE & CHEMICALS LTD.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

#### Note 25

##### 1) General Information and Basis of preparation :

The Financial Statements are prepared under the historical cost convention as a going concern and on accrual basis in accordance with the generally accepted accounting principles, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013 (The Act).

##### 2) Use of Estimates :

The presentation of Financial Statements require estimates and disclosure of contingent liabilities assumptions to be made that affect the reported amount of Assets and Liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

##### 3) Fixed Assets :

Fixed Assets are stated at cost of acquisition or construction, net of capital credit, including incidental expenses related to acquisition and installation and financing costs till the commencement of commercial production and adjustments arising from exchange rate variation relating to borrowings attributable to fixed assets, less accumulated depreciation.

Free hold land is stated at cost.

##### 4) Depreciation :

1. (a) The Company's Plant at Vapi is Continuous Process Plant. The Company has provided depreciation in respect of Plant and Machinery and Equipments at Vapi Plant on the basis of technical valuation carried out on useful life determined by Government approved registered Valuer.
- (b) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II in respect of assets other than Plant and Machineries, Equipments at Vapi Plant. Accordingly, the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful life of particular assets.

##### 5) Inventories :

Items of Inventories are valued on the FIFO/Specific Weighted Average Cost and on the basis given below :

a) Stores and Spares, Packing Materials, Fuel & Loose tools	-	At cost or net realizable value, whichever is lower
b) Raw Materials	-	At cost or net realizable value, whichever is lower
c) Work-In-Process	-	At cost or net realizable value, whichever is lower
d) Finished Goods	-	At cost or net realizable value, whichever is lower

Costs of inventories comprise of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

##### 6) Borrowing Costs :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.





## **INDIA GELATINE & CHEMICALS LTD.**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.**

#### **7) Investments :**

Long Term Investments are carried at cost less provision for permanent diminution, if any, in value of such investments.

#### **8) Employees Benefits :**

Short term employee benefits (which are payable within 12 months after the end of the period in which the employees render service) are measured at cost.

Long term employee benefits (which are payable after the end of 12 months from the end of the period in which the employees render service) and post employment benefits (benefits which are payable after completion of employment) are measured on a discounted basis by the Projected Unit Credit Method on the basis of Actuarial Valuation.

Contribution to provident fund, a defined contribution plan is made in accordance with the statute.

The cost of providing leave encashment and gratuity defined benefit plans are determined using Projected Unit Credit Method on the basis of Actuarial valuation.

#### **9) Impairment of Assets :**

The company on an Annual basis makes an assessment of any indicator that may lead to impairment of Assets. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by creating the difference as Impairment loss & is charged to the Statement of Profit & Loss.

#### **10) Excise duty and Cenvat Credit :**

Excise Duty payable on finished goods is accounted for on clearance of goods. Cenvat credit on Capital goods and Inputs is accounted for on the date of actual receipt of the same, respectively.

#### **11) Foreign Currency Transactions :**

##### **(a) Initial recognition :**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency of the date of the transaction.

##### **(b) Conversion :**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate of the date of the transaction; and non-monetary items which are carried of fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

##### **(c) Exchange differences :**

Exchange difference arising on the settlement of monetary items or on reporting Company's monetary items of rates different from those of which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

##### **(d) Forward Exchange Contracts not intended for trading :**

The premium or discount arising of the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.**

**12) Revenue Recognition :**

Income and Expenditure are recognized and accounted on Accrual Basis. Revenue from Sale of goods is recognized on delivery of the goods, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to customers and no effective ownership is retained. However,

- (a) Revenue in respect of Insurance/other claims etc., is recognized only when it is reasonably certain that the ultimate collection will be made.
- (b) Export Incentives in respect of exports made under the Duty Entitlement Pass Book Scheme is being accounted for on transfer.
- (c) Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

**13) Segment Accounting :**

The Company deals in only one product segment i.e. Chemical Products and hence requirements of AS-17 "Segment Reporting" issued by ICAI are not applicable.

**14) Earnings Per Share:**

The earnings considered in ascertaining the Company's EPS comprises of the net profit after tax (and includes the post tax effect of any extra ordinary item). The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**15) Taxation :**

**(a) Direct Taxes :**

Tax expense for the year, comprising of Current Tax and Deferred Tax is included in determining the net profit for the year.

A provision is made for the current tax based on tax liability computed in accordance with relevant tax rates and tax laws. A provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted tax rates.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

**(b) Indirect Taxes :**

The liabilities are provided or considered as contingent depending upon the merit of each case and/or receiving the actual demand from the department.

**16) Cash Flow Statement:**

The Cash Flow Statement is prepared by the "Indirect method" set out in Accounting Standard 3 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash Equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

**17) Provisions and Contingent Liabilities :**

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. A contingent liability is disclosed when the company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed in the Financial Statements.



## INDIA GELATINE & CHEMICALS LTD.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

#### Note 26

1. Previous year's figures have been regrouped, re-arranged, re-casted wherever necessary to make them comparable with those of the current year.
2. Surplus / (Deficit) of ₹ (9,99,189)- (Previous year surplus of ₹ 10,79,988/-) & surplus of ₹24,805/- (Previous year surplus of ₹ 55,883/-) being the impact of foreign exchange fluctuation has been included in the turnover and purchase of Stores, Spares & Machinery respectively.
3. There are no Micro and Small Enterprise, to whom company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act (MSMED Act), 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

#### 4. Contingent Liabilities :

##### I) Bank Guarantees issued

	<u>2016-2017</u>	<u>2015-2016</u>
GSPC	19,79,093	26,79,003
Dakshin Gujarat Viji Company	1,29,17,308	1,29,17,308

##### II) In respect of claims against the Company not acknowledged as debts

	<u>2016-2017</u>	<u>2015-2016</u>
Excise Duty	8,14,620	8,14,620
Service Tax	6,18,487	37,62,970
	<u>14,33,107</u>	<u>45,67,590</u>

#### 5 (a) Defined Benefit Plan in respect of Gratuity as per Actuarial valuations on 31<sup>st</sup> March, 2017

I. Assumption	<u>31/03/2017</u>	<u>31/03/2016</u>
Rate of Interest	8.00 %	8.00%
Salary Growth	4.00 %	4.00%
II. Changes in present value of Obligation as on	<u>31/03/2017</u>	<u>31/03/2016</u>
Present Value of obligation as at beginning of year	2,31,98,588	2,03,84,163
Interest cost	18,55,965	16,30,733
Current Service Cost	11,73,130	10,50,300
Benefits paid	(26,79,813)	(10,98,923)
Actuarial (gain)/loss on obligations	50,45,276	12,33,283
Present value of obligations as at end of year	2,85,94,124	2,31,98,588
III. Changes in the fair value of plan assets as on	<u>31/03/2017</u>	<u>31/03/2016</u>
Fair value of plan assets at beginning of year	2,29,94,506	1,81,80,370
Expected return on plan assets	20,48,765	18,10,885
Contributions	1,05,94,519	27,82,175
Benefits paid	(26,79,813)	(10,98,923)
Fair value of plan assets at the end of year	3,29,57,978	2,28,84,506



# INDIA GELATINE & CHEMICALS LTD.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

### iv. Fair value of plan assets

Fair value of plan assets at beginning of year	2,29,94,506	1,94,90,370
Actual return on plan assets	20,48,765	18,10,885
Contributions	1,05,84,519	27,92,175
Benefits paid	(26,79,813)	(10,98,823)
Fair value of plan assets at the end of year	3,29,57,978	2,29,94,606
Funded status	43,63,854	(2,05,060)

### v. Actuarial Gain/Loss recognized

Actuarial (gain)/loss on obligation	(50,45,276)	(12,33,283)
Actuarial (gain)/loss on obligations	50,45,276	12,33,283
Actuarial (gain)/loss recognized in the year	50,45,276	12,33,283

### vi. The amounts to be recognized in the Balance Sheet and Statements of Profit And Loss

Present value of obligations as at the end of year	2,88,94,124	2,31,99,666
Fair value of plan assets as at the end of the year	3,29,57,978	2,29,94,506
Funded status	43,63,854	(2,05,060)
Net Asset(Liability) recognized in Balance Sheet	43,63,854	(2,05,060)

### vii. Expenses Recognized in Statement of Profit & Loss

Current service cost	11,73,130	10,50,300
Interest cost	16,55,965	16,30,733
Expected return on plan assets	(20,48,765)	(18,10,885)
Net Actuarial (gain)/Loss recognized in the year	50,45,276	12,33,283
Expenses recognized in Statement of Profit & Loss	60,25,806	21,03,441

5(b) In respect of liability of leave encashment up to 31<sup>st</sup> March, 2017 the company has obtained actuarial valuation and has provided ₹ 47,58,447/- in the books.

6. The board of directors have recommended dividend @ 9% i.e. ₹ 0.90 per share (Prev. year 9% i.e. 0.90/- per share) on Equity Shares of ₹ 10/- each of the company for the year ended 31<sup>st</sup> March, 2017.

The amount of Dividend payable and dividend distribution tax thereon will be determined once the offer for Buyback of shares as announced by the company is completed and the company has arrived at the final number of shares bought back and extinguished.

### 7. Deferred Tax Summary:

	Opening Balance 1-4-2016	Provided during the year	Reduced during the year	Closing Balance 31-3-2017
Deferred Tax Liability	12,87,94,423	-	-	12,87,94,423
Deferred Tax Asset	5,11,59,963	15,56,886	-	5,27,16,849
<b>Deferred Tax Liabilities (Net)</b>	<b>7,76,34,460</b>	<b>15,56,886</b>	<b>-</b>	<b>7,60,77,674</b>



## INDIA GELATINE & CHEMICALS LTD.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

8. In respect of appeal filed by the company in Income Tax Appellate Tribunal regarding the treatment of receipt of Capital Compensation of ₹ 1253.00 lacs which the company has claimed as exempt has been decided in favour of the Revenue treating the receipt as "Business Income". However, the company has already paid the entire tax of ₹ 384.00 lacs in the respective year. The company has preferred appeal in Gujarat High Court against the impugned order of the ITAT. The company has been legally advised that it has a good case in appeal and hence no provision thereof has been made in the accounts.
9. In terms of Accounting Standard 28 – Impairment of Assets issued by ICAI, the management has reviewed its Fixed Assets and arrived at the conclusion that Impairment Loss which is difference between the carrying amount and recoverable value of Assets, was not material and hence no provision is required to be made.
- 10 (a) During the year the company has received VAT assessment orders for A/c. years 2012-2013 and the refund of additional input VAT tax Credit on fuels & other claims of ₹17,21,252/- and interest of ₹ 19,11,650 received, the same is reduced from Sales Tax expenses for the year.
- 10 (b) General charges includes ₹ 16,77,450/- (Previous Year ₹ 67,97,066/-) arising on account of effect of difference of Excise Duty on opening and closing stock of finished goods.
11. Disclosure regarding pursuant to circular No. G.S.R. 308 (E) dated March, 30, 2017 : Details of specified bank notes (SBN) held and transacted during the period from November 08, 2016 provided in the table below :

	SBN's	Other Denomination Notes	Total
Closing cash in hand on 08-11-2016	2,88,500	71,114	3,59,614
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Bank	2,88,500	-	-
Closing cash in hand on 30-12-2016	-	-	-

The information given in above table relates only for cash balance available as on closing hours of November 08, 2016. The subsequent transaction on account of cash sales, withdrawal from Bank, deposit in to Bank are not considered for the above. The balance amount of "Other Notes" as on November 08, 2016 was utilized to meet day to day expenses of the company.

#### 12. Earnings per share

	Year Ended 31-03-2017	Year Ended 31-03-2016
Net profit attributable to Shareholders (₹lacs)	286.22	366.47
Weighted average number of Equity Shares	9400000	9400000
Basic earnings per share of ₹10/- each	3.04	3.90

The company does not have any outstanding dilutive potential equity shares, consequently the basic and diluted earnings per share of the company remain the same.

#### 13. Disclosure in respect of related parties pursuant to Accounting Standard 18;

##### A. List of Related parties :

- 1) Parties where control exists : -
- 2) Other parties with whom company entered into transactions during the year
  - I) Joint Ventures : -
  - II) Associates : -
- 3) Key Management Personnel and Enterprises having common Key Management Personnel or their Relatives



# INDIA GELATINE & CHEMICALS LTD.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

### Key Management Personnel :

- |    |                         |   |   |
|----|-------------------------|---|---|
| 1) | Mr. Viren C. Mirani     | - | Managing Director                                   |
| 2) | Mr. Kallidas P. Vagadia | - | Chief Financial Officer                             |
| 3) | Ms. Preetal P. Mepani   | - | Company Secretary (upto 11 <sup>th</sup> Nov. 2016) |
| 4) | Ms. Varsha M. Aswani    | - | Company Secretary (from 11 <sup>th</sup> Nov. 2016) |

### Associates / Enterprises with whom the company has transactions during the year :

- 1) Olive Finance & Investment Pvt. Ltd.

### B. During the year following transactions were carried out with related parties in the ordinary course of business and at Arms Length.

₹

Sr. No.	Nature of Transaction	Associates	Key Managerial Personnel	Enterprises/Relatives of Key Management Personnel
1.	Managerial Remuneration	-	2,54,36,274	-
2.	Professional Charges	-	9,96,000	-
3.	Staff Salary	-	6,72,350	-

### C. Outstanding balances as on 31.03.2017

₹

Sr. No.	Nature of Transaction	Associates	Key Managerial Personnel	Enterprises/Relatives of Key Management Personnel
1.	Loans given	-	-	-
		(-)	(-)	(2,10,00,000)
2.	Investment in Shares	-	-	-
		(1,70,00,000)	(-)	(-)

Figures of previous years are shown in brackets.

### 14. General Expenses Include

₹

Auditor's Remuneration (Excluding Service Tax)	2016-2017	2015-2016
a) Audit Fees	3,25,000	3,25,000
b) For Tax Audit	75,000	75,000
c) Out of pocket expenses	50,004	53,840
d) For other Capacity	3,050	32,100
	<u>4,53,054</u>	<u>4,85,740</u>

### 15. The company has entered into forward exchange contracts / options which are not intended for trading or speculative purposes, but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

#### a) Forward Contracts

##### Receivables

	31-03-2017		31-03-2016	
Currency	Quantity	₹ lacs	Quantity	₹ lacs
USD	10,25,000	709.13	NIL	NIL
EURO	45,000	33.13	NIL	NIL





# INDIA GELATINE & CHEMICALS LTD.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017.

### Payable

Currency	31-03-2017		31-03-2016	
	Quantity	₹ lacs	Quantity	₹ lacs
USD	NIL	NIL	NIL	NIL

### b) Un hedged Foreign Currency Exposures at Balance Sheet date :

#### Receivables

Currency	31-03-2017		31-03-2016	
	Quantity	₹ lacs	Quantity	₹ lacs
USD	8,41,450	542.48	5,09,050	336.33
EURO	38,116	26.13	NIL	NIL

### 16. Value of Imported and Indigenous Stores Consumed :

	2016-2017	2015-2016
i) Imported	15,93,681	8,12,060
ii) Indigenous	3,41,84,410	3,29,51,448
	<u>3,57,78,291</u>	<u>3,37,63,508</u>

### 17. Value of Imports calculated on C.I.F. Basis in respect of :

i) Components - Spare parts	15,37,280	21,56,828
ii) Capital Goods	30,35,228	28,98,958

### 18. Expenditure of Foreign Currency on account of :

#### Revenue Expenditure

i) Travelling	69,98,428	97,74,111
ii) Subscription	4,25,170	3,98,905
iii) Commission	36,37,254	1,29,94,422
iv) Technician Fees	3,36,804	6,24,651

### 19. Earning in Foreign Exchange

Export of goods (FOB) as per B/L	42,61,50,181	61,88,51,355
----------------------------------	--------------	--------------

### 20. The amount remitted during the year in Foreign Currency

Payment of Dividend :		
Dividend Paid	NIL	NIL
No. of non-resident shareholders	-	-
Year to which it relate	-	-

As per our attached report of even date.

For MAHENDRA N. SHAH & CO.

Chartered Accountants

FRN105775W

CA Chirag M. Shah

Partner

M. No.: F-45708

Place : Ahmedabad

Date : 27-05-2017

Viren C. Mirani  
Chairman & Managing Director

Shirali V. Mirani  
Executive Director

Varsha M. Aswani  
Company Secretary

Place : Mumbai  
Date : 27-05-2017

Pradip P. Madhavji

Shridhar N. Pittle

Jayprakash M. Tharal  
Directors



# INDIA GELATINE & CHEMICALS LTD.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

₹ lacs

	2016-17		2015-16	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before tax as per Statement of Profit & Loss		270.86		473.48
Adjustments :				
Depreciation	340.60		474.83	
Loss on Sale of Fixed Assets	9.25		60.60	
Investment Income	(413.87)		(282.08)	
Interest Paid	0.39		0.16	
Net Gain on Sale of Investments	(119.36)	(182.99)	(219.48)	33.87
Operating Profit before working capital		87.87		607.35
Adjusted for :				
i) Trade & other Receivables	(350.07)		(380.22)	
ii) Stock	(382.58)		494.93	
iii) Trade Payable	231.38	(471.28)	(18.23)	96.48
Cash generated from operations		(383.39)		603.83
Interest Paid	(0.39)		(0.18)	
Direct Tax Paid	(48.45)	(48.94)	(223.23)	(223.38)
		(430.23)		380.44
Foreign Exchange effects		-		-
<b>Net Cash from Operating Activities</b>		(430.23)		380.44
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	(309.93)		(326.11)	
Sale of Fixed Assets	24.34		45.71	
Purchase of Investments	(3,085.72)		(86.71)	
Sale of Investments	312.85		893.93	
Interest Income	163.67		96.61	
Dividend Income	233.42		158.84	
<b>Net Cash used in Investing Activities</b>		(2,681.67)		781.27
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Borrowing of Funds	-		-	
Repayment of borrowings	-		-	
Proceeds from issue of shares	-		-	
Dividend paid including distribution tax	(101.82)		(169.71)	
<b>Net Cash from Financing Activities</b>		(101.82)		(169.71)
<b>Net Increase in Cash &amp; Cash Equivalents (a+b+c)</b>		(3,193.72)		992.00
Opening Balance of Cash & Cash equivalents		4,055.70		3,063.70
Closing Balance of Cash & Cash equivalents		881.98		4,055.70
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		(3,193.72)		992.00

As per our attached report of even date.

For MAHENDRA N. SHAH & CO.  
Chartered Accountants  
FRN105775W  
CA Chirag M. Shah  
Partner  
M. No.: F-45706  
Place : Ahmedabad  
Date : 27-05-2017

Viren C. Mirani  
Chairman & Managing Director  
Shefali V. Mirani  
Executive Director  
Varsha M. Aswani  
Company Secretary  
Place : Mumbai  
Date : 27-05-2017

Pradip P. Madhavji  
Shridhar N. Pittle  
Jayprakash M. Tharal  
Directors



## INDIA GELATINE & CHEMICALS LTD.

703/704, 'Ship', 7th Floor,  
Near Municipal Market, Sheth C.G. Road,  
Navrangpura, Ahmedabad - 380009 Gujarat

27<sup>th</sup> May, 2017

Dear Shareholder,

### Subject : MCA's Green Initiative for Paperless Communications

The Ministry of Corporate Affairs, Government of India (MCA) has, vide Circular No. 18/2011 dated 26th April, 2011, undertaken a 'Green Initiative in Corporate Governance' allowing companies to send the Annual Report and other documents to their shareholders electronically.

The Securities and Exchange Board of India has, vide Circular No. CIR/CFD/DIL/7/2011 directed listed companies to supply soft copies of Annual Reports to all those shareholders who have registered their e-mail addresses for the purpose.

Our company appreciates the Initiative taken by MCA, as it believes strongly in a Greener Environment. This initiative also helps in prompt receipt of communication, apart from helping avoid losses / delays in postal transit.

We therefore propose to send documents, such as the Notice of the Annual General Meeting, Annual Report, half-yearly communications etc. henceforth to shareholders in Electronic Form at the e-mail address provided by them and made available to us by the depositories from time to time. As per our records, your e-mail address is not registered with your Depository Participant / Share Transfer Agent.

In case you wish to receive all the above communications in electronic form; and

- hold your shares in dematerialized form, kindly register your e-mail address with your Depository Participant at the earliest, or
- hold your shares in physical form, kindly register your e-mail address with our Share Transfer Agent at the following address at the earliest;

Registrar & Share Transfer Agent:  
LINKINTIME INDIA PVT. LTD.  
G 101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai - 400 063  
Tel. No.: +91 22 4918 8270 Fax: +91 22 4918 8080  
Email: mt.helpdesk@linkintime.co.in

You may use the format given below for registering your e-mail address with your Depository Participant / Link Intime India Pvt. Ltd.

We wish to inform you that in addition to getting the documents through your registered e-mail, you can also have access to the documents through our company website: [www.indiagelatineltd.com](http://www.indiagelatineltd.com). The document will also be available to you for inspection at the Registered Office of the company during office hours.

We are sure you would appreciate the "Green Initiative" taken by MCA, just as it is being welcomed by companies like us. Needless to say, you will be, as a member of the company, entitled to be furnished with a copy of the above mentioned documents as required under the provisions of the Companies Act, 2013, free of cost, upon receipt of a requisition from you any time during the year.

We solicit your whole-hearted co-operation in helping the Company implement the e-governance initiatives of the Government in the interest of environment, which is the need of the hour today.

This communication may be ignored, if your e-mail address is already registered with your Depository Participant / Link Intime India Pvt. Ltd.

Thanking you,

Yours faithfully,

For INDIA GELATINE & CHEMICALS LTD.

Viren C. Mirani  
Chairman & Managing Director

**E-COMMUNICATION REGISTRATION FORM**  
(In terms of circulars dated 21.04.2011 & 29.04.2011  
issued by the Ministry of Corporate Affairs)

Folio No./DP ID & Client ID No. : \_\_\_\_\_  
Name of 1<sup>st</sup> Registered holder : \_\_\_\_\_  
Name of Joint holder(s) : \_\_\_\_\_  
E-mail (to be registered) : \_\_\_\_\_

Please register my above e-mail in your records for receiving communication in electronic form from company/ies of which I/we am/are shareholder(s).

Date : \_\_\_\_\_

Signature \_\_\_\_\_  
(First holder)

Note : Shareholder(s) are requested to keep the Company informed of change, if any, in the e-mail address.

**FORM NO. MGT - 11**  
**(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3)**  
**of the Companies (Management and Administration) Rules, 2014**



**INDIA GELATINE & CHEMICALS LTD.**

Registered Office : 703/704, 'Ship', 7th Floor, Near Municipal Market, Sheth C.G. Road, Navrangpura, Ahmedabad - 380 009, Gujarat, India.  
 Tel: +91-079-26469514 • Fax : +91-79-26465569 • Website : www.indiagelatine.com  
 Investors Relations e-mail id : investor@indiagelatine.com • Corporate Identity Number (CIN): L99999GJ1973PLC002260

**PROXY FORM**

Name of the Member(s): Registered Address  E-mail id:	Folio No./Client id: DP id:
--	--------------------------------

I/We, being the Member(s) of the above named Company, holding \_\_\_\_\_ Shares, hereby appoint

1	Name _____	Address _____	
	Email ID _____	Signature _____	or failing him
2	Name _____	Address _____	
	Email ID _____	Signature _____	or failing him
3	Name _____	Address _____	
	Email ID _____	Signature _____	

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 45<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, 16<sup>th</sup> September, 2017 at 11.00 a.m. at the GICEA, Nirman Bhavan, (Gajjar Hall), Nr. Law Garden, Ellisbridge, Ahmedabad - 380006 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_ 4. \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Revenue  
Stamp

**Note :** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

If undelivered please return to :

Registrar & Share Transfer Agent :  
LINK INTIME INDIA PVT. LTD.  
**UNIT : INDIA GELATINE & CHEMICALS LTD.**  
C 101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai – 400 083  
Tel. No. :+91 22 4918 6270 Fax : +91 22 4918 6060  
e-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)