

44th
ANNUAL REPORT
2015-2016



INDIA GELATINE & CHEMICALS LTD.

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INDIA GELATINE & CHEMICALS LTD.

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INDIA GELATINE & CHEMICALS LTD.

BOARD OF DIRECTORS

Chairman & Managing Director :
MR. VIREN C. MIRANI

Directors :
MR. SHRIDHAR N. PITTIE
MR. PRADIP P. MADHAVJI
MR. JAYPRAKASH M. TIWARI
MRS. SHEFALI V. MIRANI

Company Secretary :
MS. PREETAL P. MEPANI

Statutory Auditors :
MAHENDRA N. SHAH & CO.
Chartered Accountants
E/3, Capital Commercial Center,
Ashram Road, Ahmedabad - 380 009.
E-mail : mnshahco@gmail.com

Internal Auditors
M. D. Kamdar & Co.
Chartered Accountants
401, Rajhans CHS Ltd., Rokadia Lane,
Borivali (W), Mumbai - 400 092.

Secretarial Auditors
Samdani Shah & Associates
Company Secretaries
808, Shiromani Complex,
S. M. Road, Nehru Nagar,
Ahmedabad - 380 015.
Email : pcschirag@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 : igclmumbai@indiagelatine.com

Factory :
Plot No. 1A, GIDC Industrial Estate,
National Highway No. 8, Vapi - 396 195 (Gujarat)
Tel.: +91 2602 401741

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

Registrar & Share Transfer Agent :
LINK INTIME INDIA PVT. LTD.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078.
Tel.: (022) 2594 6970 / 2594 6960
Fax : (022) 2594 6969
Email : RNT.HELPDESK@LINKINTIME.CO.IN (Lower Case)



INDIA GELATINE & CHEMICALS LTD.

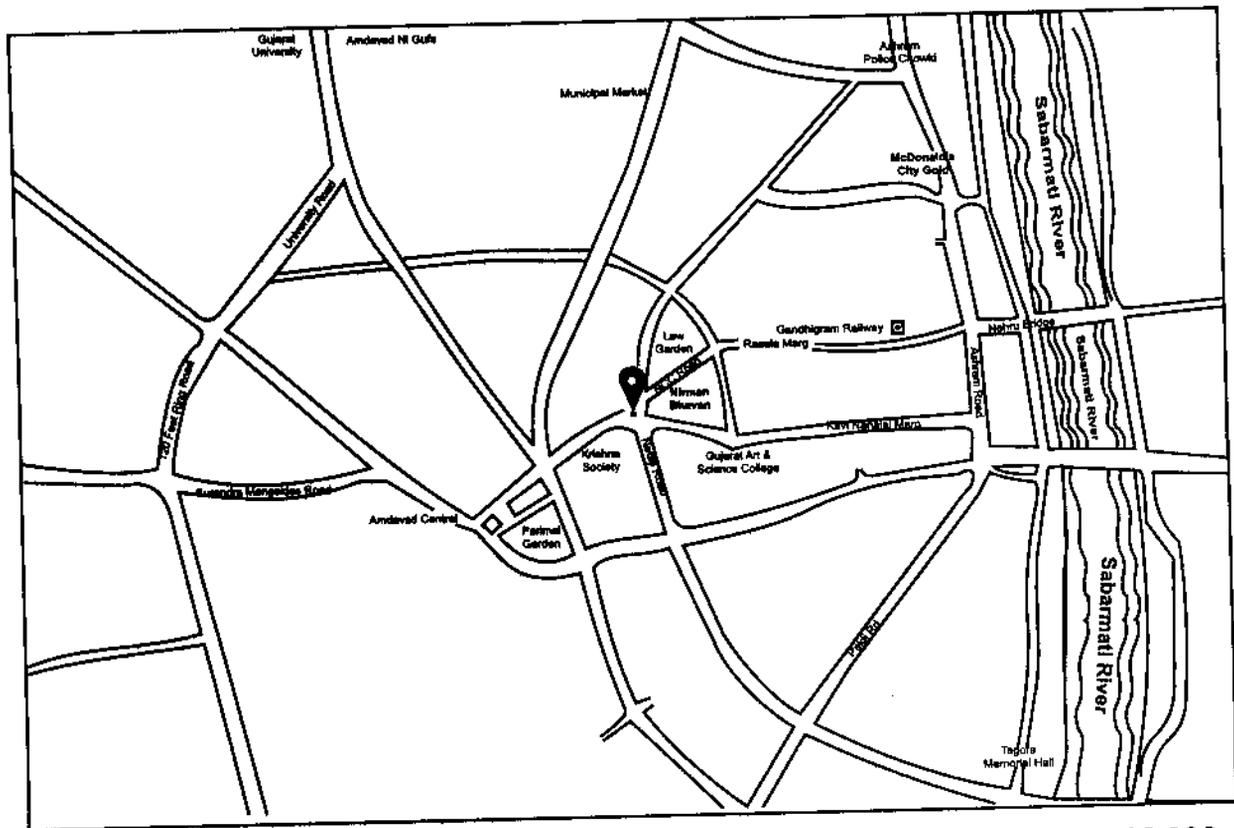
FINANCIAL HIGHLIGHTS

		₹ Lacs				
Sr.No.		2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
1	Shareholders' Funds	10,021	10,831	11,438	11,850	12,115
2	Loan Funds	22	12	1	Nil	Nil
3	Debt Equity Ratio	1 : 0.002	1 : 0.001	1 : 0.001	1 : 0.000	1 : 0.000
4	Sales & Other Income	10,690	12,011	12,353	12,208	9,928
5	Profits (Subject to Depreciation & Tax)	1,415	2,192	1,785	1,233	948
6	Net Profit Subject to Tax	968	1,704	1,245	722	473
7	Profit after Tax	707	1,140	806	622	366
8	Book Value of Share (₹)	106.61	115.22	121.68	126.07	128.88
9	Dividend %	25	30	18	15	9



INDIA GELATINE & CHEMICALS LTD.

ROUTE MAP - VENUE OF AGM



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



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NOTICE

NOTICE is hereby given that the 44th Annual General Meeting of the Members of INDIA GELATINE & CHEMICALS LTD., will be held at GICEA, Nirman Bhavan (Gajjar Hall), Near Law Garden, Ahmedabad- 380 006 on Tuesday, 27th September, 2016 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 31st March, 2016, 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. Shefali V. Mirani (holding DIN: 03107547) who retires by rotation and being eligible, offers herself for re-appointment.
4. To ratify the appointment of M/s. Mahendra N. Shah & Co., Statutory Auditors of the Company and to fix their remuneration and to consider and, if thought fit, to pass the following Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, Mahendra N. Shah & Co., Chartered Accountants, Ahmedabad (Firm Regn No. 105775W), be and are here by re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

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

SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act 2013, read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), and further subject to the approval of Central Government, the consent of members be and is hereby accorded to the re-appointment of Mr. Viren C. Mirani as Managing Director of the Company for the period of 3 years with effect from 1st April, 2017, on the following terms and conditions including remuneration:

REMUNERATION:

a) Salary

Monthly salary in the scale of ₹ 15,00,000 - 2,00,000 - 19,00,000 with effect from 1st April, 2017.

He will be paid remuneration up to ₹ 10,00,000/- as permitted by Schedule V till Central Government approval is received. In case the approval of Central Government is received he will be paid remuneration as above or such other amount as may be approved.

b) Perquisites

Maximum up to ₹ 25,000/- per month which shall include perquisites of Categories 'A' and 'B' as below:

CATEGORY 'A'

i. Medical Reimbursement:

Expenses incurred for self and his family. He shall also be entitled to the benefit of Medical Treatment referred to in proviso to Section 17(2) of the Income Tax Act, 1961 or to such modifications as may be made therein from time to time.

ii. Club Fees:

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

iii. Personal Accident Insurance:

Premium not to exceed ₹40,000/- per annum or such amount as may be modified and permitted under Income Tax Act from time to time.



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iv. **Mediclaim Insurance:**

Premium not to exceed ₹ 15,000/- per annum or such other modified amount as is exempt under Income Tax Act.

CATEGORY 'B'

i. Provision of a Car and Telephone:

The Company shall provide Car for use on Company's business and also for personal purposes and telephone at the residence of the Managing Director. The Managing Director shall be billed by the Company for personal long distance calls on telephone at the rate of ₹ 750/- per month and perks for the use of car for personal purposes shall be evaluated as per Income Tax Rules.

ii. Other Benefits:

Such other benefits, amenities and facilities as per the Company Rules.

CATEGORY 'C'

i. Contribution to Provident Fund & Other Funds:

Contribution to the Provident Fund, Superannuation or Annuity Fund shall not be included in computation of the ceiling on perquisites and shall be payable to the extent these either singly or put together are not taxable under the Income Tax Act.

ii. Gratuity:

As per the rules, not exceeding half a month's salary for each completed year of service, and shall not be included in the computation of ceiling on perquisites as specified above.

iii. Leave Encashment:

The Managing Director shall be entitled to fully paid leave as per the Company's Rules. Encashment of Leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

c) Minimum Remuneration :

In the event of loss or inadequacy of profits, the Managing Director shall be entitled to receive the above remuneration, perquisites and benefits as Minimum Remuneration.

d) Commission :

In the event of there being sufficient and adequate profits worked out as per the provisions of Section 197 of the Companies Act, 2013 and within the individual limit of 5% of such net profits, the Managing Director could also be paid a remuneration by way of commission on such net profits as may be decided by the Board and agreed upon by the Managing Director on ascertainment of the net profits at the close of each year over and above the remuneration referred to in the preceding para and that such remuneration shall be deemed to accrue at the close of the year.

The terms and conditions of the remuneration of the Managing Director, may be varied, altered, increased, enhanced or widened from time to time by the Remuneration Committee and the Board as it may, in its discretion, deem fit within the above limits and subject to limits laid down in Sections 196, 197 and all other applicable provisions and Schedule V of the Companies Act, 2013 and Rules framed there under and subject to the requisite approvals from the members, Central Government or any other authority, if any, being obtained.

RESOLVED FURTHER THAT Mr. Viren C. Mirani, Managing Director will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, is available to other Senior Executives of the Company.

RESOLVED FURTHER THAT the Board Of Directors of the company on recommendation from Nomination & Remuneration Committee of the Board be and is hereby authorized and empowered to approve annual increments and to make such improvements in the terms of remuneration to Mr. Viren C Mirani, as may be



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permissible under Schedule V of the Companies Act, 2013 (as may be amended from time to time) within limits as may be approved by Central Government or by way of any government guidelines or instructions, the intention being that no further approval of the company would be required so long as remuneration of the Managing Director is not in excess of maximum permissible limits under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to execute an agreement with Mr. Viren C. Mirani as Managing Director, subject to the approval of the Central Government and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question or doubt that may arise in relation thereto and the Board shall have absolute powers to accept any modification in the terms and conditions as may be approved by the Central Government while according its approval and as acceptable to Mr. Viren C. Mirani as Managing Director and to modify the same in accordance with the approval of the Central Government and to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. In case the Special Resolution for the re-appointment of Mr. Viren C. Mirani as per Agenda Item No. 5 above is not passed, to consider and if thought fit, to pass with or without modification(s) the following resolution as an "Ordinary Resolution".

ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act 2013, read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the consent of members be and is hereby accorded to the re-appointment of Mr. Viren C. Mirani as Managing Director of the Company for the period of 3 years with effect from 1st April, 2017, on a monthly remuneration upto ₹ 5,00,000/- on the following terms and conditions including remuneration:

REMUNERATION:

a) **Salary**

Monthly salary of ₹ 4,75,000/- with effect from 1st April, 2017.

b) **Perquisites**

Maximum up to ₹ 25,000/- per month which shall include perquisites of Categories 'A' and 'B' as below:

CATEGORY 'A'

i. **Medical Reimbursement:**

Expenses incurred for self and his family. He shall also be entitled to the benefit of Medical Treatment referred to in Proviso to Section 17(2) of the Income Tax Act, 1961 or to such modifications as may be made therein from time to time.

ii. **Club Fees:**

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

iii. **Personal Accident Insurance:**

Premium not to exceed ₹ 40,000/- per annum or such amount as may be modified and permitted under Income Tax Act from time to time.

iv. **Mediclaim Insurance:**

Premium not to exceed ₹ 15,000/- per annum or such other modified amount as is exempt under Income Tax Act.

CATEGORY 'B'

i. **Provision of a Car and Telephone:**

The Company shall provide Car for use on Company's business and also for personal purposes and telephone at the residence of the Managing Director. The Managing Director shall be billed by the Company for personal long distance calls on telephone at the rate of ₹ 750/- per month and perks for the use of car for personal purposes shall be evaluated as per Income Tax Rules.



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ii. Other Benefits:

Such other benefits, amenities and facilities as per the Company Rules.

CATEGORY 'C'

i. Contribution to Provident Fund & Other Funds:

Contribution to the Provident Fund, Superannuation or Annuity Fund shall not be included in computation of the ceiling on perquisites and shall be payable to the extent these either singly or put together are not taxable under the Income Tax Act.

ii. Gratuity:

As per the rules, not exceeding half a month's salary for each completed year of service, and shall not be included in the computation of ceiling on perquisites as specified above.

iii. Leave Encashment:

The Managing Director shall be entitled to fully paid leave as per the Company's Rules. Encashment of Leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

c) Minimum Remuneration :

In the event of loss or inadequacy of profits, the Managing Director shall be entitled to receive the above remuneration, perquisites and benefits as Minimum Remuneration.

d) Commission :

In the event of there being sufficient and adequate profits worked out as per the provisions of Section 197 of the Companies Act, 2013 and within the individual limit of 5% of such net profits, the Managing Director could also be paid a remuneration by way of commission on such net profits as may be decided by the Board and agreed upon by the Managing Director on ascertainment of the net profits at the close of each year over and above the remuneration referred to in the preceding para and that such remuneration shall be deemed to accrue at the close of the year.

The terms and conditions of the remuneration of the Managing Director, may be varied, altered, increased, enhanced or widened from time to time by the Remuneration Committee and the Board as it may in its discretion deem fit within the above limits and subject to limits laid down in Sections 196, 197 and all other applicable provisions and Schedule V of the Companies Act, 2013 and Rules framed there under and subject to the requisite approvals from the members, Central Government or any other authority, if any, being obtained.

RESOLVED FURTHER THAT Mr. Viren C. Mirani, Managing Director will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, is available to other Senior Executives of the Company.

RESOLVED FURTHER THAT the Board Of Directors of the company on recommendation from Nomination & Remuneration Committee of the Board be and is hereby authorized and empowered to approve annual increments and to make such improvements in the terms of remuneration to Mr. Viren C Mirani, as may be permissible under Schedule V of the Companies Act, 2013 (as may be amended from time to time) or by way of any government guidelines or instructions, the intention being that no further approval of the company would be required so long as remuneration of the Managing Director is not in excess of maximum permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to execute an agreement with Mr. Viren C. Mirani, as Managing Director and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to accept any modification in the terms and conditions as may be approved by the shareholders and as acceptable to Mr. Viren C. Mirani and to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.



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RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act 2013, read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the consent of members be and is hereby accorded to the appointment of Mrs. Shifali Viren Mirani as an Executive Director of the Company on a monthly remuneration up to ₹ 5,00,000/- as permitted in Part II, Section II (A) of Schedule V of the Companies Act, 2013, for the period of 3 years with effect from 1st April, 2017, on the following terms and conditions including remuneration:

REMUNERATION:

a) Salary:

Monthly salary of ₹ 4,75,000/- with effect from 1st April, 2017.

b) Perquisites:

Maximum up to ₹ 25,000/- per month which shall include perquisites of Categories 'A' and 'B' as below:

CATEGORY 'A'

i. Medical Reimbursement:

Expenses incurred for self and her family. She shall also be entitled to the benefit of Medical Treatment referred to in Proviso to Section 17(2) of the Income Tax Act, 1961 or to such modifications as may be made therein from time to time.

ii. Club Fees:

Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

iii. Personal Accident Insurance:

Premium not to exceed ₹ 40,000/- per annum or such amount as may be modified and permitted under Income Tax Act from time to time.

iv. Mediclaim Insurance:

Premium not to exceed ₹ 15,000/- per annum or such other modified amount as is exempt under Income Tax Act.

CATEGORY 'B'

i. Provision of a Car and Telephone:

The Company shall provide Car for use on Company's business and also for personal purposes and telephone at the residence of the Executive Director. She shall be billed by the Company for personal long distance calls on telephone at the rate of ₹ 750/- per month and perks for the use of car for personal purposes shall be evaluated as per Income Tax Rules.

ii. Other Benefits:

Such other benefits, amenities and facilities as per the Company Rules.

CATEGORY 'C'

i. Contribution to Provident Fund & Other Funds:

Contribution to the Provident Fund, Superannuation or Annuity Fund shall not be included in computation of the ceiling on perquisites and shall be payable to the extent these either singly or put together are not taxable under the Income Tax Act.



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ii. Gratuity:

As per the rules, not exceeding half a month's salary for each completed year of service, and shall not be included in the computation of ceiling on perquisites as specified above.

iii. Leave Encashment:

The Executive Director shall be entitled to fully paid leave as per the Company's Rules. Encashment of Leave at the end of the tenure is permitted and shall not be included in the computation of the ceiling on perquisites, specified above.

c) Minimum Remuneration :

In the event of loss or inadequacy of profits, the Executive Director shall be entitled to receive the above remuneration, perquisites and benefits as Minimum Remuneration.

d) Commission :

In the event of there being sufficient and adequate profits worked out as per the provisions of Section 197 of the Companies Act, 2013 and within the individual limit of 5% of such net profits, the Executive Director could also be paid a remuneration by way of commission on such net profits as may be decided by the Board and agreed upon by the Executive Director on ascertainment of the net profits at the close of each year over and above the remuneration referred to in the preceding para and that such remuneration shall be deemed to accrue at the close of the year.

RESOLVED FURTHER THAT Mrs. Shefali Viren Mirani, Executive Director, will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by her in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, is available to other Senior Executives of the Company.

RESOLVED FURTHER THAT the terms and conditions of the remuneration of the Executive Director, may be varied, altered, increased, enhanced or widened from time to time by the Remuneration Committee and the Board as it may, in its discretion, deem fit within the above limits and subject to limits laid down in Sections 196, 197 and all other applicable provisions and Schedule V of the Companies Act, 2013 and Rules framed there under.

RESOLVED FURTHER THAT the Board Of Directors of the company on recommendation from Nomination & Remuneration Committee of the Board be and is hereby authorized and empowered to approve annual increments and to make such improvements in the terms of remuneration to Mrs. Shefali Viren Mirani, as may be permissible under Schedule V of the Companies Act, 2013 (as may be amended from time to time) or by way of any government guidelines or instructions, the intention being that no further approval of the company would be required so long as remuneration of the Executive Director is not in excess of maximum permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to execute an agreement with Mrs. Shefali Viren Mirani, as an Executive Director and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to accept any modification in the terms and conditions as may be approved by the shareholders and as acceptable to Mrs. Shefali Viren Mirani and to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Place : Ahmedabad
Date : 15-07-2016

Preetal P. Mepani
Company Secretary



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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.

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.

The instrument of Proxy, in order to be effective, should be duly completed and deposited at the Company, not less than 48 hours before the commencement of the Meeting.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of items of Special Business is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 20th September, 2016 to Tuesday, 27th September, 2016 (both days inclusive) for the purpose of payment of Dividend.
4. Dividend, if declared / approved, will be paid to the shareholders holding shares of the Company within 30 days from the date of declaration in terms of Section 124 of the Companies Act, 2013.
5. Members are informed that the company's Equity Shares are compulsorily traded in Demat form for all investors, effective from 1st 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, the dividend remaining unclaimed/unpaid for a period of seven years from the date of transfer to the "Unpaid Dividend Account" shall be credited to the Investors Education and Protection Fund (Fund) set up by the Central Government. Members who have so far not claimed the dividend are requested to make claim with the company immediately as no claim shall lie against the Fund or the Company in respect of individual amount once credited to the said Fund.

The unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Dividend Number	Date of Declaration	For the Accounting Year ended	Due for Transfer date
29 th	25-09-2009	2008-2009	31-10-2016
30 th	28-09-2010	2009-2010	03-11-2017
31 st	28-09-2011	2010-2011	03-11-2018
32 nd	28-09-2012	2011-2012	03-11-2019
33 rd	23-08-2013	2012-2013	28-09-2020
34 th	05-09-2014	2013-2014	11-10-2021
35 th	24-09-2015	2014-2015	29-09-2022

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 24.09.2015 (date of last Annual General Meeting) on the website of the Company (www.indiagelatine.com), as also on the website of the Ministry of Corporate Affairs.



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7. 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.
8. (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.
9. Members are requested to inform immediately of any change in their address to the Company's Share Transfer Agents.
10. **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 44th Annual General Meeting (AGM) to be held on Tuesday, 27th September, 2016 at GICEA, Nirman Bhavan, (Gajjar Hall), Near Law Garden, Ellisbridge, Ahmedabad 380006. 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

The Company has fixed 20th September, 2016 as the cut-off date for determining voting right 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.

The e-voting facility will be available during the following period:

Commencement of remote e-voting	End of remote e-voting
Saturday, 24 th September, 2016 at 10.01 hrs.	Monday, 26 th September, 2016 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 20th September, 2016.

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

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders".



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- (iii) Now Enter your User ID:
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company. (6 Digit Alpha-Numeric)
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shereholders as well as physical shareholders)</p> <ul style="list-style-type: none">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.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.
Dividend Bank Details OR Date of Birth (DOB)	<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">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 (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for "INDIA GELATINE & CHEMICALS LTD.," on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.



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- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (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.
- (xviii) 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 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@cdslindia.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@cdslindia.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.
- (xix) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on Saturday, 24th September, 2016 at 10.01 hrs. and ends on Monday, 26th September, 2016 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 20th September, 2016, 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, 2nd of September, 2016 i.e. the date considered for dispatch of the notice and holding shares as on the cut-off date i.e. 20th September, 2016, may obtain the login details by sending a request at 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 scrutinizer, 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, (Membership No. 5545 and CP No. 3498) partner of Samdani Shah & Associates, Practicing Company Secretaries, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The scrutinizer 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 at least 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.



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11. 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.indiagelatine.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 and ASE Ltd., Ahmedabad, who shall place the same on their web site
12. All the shareholders who have not updated their PAN details with the RTA kindly use the sequence number provided in the attendance slip.

Details of Directors seeking Appointment/Re-appointment

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.)

Name	Mrs. Shefali V. Mirani
Date of Birth	05-12-1971
Date of Appointment	07-07-2014
Qualification	B.Com
Expertise in Specific Functional Area	Business Administration
Relationship between Directors inter-se	None other directors than Mr. Viren C. Mirani, being husband of Mrs. Shefali V. Mirani is related.
Directorship in other Public Ltd. Companies (excluding India Gelatine & Chemicals Ltd.)	-
Membership of Committees in other Public Ltd. Companies	-
Shareholding of Directors seeking re- appointment	765650 Equity Shares

Name	Mr. Viren C. Mirani
Date of Birth	21-08-1965
Date of Appointment	21-07-2000
Qualification	B.Com
Expertise in Specific Functional Area	Industrialist with rich business experience in general
Relationship between Directors inter-se	None other directors than Mrs. Shefali V. Mirani, being wife of Mr. Viren C. Mirani is related.
Directorship in other Public Ltd. Companies (excluding India Gelatine & Chemicals Ltd.)	-
Membership of Committees in other Public Ltd. Companies	-
Shareholding of Directors seeking re- appointment	1107846 Equity Shares



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ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 5 & 6:

Item No. 5 of the Notice relates to the re-appointment of Mr. Viren C. Mirani as Managing Director of the Company, whose present tenure will expire on 31st March, 2017.

He is re-appointed for a term of 3 years from 1st April, 2017 subject to approval in General Meeting. The remuneration proposed to be paid to him under the proposed resolution will be subject to the passing of Special Resolution and approval of Central Government to the extent necessary. If the Special Resolution is passed he will be paid remuneration as mentioned in the Special Resolution depending upon the fact that approval of Central Government is received or not.

Resolution mentioned in Item no. 6 of the Agenda is proposed to be passed in the event Special Resolution mentioned in Item No. 5 is not passed.

Memorandum of Interest:

Mr. Viren C. Mirani, is interested in the above resolution to the extent of the remuneration received by him.

Mrs. Shefali V. Mirani is concerned or interested in the above resolution, being wife of Mr. Viren C. Mirani. None of the other Directors are concerned or interested in the above resolution.

Information required to be disclosed in terms of Notification No. GSR 36(E) dated 16th January, 2002 issued by Government of India under the provisions of Schedule V of the Companies Act, 2013.

I. General Information:

- 1) Nature of Industry : Manufacturers of Chemical products
viz. Ossein, Gelatine and DCP
- 2) Date of commencement of Commercial Production : 08.02.1975
- 3) In case of new Companies expected date of commencement : N.A.
- 4) Financial Performance :

Year	Capital	Reserves	Exports (FOB)	Total Sales & Other Income	Profit before Dep. & Tax	Cash Profit after tax	Net Profit(Loss)
2013-14	940.00	10,498.46	8,031.40	12,353.31	1,785.28	1,346.61	805.55
2014-15	940.00	10,910.16	7,986.42	12,208.32	1,232.95	1,133.29	621.89
2015-16	940.00	11,174.81	6,188.51	9,928.46	948.12	841.10	366.47

₹ Lacs



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5) Export Performance and Net Foreign Exchange

₹ lacs

Year	Export Qty. in M.T.	FOB Value of Qty Sale
2013-14	2897.70	8,031.40
2014-15	2376.40	7,986.42
2015-16	1706.41	6,188.51

II. Information about the Appointee:

1) Background details:

Mr. Viren C. Mirani is a commerce graduate with 31 years of rich business experience both within and outside India. He possesses excellent business contacts and is very widely travelled. He is instrumental in soliciting technical collaboration for setting up Gelatine Plant in 1997. Under his able stewardship his family business of dealing in cotton and yarn earned a very good reputation and achieved an annual effected turnover in multi crores. Mr. Viren C. Mirani was the Interim President and then the President of Gelatine Manufacturers Association of Asia Pacific ("GMAP") (based in Australia, which has members from Australia, New Zealand, China, India, Japan, South Korea and Taiwan) for a period of over 4 years (from March 1, 2008 till June 30, 2012), and continues to be a director of GMAP as on date. Further, he is also currently the Vice-Chairman of Ossein & Gelatine Manufactures Association of India.

2) Past remuneration:

Remuneration during last 3 years:

₹ lacs

2013-14	2014-15	2015-16
93.69	164.36	205.61

3) Recognition or awards:

His untiring efforts as Executive Officer for 15 years, as Executive Director for 10 years and as Managing Director for 6 years has contributed substantially for the Company to earn various "Recognitions and Awards" for "Excellence" in Exports by Trade Bodies and Government of India.

The Company's focus on exports under Mr. Viren C. Mirani's leadership has also won several awards, including awards from CAPEXIL (formerly Chemicals and Allied Products Export Promotion Council), which is sponsored by the Ministry of Commerce and Industry, Government of India, for export achievement in respect of Ossein and Gelatine for the years 2009-10, 2010-11 and 2011-12 (which is the last year for which awards in this regard have been announced by CAPEXIL).

The initial share capital of ₹ 25 lacs reached to ₹ 940 lacs by way of bonus and preferential issue and also earned ₹ 11200 lacs as "Reserves" for the shareholders during last 44 years, over and above payment of dividends.

4) Job profile/suitability:

The Managing Director looks after manufacturing, marketing, technical operations and over all administration of the Company. Because of his sharp business acumen and matured experience, the performance of the company has been noteworthy, which also speaks volumes of his ability. He has also been handling the most onerous job of marketing Ossein and Gelatine and while discharging these functions quite effectively he has shown signs of great acumen and stewardship.



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5) Proposed remuneration:

As per approval of members and subject to Central Government approval, he will be paid salary in the scale of ₹ 15,00,000 - 2,00,000 - 19,00,000 per month and Perks not to exceed ₹ 25,000/- per month in the event of inadequacy of profits. In the event of sufficient profits he may also be paid a commission not exceeding 5% of the net profits, as may be decided by the Board of Directors.

6) Comparative Remuneration profile with respect to industry, size of the company, profile of the position and person:

The main product of the industry is sold in the overseas market. Export requirements are always quite stringent. It requires constant "watch and vigil". "Norms and Parameters" of purchase and production are quite meticulous. Disciplined approach and compliances required for the staff need constant supervision and continuous accountability. Running this type of industry successfully and earning awards of "Excellence" year after year proves the performance of Managing Director. Remuneration sought to be paid to him is thus reasonable. It is also within the normal range of "Managerial Remuneration" paid to the young generation these days by performance oriented units. Mr. Viren C. Mirani alone has shouldered the entire responsibility and working for development of business after the demise of the previous Managing Director Mr. N. R. Mirani.

7) Pecuniary Relationship with Company:

The Managing Director's family is also the Promoter of the Company and as such holds substantial financial interest and continuing commercial affinity with the Company. He, along with his wife, holds 19.93 % Equity Share Capital of the Company. Promoters group as a whole, hold around 67.71 % in the equity of the Company.

III. OTHER INFORMATION:

1) Reasons for Loss/Inadequate Profits:

The Company is engaged in the manufacturing of Ossein, Gelatine and DCP. The raw material viz. Crushed Bones, being of natural origin, is at many times in short supply which adversely affects company's production. The company faces severe competition from various domestic companies and therefore focuses on exports market which has inherent foreign exchange risk. The company's raw material and finished products both have threats of potential diseases which has impact on finished goods market of the company's products. There has been substantial increase in manpower and labour costs. All the above adverse factors have resulted in inadequate profits of the company.

2) Steps taken and proposed to be taken for improvement:

Mr. Viren C. Mirani, the Managing Director has taken all possible steps to stabilize the Gelatine product by exploring various markets in U.S.A., Japan, Europe as well as South East Asia. He has also taken rigorous steps to promote the sale of Ossein & Gelatine to other foreign buyers. The Company has also undertaken modernization of Raw material grading facilities which is likely to improve yield of finished products.

3) Expected increase in productivity and profits in measurable terms:

Productivity and profits are likely to further improve over a period of next 2-3 years. During last 2 years, the Company has focused on improving yield of finished products which will have tangible benefits in times to come.

IV. DISCLOSURES:

1) The remuneration package of Mr. Viren C. Mirani, Managing Director- The details of remuneration are given in the Notice.



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- 2) (i) Element of remuneration package
(ii) Details of fixed components and performance linked incentive
(iii) Service contract, notice period severance fees etc.
(iv) Stock option details.

The above details are given along with details of his remuneration in the Annexure to the Notice to the extent they are applicable.

Your directors recommend the resolutions as they consider the same as in the interest of the Company.

The above details may be treated as abstract of terms and conditions of the re-appointment of Managing Director Mr. Viren C. Mirani as per Section 102 of the Companies Act, 2013.

Mr. Viren C. Mirani, the Managing Director of the Company, is deemed as concerned and interested in the above resolution so far as it relates to his re-appointment and remuneration payable to him. Mrs. Shefali V. Mirani Director of the Company, being the wife of Mr. Viren C. Mirani, is interested.

The Draft Agreements to be entered into with the Managing Director is open for inspection by Members on any working day between 3.00 p.m. to 5.00 p.m. at the Registered Office of the Company.

Item No. 7:

Item No. 7 of the Notice relates to the appointment of Mrs. Shefali V. Mirani as an Executive Director of the Company. The terms of appointment of the Executive Director will be effective for 3 years from 1st April, 2017 to 31st March, 2020. Mrs. Shefali V. Mirani, shall be paid a remuneration not exceeding ₹ 5,00,000/- p.m. as permitted in Part II Section II (A) of Schedule V of the Companies Act, 2013.

Memorandum of Interest:

Mrs. Shefali V. Mirani, is interested in the above resolution to the extent of the remuneration received by her.

Mr. Viren C. Mirani, Managing Director of the Company, is concerned or interested in the above resolution, being husband of Mrs. Shefali V. Mirani. None of the other Directors are concerned or interested in the above resolution.

Information required to be disclosed in terms of Notification No. GSR 36(E) dated 16th January, 2002 issued by Government of India under the provisions of Schedule V of the Companies Act, 2013.

I. GENERAL INFORMATION:

- 1) Nature of Industry : Manufacturers of Chemical products viz. Ossein, Gelatine and DCP
2) Date of commencement of Commercial Production : 08-02-1975
3) In case of new Companies expected date of commencement : N.A.
4) Financial Performance :

₹ Lacs

Year	Capital	Reserves	Exports (FOB)	Total Sales & Other Income	Profit before Dep. & Tax	Cash Profit after tax	Net Profit(Loss)
2013-14	940.00	10,498.46	8,031.40	12,353.31	1,785.28	1,345.61	805.55
2014-15	940.00	10,910.16	7,986.42	12,208.32	1,232.95	1,133.29	621.89
2015-16	940.00	11,174.81	6,188.51	9,928.46	948.12	841.10	366.47



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5) Export Performance and Net Foreign Exchange

₹ lacs

Year	Export Qty. in M.T.	FOB Value of Qty Sale
2013-14	2897.70	8,031.40
2014-15	2376.40	7,986.42
2015-16	1706.41	6,188.51

II. INFORMATION ABOUT THE APPOINTEE:

1) Background details:

Mrs. Shefali V. Mirani is a commerce graduate with fairly good experience of industry. She was associated with below mentioned activities:

- Volunteered at Sadhana School for Mentally Challenged Adolescent Children - 1994-1996
- IMC exhibitions for embroidered table linen (1994 and 1995)
- MODANAMAN - Export Firm - Partner- 1998-2012
- Exporting hand embroidered fabrics to eminent design houses in Italy and designers in Australia and New York.

2) Proposed remuneration:

Salary in the scale of ₹ 4,75,000/- per month and Perks not to exceed ₹ 25,000/- per month in the event of inadequacy of profits. In the event of sufficient profits she may also be paid a commission not exceeding 5% of the net profits, as may be decided by the Board of Directors.

3) Comparative Remuneration profile with respect to industry, size of the company, profile of the position and person:

The main product of the industry is sold in the overseas market. Export requirements are always quite stringent. It requires constant "watch and vigil". "Norms and Parameters" of purchase and production are quite meticulous. Disciplined approach and compliances required for the staff need constant supervision and continuous accountability. It is also within the normal range of "Managerial Remuneration" paid to the young generation these days by performance oriented units.

4) Pecuniary Relationship with Company:

An Executive Director's family is also the Promoter of the Company and as such holds substantial financial interest and continuing commercial affinity with the Company. She along with her husband holds 19.93% Equity Share Capital of the Company. Promoters group as a whole, hold around 67.71% in the equity of the Company.



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III. OTHER INFORMATION:

Reasons for Loss/Inadequate Profits:

The Company is engaged in the manufacturing of Ossein, Gelatine and DCP. The raw material viz. Crushed Bones, being of natural origin, is at many times in short supply which adversely affects company's production. The company faces severe competition from various domestic companies and therefore focuses on exports market which has inherent foreign exchange risk. The company's raw material and finished products both have threats of potential diseases which has impact on finished goods market of the company's products. There has been substantial increase in manpower and labour costs. All the above adverse factors have resulted in inadequate profits of the company.

IV. DISCLOSURES:

- 1) The remuneration package of Mrs. Shefali V. Mirani-
The details of remuneration are given in the Notice.

- 2) (i) Element of remuneration package
(ii) Details of fixed components and performance linked incentive
(iii) Service contract, notice period severance fees etc.
(iv) Stock option details.

The above details are given along with details of her remuneration in the Annexure to the Notice to the extent they are applicable.

Your directors recommend the resolution as they consider the same is in the interest of the Company.

The above details may be treated as abstract of terms and conditions of the appointment of Mrs. Shefali V. Mirani as per Section 102 of the Companies Act, 2013.

The Draft Agreement to be entered into with the Director is open for inspection by Members on any working day between 3.00 p.m. to 5.00 p.m. at the Registered Office of the Company.

By Order of the Board of Directors

Place : Ahmedabad
Date : 15-07-2016

Preetal P. Mepani
Company Secretary



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DIRECTORS' REPORT

The Directors of your Company have pleasure to present 44th Annual Report with the Audited Statements of Accounts for the year ended 31st March, 2016.

	2015-16 ₹ lacs	2014-15 ₹ lacs
FINANCIAL RESULTS		
Total Revenue	9,928.46	12,208.33
Profit for the year after deducting all the expenses but before interest, depreciation and taxation (EBIDTA)	948.30	1,233.03
FROM WHICH ARE DEDUCTED		
Interest & Financial Charges	0.17	0.08
Depreciation	474.64	511.40
Provision for Taxation		
Current	125.00	190.00
Deferred	(17.98)	(90.34)
	<u>581.83</u>	<u>611.14</u>
NET PROFIT FOR THE YEAR TO WHICH IS ADDED :	366.47	621.89
Surplus Brought Forward	384.61	1,132.43
BALANCE AVAILABLE FOR APPROPRIATION	<u>751.08</u>	<u>1,754.32</u>
APPROPRIATION FOR		
Proposed Dividend	64.60	141.00
Corporate Dividend Tax	17.22	28.71
General Reserve	350.00	1,200.00
Surplus Carried to next year's account	299.26	384.61
	<u>751.08</u>	<u>1,754.32</u>

ECONOMIC SCENARIO & OUTLOOK:

The turnover of the company has decreased by about 18.83% over the previous year. Gelatine sales have decreased by 3.85% and whereas Ossein sales have reduced by 64.90% during the year.

The performance of the company is adversely affected due to shortage of raw materials leading to a steep rise in raw material prices and thereby leading to higher manufacturing costs. Increase in manpower and labour costs have also put pressure on margins and operating profits during the year.

During the year, the company completed to the tune of 90% of modernization of the raw material grading facility. The final completion of this project would take place during the current financial year 2016-17. This measure being undertaken by the company is likely to lead increased yield of the company's products.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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



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DIVIDEND:

Your directors recommend dividend @ 9 % i.e. ₹ 0.90/- per share (previous year 15% i.e. ₹ 1.50 per share) on Equity Shares of ₹ 10/- each of the company for the year ended 31st March, 2016. The proposed dividend (including Corporate Dividend Tax) will absorb ₹ 101.82 Lacs (previous year ₹ 169.71 Lacs)

TAXATION:

The Company has made a provision of ₹ 125.00 lacs 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 2015-16, 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:

Mr. Nayan C. Mirani, a Non executive Director of the Company has resigned w.e.f. 30th June, 2015. The Board has placed on record its sincere appreciation and gratitude for the valuable and outstanding contribution made by Mr. Nayan C. Mirani during his association with the Company as a Director.

At the ensuing Annual General Meeting of the Company Mrs. Shefali V. Mirani, Director of the Company retires by rotation but being eligible offers herself for reappointment.

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



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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 operating effectively.

AUDITORS AND AUDITORS' REPORT :

Statutory Auditors :

At the 42nd AGM of your Company, Messrs Mahendra N. Shah & Co., Firm Registration No: 105775W, Chartered Accountants, were appointed as the Statutory Auditors of the Company for a term of three years from 2014-2015 to 2016-2017. In accordance with Section 139 of the Act, you are requested to ratify the appointment of Statutory Auditors for the balance term.

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. Samdani Shah & Associates, 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.

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.



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NUMBER OF MEETING OF BOARD OF DIRECTORS:

The Board of Directors have met 6 times and Independent Directors once during the year ended 31st March, 2016. 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 2015-16 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. Vagadia, the Chief Financial Officer and Ms. Preetal P. Mepani, 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 186 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 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



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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 31st March, 2016 is set out herewith as "Annexure B"

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 : 23-05-2016

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



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ANNEXURE 'A' TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1) INDUSTRY STRUCTURE & DEVELOPMENT :

The fact remains that India's economy remained on track throughout the Financial year of 2015-16. However, the Global economies continued to struggle and remain weak.

Our company focuses mainly on the export markets considering the larger mix of customers in different Geographies around the world as well as multiplicity of applications for the company's products.

Indian customers, on the other hand, comprise of only pharmaceutical /neutraceutical users in the form of Hard Gelatine Capsules (HGC) and the Soft Shell Capsules (SSC). A large portion of both the capsules are exported in the form of Empty HGC or then in the form of formulations. Due to the weak Global economies the pharmaceutical companies and the capsule exporters have been facing major setbacks due to the inability of the foreign buyers to keep up with the commitments of timely payments.

To make matters even more complex, there has been a reversal in the availability of raw materials in the world, whereby the erstwhile areas of South America which were suffering from an acute shortage of cattle hides (another source for manufacturing Gelatine) have turned around and have now been enjoying a surplus of the same. This has resulted into a scenario where the availability of cattle hide Gelatine has become available in larger abundance. Thus leading to lower prices around the world including India.

The raw material situation in India on the other hand has been getting even more acute especially with the cow slaughter bans being implemented in certain states and similar sentiment prevailing in additional states. This has led to prices of crushed bones rising to historic highs and thereby making the Gelatine costs high. Capsule manufacturers in India are finding the imports of Gelatine from overseas especially, Europe/USA as well as South America cheaper and the volume of Gelatine import is steadily increasing.

2) OPPORTUNITIES AND THREATS:

Opportunities:

The raw material scenario being what it is in India is far from encouraging and in order to tide with the difficult scenario it was decided to make several representations to the Government of India for the removal of import restrictions for the same. Once the restrictions have been removed it would allow cheaper raw materials to be available and thereby increase the competitiveness of the company's products.

Threats:

The Government of India, through the Central Drugs Standards Control Organisation, had received a proposal for the replacement of capsules in India produced out of Gelatine to capsules produced out of vegetable sources.

There have been several debates going on with the Drugs Controllers office to dissuade them about the long term knowledge and proven efficacies of Gelatine capsules as opposed to other capsules being proposed due to the limited information available on their long terms usage and the potential incompatibilities with the several drugs and formulations currently available in the market in the form of Gelatine capsules.

However, no final decision has been taken so far and the matter is still under discussion and consideration with the Government of India.

3) SEGMENT WISE AND PRODUCT WISE PERFORMANCE:

Due to acute shortage of crushed bones in the Indian market owing to several reasons on account of religion and the diversion of bone for the production of Meat & Bone Meal (MBM) for poultry feeding, the competitiveness of Indian products has sharply declined and this has led to the sudden curtailment in the off take for Ossein in the Global markets where raw material prices are way below the Indian raw material prices.

Gelatine of Bovine Bone raw materials, to some extent, remains in demand as it caters to some special applications and for which India commands some dominance. However, sales have been lower as customers who can use alternative source (animal hide/pig skin) Gelatines since they are much lower in price as compared to the high Indian Gelatine, have switched over to those alternatives.

Di-Calcium Phosphate (DCP) sales have also been under pressure with the lower crop of soya bean meal in India and the spurt in the consumption of the MBM which is a cheaper alternative for achieving the protein requirements in the poultry feeds.



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4) OUTLOOK:

Based on the current situation in Europe, the price of raw materials are likely to be moving upwards due to structural reasons within Europe and this may see some increase in Gelatine prices which may eventually allow some increase in the Global prices of Gelatine from the currently dimly low levels.

Although given the current challenges in the Indian scenario with relation to the proposal for replacement of Gelatine capsules by cellulose based capsules, there can be major setbacks going forward.

5) RISKS AND CONCERNS:

As enumerated above the raw material situation needs to improve in India in order to be more competitive in the export markets where raw materials are available in abundance and hence international manufacturers are in a position to lower their prices in the Global markets. We have already been witnessing the sharp rise in the import of Gelatines into India from all over the world where the volumes have increased by almost 400% in the last 5 years.

As also the potential threat of replacement of Gelatine capsules in India, if implemented, can be major cause of concern for the company and the Gelatine industry of India.

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 ₹ 9,118.31 Lacs during the year ended 31st March, 2016 as compared to ₹ 11,233.51 Lacs during the previous year.

EBIDTA (Earnings before Interest, Depreciation, Taxes and Extra Ordinary Item) for the Current year is ₹ 948.30 Lacs as against ₹ 1,233.03 Lacs in the previous year.

The Board of Directors recommended dividend @ 9% as against @ 15% in the previous year.

8) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, 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 91 Employees on its roll as on 31st March, 2016.

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.



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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 31ST MARCH, 2016.

Sr. No.	Director / KMP	Remuneration ₹ Lacs		Median Remuneration of Employees ₹ Lacs		Ratio		Increase % (Amount)	
		15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15
1.	Viren C. Mirani (Managing Director)	138.00	98.36	2.62	2.40	52.67	40.98	40.30	17.57
2.	Preetal P. Mepani (Company Secretary)	7.38	6.24	2.62	2.40	2.82	2.60	18.27	20.23
3.	K. P. Vagedia (Chief Financial Officer)	8.96	8.55	2.62	2.40	3.80	3.56	16.49	6.88

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

- Number of permanent employees on the rolls of the Company as on 31st March, 2016 were 91 Nos. and as on 31st March, 2015 were 93 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 2015-2016.
- a) Performance of the Company :

- Profit before Tax :

₹ in Lacs

Description	2015-2016	2014-2015
Profit before tax	473.49	721.55

- Variations in EPS of the Company :

₹

Description	As on 31.03.2016	As on 31.03.2015
EPS	3.90	6.62



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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, 31ST MARCH, 2016.

Name	Designation	Remuneration ₹ Lacs	Qualification	Age Years	Experience Year	Date of Commen- cement of employment	Last Employment and Designation
Viren C. Mirani	Chairman & Managing Director	205.61	B.Com.	51	31	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) Improved pretreatment process that has resulted in better gelatine yield, thereby reducing cost of production.
- ii) Intermittent running of ETP equipment based on pollutant load has resulted in lower treatment cost.
- iii) Addition of new equipment and processes that have resulted in value addition in quality of product.

b) Additional Investments and proposals:

- i) Replacement of transparent sheets in building roofs in order to reduce lighting cost.
- ii) Continue modification in ETP in order to achieve state pollution norms autonomously.
- iii) Re-evaluation of feasibility of supplementing power requirement with Solar Power Generation.
- iv) Installation of Wind Driven Roof Ventilators for saving of energy.
- v) Implementation of new Cleaning-in-process system that will result in saving of time, water and chemicals.
- vi) Studying feasibility of in-house power generation using alternate fuel in order to save electricity cost.
- vii) Awaiting approval from SLDC 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.



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

FORM – A

I		Power & Fuel Consumption		
		Electricity	2015-16	2014-15
a)		Purchased		
		Unit (KWH)	10101300.00	12951600.00
		Total Amount (₹ lacs)	787.26	942.83
		Rate / Unit (₹)	7.89	7.26
b)		Own Generation		
	1)	Through Diesel Generator		
		Units (KWH)	18432.00	36192.00
		Unit per Ltr. of Diesel	3.25	3.09
		Cost / Unit (₹)	20.35	21.43
	2)	Through FO Base Generator		
		Units (KWH)	N.A.	N.A.
		Unit per Ltr. of F.O.	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 ³ of Gas	N.A.	N.A.
		Cost / Unit (₹)	N.A.	N.A.
a)		Furnace Oil / LSHS		
		Quantity (Kgs.)	1872200.00	682144.00
		Total Amount (₹ lacs)	420.98	178.10
		Average Rate per Kgs. (₹)	22.49	26.11
b)		Natural Gas (CNG) /SM ³		
		Quantity (SM ³)	398883.00	2686791.00
		Total Amount (₹ lacs)	129.92	1,207.03
		Average Rate per SM ³ (₹)	32.57	44.92

e) Consumption per unit of product :

Product-Unit	Standards	2015-2016		2014-2015	
		Ossein	Gelatine	Ossein	Gelatine
Electricity	Unit	2003.40	3644.59	1638.42	3418.09
Furnace Oil	Kgs	0.00	1419.40	0.00	1335.05
Natural Gas (CNG)	SM ³	243.10	1697.36	446.19	1581.07



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(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.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on Foreign Exchange Earnings and outgo is contained in point No. 14, 15, 16 & 17 of Note No. 25 to the Financial Statements.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 23-05-2016

Viren C. Mirani
Chairman & Managing Director
DIN : 00044901



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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://www.indiagelatine.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 : ₹ 856 lacs

4. **Prescribed CSR Expenditure (two percent of the amount as in point 3 above) :**

The company is required to spend ₹ 17.12 lacs towards CSR.

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

(a) Total amount spent for the financial year : ₹ 18.00 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 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	Cummulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Contribution towards Sports Training for tribal Children	Promoting training of rural sports, nationally recognized sports, Paralympics sports and Olympic sports	Dahanu Taluka, Palghar District, Maharashtra	13.00	13.00	13.00	13.00
2.	Contribution towards the charitable activities carried out by the Kidney Dialysis Hospital	Promoting healthcare including preventive healthcare	Kidney Dialysis Hospital, Jamnagar, Gujarat	5.00	5.00	5.00	5.00
TOTAL				18.00	18.00	18.00	18.00

* Details of the implementing agencies –

1. Nareshwadi Learning Centre, Maharashtra
2. Shree Anandabava Seva Sanstha, Gujarat

K. P. Vagadia
(Chief Financial Officer)

Date : 23-05-2016

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



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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 568(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 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, Paralympics 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 31.03.2016

[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 conducts/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



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covering the financial year ended on 31.03.2016, 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. for the financial year ended on 31.03.2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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 – Not Applicable;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not Applicable; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure and Requirements) Regulations 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 & National 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.



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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 : 23-05-2016

Chirag Shah

Partner

Samdani Shah & Associates

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 obtain 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 : 23-05-2016

Chirag Shah

Partner

Samdani Shah & Associates

FCS No. 5545

CP No. 3498

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

as on the financial year ended on 31.03.2016

[Pursuant to section 92(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", 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-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078. Tel.: (022) 2594 6970 / 2594 6960 Fax : (022) 2594 6969 Email : RNT.HELPDESK@LINKINTIME.CO.IN (Lower Case)

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.	Ossien	20295	6.20
2	Gelatine	20295	75.77
3	Di Calcium Phosphate	20295	18.03

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and address of the company	CIN	Holding / subsidiary/ Associate	% of shares held	Applicable Section
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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 01-04-2015)				No. of Shares held at the end of the year (as on 31-03-2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2953548	4308	2957856	31.47	2612538	4308	2616846	27.84	-3.61
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.	2319499	0	2319499	24.67	1874599	0	1874599	19.94	-4.73
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other (Directors)	1107946	0	1107946	11.79	1873496	0	1873496	19.93	8.12
Sub-total (A) (1)	6380993	4308	6385301	67.93	6360633	4308	6364941	67.71	-0.22
(2) Foreign									
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
Sub-total(A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	6380993	4308	6385301	67.93	6360633	4308	6364941	67.71	-0.22
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	3566	72	3638	0.04	3566	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
Sub-total (B)(1)	3566	72	3638	0.04	3566	72	3638	0.04	0.00


INDIA GELATINE & CHEMICALS LTD.

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01-04-2015)				No. of Shares held at the end of the year (as on 31-03-2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	150939	5351	156290	1.66	100069	5351	105420	1.12	-0.54
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1711345	486052	2197397	23.38	1690087	472433	2162520	23.01	-0.37
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	625695	10360	636055	6.76	740131	0	740131	7.87	1.11
c) Others (specify)									
- Non Resident Rep	15517	0	15517	0.17	17177	0	17177	0.18	0.01
- Non Rep	5402	400	5802	0.06	5773	400	6173	0.07	0.01
- Non Domestic Co.	0	0	0	0.00	0	0	0	0.00	0.00
-Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2)	2508898	502163	3011061	32.03	2553237	478184	3031421	32.25	0.22
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2512464	502235	3014699	32.07	2556803	478256	3035059	32.29	0.22
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	8893457	506543	9400000	100	8917436	482564	9400000	100.00	0.00



INDIA GELATINE & CHEMICALS LTD.

(II) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01-04-2015)			Shareholding at the end of the year (as on 31-03-2016)			% 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	0.000
2	Ansuya Jayantital	15360	0.163	0.000	0	0.000	0.000	-0.163
3	Arjun Falgu Sunil P Mirani	468	0.005	0.000	468	0.005	0.000	0.000
4	Chandrasinh Hansraj Mirani HUF	11824	0.126	0.000	11824	0.126	0.000	0.000
5	Divyaprabha C. Mirani	82418	0.877	0.000	82418	0.877	0.000	0.000
6	Divyaprabha C. Mirani	467116	4.969	0.000	467116	4.969	0.000	0.000
7	Hina N. Mirani	100	0.001	0.000	0	0.000	0.000	-0.001
8	Janki K. Mirani	2000	0.021	0.000	0	0.000	0.000	-0.021
9	Jash N. Mirani	100	0.001	0.000	0	0.000	0.000	-0.001
10	Jasumati J. Thaker	5800	0.062	0.000	800	0.009	0.000	-0.053
11	Khimji Visram and Sons Gujrat Private Limited	9480	0.101	0.000	0	0.000	0.000	-0.101
12	Kishorsinh R Mirani HUF	11576	0.123	0.000	0	0.000	0.000	-0.123
13	Kishorsinh R. Mirani	208948	2.223	0.000	0	0.000	0.000	-2.223
14	Kishorsinh R. Mirani	82176	0.874	0.000	0	0.000	0.000	-0.874
15	Madhav N. Mirani	360666	3.837	0.000	360666	3.837	0.000	0.000
16	Madhav N. Mirani	45888	0.488	0.000	45888	0.488	0.000	0.000
17	Manish K. Mirani	100	0.001	0.000	0	0.000	0.000	-0.001
18	Manorama N. Mirani	563144	5.991	0.000	563144	5.991	0.000	0.000
19	Manorama N. Mirani	1436	0.015	0.000	1436	0.015	0.000	0.000
20	Nandini Sunil Mirani	2500	0.027	0.000	2500	0.027	0.000	0.000
21	Navinchandra R Mirani HUF	11984	0.127	0.000	11984	0.127	0.000	0.000
22	Nayankumar C. Mirani	100	0.001	0.000	0	0.000	0.000	-0.001
23	Nimisha Manish Mirani	2500	0.027	0.000	0	0.000	0.000	-0.027
24	Olive Finance & Investments Pvt. Ltd	1874599	19.943	0.000	1874599	19.943	0.000	0.000
25	Pratapsinh H Mirani	404122	4.299	0.000	404122	4.299	0.000	0.000
26	Purnima K. Mirani	2000	0.021	0.000	0	0.000	0.000	-0.021
27	Rahul C Mirani	8550	0.091	0.000	0	0.000	0.000	-0.091
28	Rajeshri N. Mirani	4500	0.048	0.000	4500	0.048	0.000	0.000
29	SCIL Capital India Limited	435420	4.632	0.000	0	0.000	0.000	-4.632
30	Shefali V. Mirani	2500	0.027	0.000	765650	8.145	0.000	8.118
31	Sunil P. Mirani	656140	6.980	0.000	656140	6.980	0.000	0.000
32	Tanmay N. Mirani	100	0.001	0.000	0	0.000	0.000	-0.001
33	Viren C. Mirani	920000	9.787	0.000	920000	9.787	0.000	0.000
34	Viren C. Mirani	187846	1.998	0.000	187846	1.998	0.000	0.000
	Total	6385301	67.928	0.000	6364941	67.712	0.000	-0.216



INDIA GELATINE & CHEMICALS LTD.

(iii) 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 (01.04.2015 to 31.03.2016)	
		No. of Shares at beginning of the year (01.04.2015)/ end of the year (31.03.2016)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Hina Mirani	100	0.001	01.04.2015				
				19.05.2015	(100)	Transfer	0	0.000
2	Janki K. Mirani	0	0.000	31.03.2016				
		2,000	0.021	01.04.2015				
				19.05.2015	(2,000)	Transfer	0	0.000
3	Jash Mirani	0	0.000	31.03.2016				
		100	0.001	01.04.2015				
				19.05.2015	(100)	Transfer	0	0.000
4	Tanmay Mirani	0	0.000	31.03.2016				
		100	0.001	01.04.2015				
				19.05.2015	(100)	Transfer	0	0.000
5	Khimji Visram and Sons Gujrat Private Ltd	0	0.000	31.03.2016				
		9,480	0.101	01.04.2015				
				19.05.2015	(9,480)	Transfer	0	0.000
6	Kishorsinh R Mirani HUF	0	0.000	31.03.2016				
		11,576	0.123	01.04.2015				
				19.05.2015	(11,576)	Transfer	0	0.000
7	Kishorsinh R. Mirani	0	0.000	31.03.2016				
		2,08,948	2.223	01.04.2015				
				19.05.2015	(2,08,948)	Transfer	0	0.000
8	Kishorsinh R. Mirani	0	0.000	31.03.2016				
		82,176	0.874	01.04.2015				
				19.05.2015	(82,176)	Transfer	0	0.000
9	Manish Mirani	0	0.000	31.03.2016				
		100	0.001	01.04.2015				
				19.05.2015	(100)	Transfer	0	0.000
10	Jasumati J. Thaker	0	0.000	31.03.2016				
		5,800	0.062	01.04.2015				
				19.05.2015	(5,000)	Sale	800	0.009
11	Nayankumar C. Mirani	800	0.009	31.03.2016				
		100	0.001	01.04.2015				
				19.05.2015	(100)	Transfer	0	0.000
12	Nimisha Manish Mirani	0	0.000	31.03.2016				
		2,500	0.027	01.04.2015				
				19.05.2015	(2,500)	Transfer	0	0.000
13	Purnima K. Mirani	0	0.000	31.03.2016				
		2,000	0.021	01.04.2015				
				19.05.2015	(2,000)	Transfer	0	0.000
14	Rahul C. Mirani	0	0.000	31.03.2016				
		8,550	0.091	01.04.2015				
				19.05.2015	(8,550)	Transfer	0	0.000
15	SCIL Capital India Ltd.	0	0.000	31.03.2016				
		4,35,420	4.632	01.04.2015				
				19.05.2015	(4,35,420)	Transfer	0	0.000
16	Shefali V. Mirani	0	0.000	31.03.2016				
		2,500	0.027	01.04.2015				
				19.05.2015	7,63,150	Inter-se Transfer	7,65,650	8.145
		7,65,650	8.145	31.03.2016				

* Date of transfer has been considered on the date on which beneficiary position was provided by the Depositories 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 (01.04.2015 to 31.03.2016)	
		For each of the top ten Shareholder's	No. of Shares at beginning of the year (01.04.2015)/ end of the year (31.03.2016)				% of total Shares of the Company	No. of Shares
1	Sangita K. Parikh	48,909	0.52	01.04.2015	0		48,909	0.52
		48,909	0.52	31.03.2016				
2	Vinodchandra M. Parekh	45,851	0.49	01.04.2015	0		45,851	0.49
		45,851	0.49	31.03.2016				
3	Maya Rawat	45,241	0.48	01.04.2015	0		45,241	0.48
		45,241	0.48	31.03.2016				
4	Subramanian P	0	0.00	01.04.2015			43,450	0.46
		43,450	0.46	31.03.2016	43,450 purchase			
5	Kalpana Jain	42,077	0.45	01.04.2015	0		42,077	0.45
		42,077	0.45	31.03.2016				
6	Vinodchandra M. Parekh	29,454	0.28	01.04.2015	0		29,454	0.28
		29,454	0.28	31.03.2016				
7	Nalin A. Patel	30,000	0.31	01.04.2015	(1,312)	sale	28,688	0.31
		28,688	0.31	31.03.2016				
8	Rameshkumar N. Mevada	0	0.00	01.04.2015	0		27,103	0.29
		27,103	0.29	31.03.2016	27,103 purchase			
9	Jitendra M. Parekh	26,756	0.28	01.04.2015	0		26,756	0.28
		26,756	0.28	31.03.2016				
10	Chandrika V. Parekh	25,533	0.27	01.04.2015	0		25,533	0.27
		25,533	0.27	31.03.2016				



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 (01.04.2015 to 31.03.2016)	
		No. of Shares at beginning of the year (01.04.2015)/ end of the year (31.03.2016)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
	Directors							
1	Mr. Viren C. Mirani	11,07,846	11.790	01.04.2015			11,07,846	11.790
		11,07,846	11.790	31.03.2016				
2	Mr. Nayankumar C. Mirani	100	0.001	01.04.2015				
				19.05.2015	(100)	Transfer	0	0.000
		0	0.000	31.03.2016				
3	Mrs. Shefali V. Mirani	2,500	0.027	01.04.2015				
				19.05.2015	7,63,150	Inter-se Transfer	7,65,650	8.145
		7,65,650	8.145	31.03.2016				
	Key Managerial Personnel							
1	Kalidas P. Vagadia	768	0.008	01.04.2015				
				04.04.2015	3,068	Transferred by way of gift	3,836	0.041
		3,836	0.041	31.03.2016				

* 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 Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the Financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the Financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL



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
		Mr. Viren C. Mirani (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	1,14,00,000 24,00,000 0	1,14,00,000 24,00,000 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
	Total (A)	1,38,00,000	*1,38,00,000
	Ceiling as per the Act		1,38,00,000

* Excluding exempted perquisites

B. Remuneration to other directors :

Sr. No	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Mr.P.P. Madhavji	Mr. J. M. Tiwarl	Mr. S. N. Pitlle	
	Fee for attending Board and Committee Meetings	60,000	50,000	55,000	1,65,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total B (f)	60,000	50,000	55,000	1,65,000



INDIA GELATINE & CHEMICALS LTD.

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount
		Mr. N. C. Mirani (Resigned)	Mrs. S.V. Mirani	
2.	Other Non-Executive Directors			-
	Fee for attending Board and Committee Meetings	10,000	25,000	35,000
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total B (2)	10,000	25,000	35,000
	Total (B) = B (1) + B(2)			2,00,000
	Total Managerial Remuneration			2,00,000
	Overall Ceiling as per the Act	-	-	-

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
		Mr. K. P. Vagadia	Ms. P. P. Mepani	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	0	7,02,000	7,02,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0	36,000	36,000
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	0	0	0
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of Profit - others, specify	-	-	-
5.	Others, please specify- Professional Charges	9,96,000	0	9,96,000
	Total C	9,96,000	7,38,000	17,34,000



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 : 23-05-2016

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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arms length basis:

(a) Name(s) of the related party and nature of relationship. (b) Nature of contracts/arrangements/transactions. (c) Duration of the contracts / arrangements/transactions. (d) Salient terms of the contracts or arrangements or transactions including the value, if any. (e) Justification for entering into such contracts or arrangements or transactions. (f) Date(s) of approval by the Board. (g) Amount paid as advances, if any. (h) Date on which the special resolution was passed. (i) Amount paid as advances, if any. (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.	N.A.
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2. Details of material contracts or arrangement or transactions at arms length basis:

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

Place : Mumbai
Date : 23-05-2016

Viren C. Mirani
Chairman & Managing Director
DIN : 00044901



CORPORATE GOVERNANCE REPORT

Pursuant to the provisions of the Companies Act, 2013 and as per the regulations 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. 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 31.03.2016

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	Chairman & Managing Director	1	1	0
2.	Mr. Nayan C. Mirani (resigned w.e.f 30.06.2015)	Non-Executive	N.A.	N.A.	N.A.
3.	Mrs. Shefali V. Mirani	Non-Executive	1	0	0
4.	Mr. Jayprakash M. Tiwari	Non-Executive Independent	1	1	0
5.	Mr. Shridhar N. Pittie	Non-Executive Independent	3	2	1
6.	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	6	6	YES
2.	Mr. Nayan C. Mirani (resigned w.e.f 30.06.2015)	2	1	N.A.
3.	Mrs. Shefali V. Mirani	6	5	YES
4.	Mr. Shridhar N. Pittie	6	5	NO
5.	Mr. Pradip P. Madhavji	6	6	YES
6.	Mr. Jayprakash M. Tiwari	6	5	YES

Total 6 Board meetings were held in the year 2015-2016.

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

- | | |
|----------------|----------------|
| (1) 30.04.2015 | (4) 24.09.2015 |
| (2) 27.05.2015 | (5) 05.11.2015 |
| (3) 01.08.2015 | (6) 10.02.2016 |

3. AUDIT COMMITTEE :

A. Terms of Reference :

- 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.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process.
- Examining financial statement and the Auditors' Report thereon.
- Approval or subsequent modification of transactions of the company with related parties.
- Scrutiny of inter corporate loans and investments.
- Valuation of undertaking or assets of the company wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management the statement of uses/ application of funds raised through issue (public issue/ rights issue/ preferential issue), the statement of fund utilised for the purpose other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency. Monitoring the end use of funds raised through public offers and related matters.
- Compliance with listing and other requirements relating to financial statements.



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- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to :
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board Report.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings.
 - (e) Disclosure of any related party transactions as per Accounting Standard 18 and
 - (f) Qualifications in draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing with the management, performance of statutory and internal auditors, adequacy of 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 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 payments to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e. the whole time finance director or any other person heading the finance function or discharging that function.) after assessing the qualification, experience and background etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

REVIEW OF INFORMATION BY AUDIT COMMITTEE

- Reviewing management discussion and analysis of financial conditions and result of operations.
- Reviewing 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.



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D. Nomination and Remuneration Policy :

The Nomination and Remuneration Committee had recommended the Nomination and Remuneration Policy of the Company to the Board of Directors which was adopted at the Board Meeting held on 10.02.2016

The said policy may be referred to, at the company's official website at

<http://www.indiagelatine.com/financial/Appointment%20&%20Remuneration%20Policy.pdf>

E. Details of Directors' remuneration paid for the year ended 31.03.2016

A. Managing Director :

₹

Name	Salary	Comm.	Perks	Retirement benefits	Total
Mr. Viren C. Mirani (Managing Director)	1,14,00,000	0	24,00,000	67,61,414	2,05,61,414

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

B. Others :

1. All Indian Non-executive Directors are paid sitting fees of ₹ 5,000/- for attending Board as well as Audit Committee meetings.

5. STAKEHOLDER RELATIONSHIP COMMITTEE :

A. Terms of reference :

The terms of reference of the committee may be to look into redressal of complaints of stakeholders like transfer of shares, non- receipt of balance sheet, non- receipt of declared dividend, non receipt of interest on deposits, renewal of deposits and non receipt of amount of deposits on maturity or otherwise etc.

B. Composition :

Stakeholder Relationship Committee consists of:

- a) Mr. Pradip P. Madhavji - Chairman
- b) Mr. Shridhar N. Pittie - Member
- c) Mr. Viren C. Mirani - Member

During the year, the Committee held 5 meetings and the attendance of Members was as follows:

Sr. No.	Name of Member	Status	No. of meetings attended
1.	Mr. Pradip P. Madhavji	Chairman	5
2.	Mr. Shridhar N. Pittie	Member	5
3.	Mr. Viren C. Mirani	Member	5

The Company Secretary is the Compliance Officer.

C. Meetings during the year

Total 5 meetings were held in the financial year 2015-2016.



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D. Complaints:

During the year ended 31st March, 2016, all the complaints received have generally been resolved to the satisfaction of the complainants and no complaints were pending for redressal either at the beginning or at the end of the year.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

A. Terms of reference :

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

To review the existing CSR Policy and to make it more comprehensive as to indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013;

To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

B. Composition :

The Corporate Social Responsibility (CSR) Committee comprises of the Chairman and two Directors.

The attendance of Members was as follows :

Sr.No.	Name of Member	Status	No. of Meetings Attended
1.	Mr. Viren C. Mirani	Chairman	1
2.	Mr. Jayprakash M. Tiwari	Member	0
3.	Mrs. Shefali V. Mirani	Member	1

C. Meetings during the year

During the year 2015-2016 the said meeting was held on 10.02.2016

7. MEETING OF THE INDEPENDENT DIRECTORS :

As per new 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:

- Review the performance of non-independent directors and the Board as a whole.
- Review the performance of the Chairperson of the Company taking into account the views of executive directors and non-executive directors.
- 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 29th March, 2016, without the attendance of Non Independent Directors and members of management. All the Independent Directors attended the meeting and discussed the above points.

8. EVALUATION OF BOARD EFFECTIVENESS :

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The discussion included inputs received from the Directors, covering various aspects of the Board functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who was evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance



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evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Company Secretary. The Directors expressed their satisfaction with the evaluation process.

9. FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS :

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company.

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, IGCL 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 policy was approved by the Board of Directors effective from 10th February, 2016. The said policy may be referred to, at the company's official website at: [http://indiagelatine.com/financial/FAMILIARISATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS%20\(1\).pdf](http://indiagelatine.com/financial/FAMILIARISATION%20PROGRAMME%20FOR%20INDEPENDENT%20DIRECTORS%20(1).pdf)

10. CODE OF CONDUCT :

The code of conduct for the Directors and Senior Management Personnel has been laid down by the board in the meeting held on 19.07.2006.

The Company has refined its Code of Conduct and Business Ethics, at the Board meeting held on 09.05.2012, as per the modified requirements of the Listing Agreement and SEBI, and the same is available on the website of the Company. The said policy may be referred to, at the company's official website at <http://indiagelatine.com/financial/Code%20of%20Conduct.pdf>

Annual declaration of the Code has been taken from all the Directors and Senior Management Personnel of the Company.

11. INSIDER TRADING :

The Securities and Exchange Board of India (SEBI) has introduced amendments to the existing Insider Trading Regulations of 1992 which requires new action steps by corporate and other market intermediaries for the purpose of prevention of Insider Trading.

Pursuant to the requirements of SEBI (Prohibition of Insider Trading Regulations), 2015 the Company has adopted a 'Code of Fair Disclosure and Code of Conduct for prevention of Insider trading' (The Code) with effect from May 15, 2015. The code is applicable to all directors and such designated employees who are expected to have access to unpublished price sensitive information relating to the Company. The said policy may be referred to, at the company's official website at <http://indiagelatine.com/financial/code%20adopted.pdf>

Ms. P. P. Mepani, Company Secretary, has been appointed as the Compliance Officer for monitoring adherence to these Regulations.

12. 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 subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.



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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. 10 B&C of Note No. 25 to the Financial Statements in the Annual Report.

B. Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in the annexure to Notes to the Financial Statements.

C. Risk Management

Business risk evaluation and management is an ongoing process within the Company. During the year under review, a detailed exercise on 'Risk Assessment and Management' was carried out covering the entire gamut of business operations and the Board was informed of the same.

D. 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.

E. Non-mandatory requirements

Adoption of non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time to time.

13. VIGIL MECHANISM/WHISTLE BLOWER POLICY :

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.

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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted a Whistle Blower Policy with an objective to provide its employees 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. The said policy may be referred to, at the company's official website at

<http://indiagelatine.com/financial/Whistle%20Blower%20Policy.pdf>

14. MEANS OF COMMUNICATION :

- A. (i) The Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the company are sent to the Stock Exchanges immediately after they are approved by the Board and are also published in the national English newspapers namely "Indian Express (English and Gujarati editions) and Financial Express". Also they are uploaded on the company's website www.indiagelatine.com. The results are published in accordance with the guidelines of the Stock Exchanges.
- (ii) In line with the existing provisions of the SEBI (LODR) Company has created a separate e-mail address viz. investor@indiagelatine.com to receive complaints and grievances of the investors.
- (iii) No formal presentations were made to the Institutional investors and analysts during the year under review.
- (iv) Management Discussion and Analysis Report forms part of this Annual Report, which is posted to the shareholders of the Company.



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B. Share Transfer Agents:

LINK INTIME INDIA PVT. LTD.

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078.

Tel.: (022) 2594 6970 / 2594 6960 Fax : (022) 2594 6969

Email : RNT.HELPDESK@LINKINTIME.CO.IN (Lower Case)

C. Share Transfer System:

All physical share transfers are effected within 15 days of lodgment, subject to the documents being in order. The Board has delegated the authority for approval of transfer, transmission etc. to the Stakeholders Relationship Committee comprising of two Non Executive Independent Directors and one Executive Director. A summary of transfer/transmission of shares so approved by the committee is placed before the Board periodically.

15. GENERAL BODY MEETINGS :

Details of the location of the last three AGMs and the details of the resolutions passed or to be passed by Postal Ballot are as under:

Consecutive Year	No. of AGM	Held at	Date	Time
2012-2013	41 st	GICEA (Nirman Bhavan) Gajjar Hall, Nr. Law Garden, Ellisbridge, Ahmedabad-380006	23.08.2013	11.00 am
2013-2014	42 nd	GICEA (Nirman Bhavan) Gajjar Hall, Nr. Law Garden, Ellisbridge, Ahmedabad-380006	05.09.2014	11.00 am
2014-2015	43 rd	GICEA (Nirman Bhavan) Gajjar Hall, Nr. Law Garden, Ellisbridge, Ahmedabad-380006	24.09.2015	11.00 am

Whether special resolutions were put through postal ballot last year? N.A

Ara polls proposed to be conducted through postal ballot this year? N.A

16. SHAREHOLDERS INFORMATION :

1. 44th Annual General Meeting

Date : 27th September, 2016

Time : 11.00 a.m.

Venue : GICEA (Nirman Bhavan)
Gajjar Hall, Nr. Law Garden,
Ellisbridge, Ahmedabad-380006

2. Date of Book Closure :

The register of members and share transfer books of the company shall remain closed from 20-09-2016 to 27-09-2016 (both days inclusive) for the payment of dividend.

3. Financial Calendar:

Financial Year: April 01 to March 31 for the financial year 2016-17, the tentative dates for declaration of Quarterly un-audited results will be by July 31, 2016, October 31, 2016, January 31, 2017 and April 30, 2017.

4. Dividend payment date:

Dividend will be paid within 30 days of the approval of the same in the Annual General Meeting.



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5. Listing in Stock Exchanges and Stock Codes:

<u>Stock Exchange</u>	<u>Stock Code</u>
Ahmedabad Stock Exchange Ltd.	25710
Bombay Stock Exchange Ltd.	531253
Demat ISIN in NSDL and CDSL	INE342D01012
Website	www.indiagelatine.com

6. Stock data:

High/Low of Market price of Company's equity shares traded on the Bombay Stock Exchange during the financial year ended on March 31, 2016 was as follows:

Market Price Data (Bombay Stock Exchange) for the year 2015-16 (₹)

MONTH	HIGH	LOW
April	88.10	70.00
May	86.45	70.15
June	78.90	63.60
July	108.00	71.60
August	103.00	72.00
September	79.70	70.00
October	85.30	73.25
November	85.90	73.55
December	98.50	74.00
January	96.45	72.10
February	93.90	70.25
March	79.10	70.10

7. Address for investor correspondence :

Registrar & Share Transfer Agent :

LINK INTIME INDIA PVT. LTD.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W), Mumbai - 400 078.
Tel.: (022) 2594 6970 / 2594 6960 Fax : (022) 2594 6969
Email : RNT.HELPDESK@LINKINTIME.CO.IN (Lower Case)

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703/704, "Shilp", 7th floor,
Near Municipal Market,
C.G. Road, Navrangpura,
Ahmedabad - 380 009.
Tel. No. : (079) 26469514
E-mail : ppm@indiagelatine.com • investor@indiagelatine.com

8. Distribution of Shareholding as at 31.03.2016

No. of Equity Shares held	No. of Shareholders	No. of Shares held	Share Holding %
Upto 500	3879	575766	6.125
501 to 1000	581	448771	4.774
1001 to 2000	261	382140	4.065
2001 to 3000	77	190437	2.026
3001 to 4000	62	216133	2.299
4001 to 5000	33	150339	1.599
5001 to 10000	48	333991	3.553
10001 and above	49	7102423	75.559
Total	4990	9400000	100.00



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9. Shareholding Pattern:

Sr. No.	Category	No. of shares	% of Shareholding
1.	Promoter & Promoter Group	6364941	67.71
2.	Residential Individual	2902651	30.88
3.	Domestic Companies	105420	1.12
4.	Nationalised Banks	3638	0.04
5.	NRI NON REP	6173	0.07
6.	NRI REP	17177	0.18
	Total	9400000	100.00

10. Equity Shares of the company are traded in Demat.

11. Outstanding GDRs/Warrants : Not Applicable.

12. Plant Location : Manufacturing Plant of the Company is situated at Plot No.1A, GIDC Industrial Estate, National Highway No.8, Vapi-396 195, Gujarat.

13. Green Initiative for Paperless Communications:

The Ministry of Corporate Affairs, Government of India (MCA) has, vide Circular No. 18/2011 dated 29th 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, auditors' 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.indiagelatine.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.

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior management personnel have confirmed compliance with the Code of conduct for the year ended March 31, 2016.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 23-05-2016

Viren C. Mirani
Chairman & Managing Director
DIN:00044901



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CEO/ CFO CERTIFICATE UNDER CLAUSE 49(IX) OF THE LISTING AGREEMENT AND UNDER
REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

CEO/CFO CERTIFICATE

The Board of Directors,
INDIA GELATINE & CHEMICALS LTD.

We certify that :

- A. We have reviewed the Financial Statements, read with the Cash Flow Statement of India Gelatine & Chemicals Limited (the Company) for the year ended 31st March, 2016 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 and other financial information included in this report 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 are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
- D. We have disclosed to the Company's Auditors, the Audit Committee, and the Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
- E. We have indicated to the Auditors and the Audit Committee:
- (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;
 - (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 : 23-05-2016

K. P. Vagadia
(Chief Financial Officer)

Viren C. Mirani
(Chairman & Managing Director)

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 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement of the company with the stock exchanges for the period from 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period from 1st December, 2015 to 31st March, 2016.

The Compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company to ensure Compliance with the condition of 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.

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

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

Place : Ahmedabad
Date : 23-05-2016



INDIA GELATINE & CHEMICALS LTD.

INDEPENDENT AUDITORS' REPORT

To the Members of
INDIA GELATINE & CHEMICALS LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of India Gelatine & Chemicals Ltd. ("the Company") which comprise the Balance Sheet as at March 31, 2016, 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 Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance sheet, of the state of affairs of the company as at March 31, 2016;
- (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, 2016 ("The Order") issued by the Central Government of India in terms of subsection 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;



INDIA GELATINE & CHEMICALS LTD.

- 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, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub Section (2) of Section 164 of the Companies Act, 2013.
- f. In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the company.
- 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 financial statements (Refer to point 4(ii) & point No. 6 of Note No.25 to the financial statement)
 - 2) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) The company has transferred amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

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

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

Place : Ahmedabad
Date : 23-05-2016

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, 2016:

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. In respect of Loans granted to the parties covered under section 189 of the Act, the company is receiving the principal and Interest amount regularly as stipulated and the terms and conditions of the same are not prima facie prejudicial to the interest of the company. None of the amounts are overdue.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of the section 185 and 186 of the Companies Act, 2013 in respect of loans and investments.
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 76 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.



INDIA GELATINE & CHEMICALS LTD.

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, 2016 for a period of more than six months from the date on when they become 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, :

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	36.01	2008-09 to 2013-14	CESTAT 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 moneys 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 3 (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 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

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

Place : Ahmedabad
Date : 23-05-2016



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 Section 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, 2016 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 auditors' Judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

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, 2016, 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

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

Place : Ahmedabad
Date : 23-05-2016



INDIA GELATINE & CHEMICALS LTD.

BALANCE SHEET AS AT 31st MARCH, 2016

Amount in ₹

	Refer Note No.	As at 31.03.2016	As at 31.03.2015
I. EQUITY AND LIABILITIES			
1 Shareholders Funds			
(a) Share capital	1	9,40,00,000	9,40,00,000
(b) Reserves and surplus	2	111,74,81,022	109,10,16,429
		121,14,81,022	118,50,16,429
2 Non-current Liabilities			
(a) Deferred tax liabilities (Net)	3	7,76,34,460	7,94,32,460
(b) Other Long term liabilities	4	5,62,182	4,84,263
(c) Long-term provisions	5	14,03,34,082	8,81,14,757
		21,85,30,724	16,80,31,480
3 Current Liabilities			
(a) Trade payables		2,82,14,314	2,82,05,674
(b) Other current liabilities	6	1,68,12,809	2,35,18,137
(c) Short-term provisions	7	9,04,45,941	13,23,39,414
		13,54,73,064	18,40,63,225
		156,54,84,810	153,71,11,134
TOTAL			
II. ASSETS			
Non-current Assets			
1 (a) Fixed assets			
(i) Tangible assets	8(a)	45,06,67,853	47,13,02,549
(ii) Intangible assets	8(b)	15,48,720	15,48,720
(iii) Capital work-in-progress	8(c)	40,90,485	89,39,811
(b) Non-current investments	9	6,78,66,035	12,67,41,797
(c) Long-term loans and advances	10	14,31,41,543	8,49,31,634
(d) Other Non Current Assets	11	22,44,262	32,85,697
		66,95,58,898	69,67,50,208
2 Current Assets			
(a) Inventories	12	23,93,70,812	28,88,64,395
(b) Trade receivables	13	6,09,61,921	3,91,25,192
(c) Cash and cash equivalents	14	40,55,70,366	30,63,70,220
(d) Short-term loans and advances	15	17,81,72,105	19,70,11,254
(e) Other current assets	16	1,18,50,708	89,89,865
		89,59,25,912	84,03,60,926
		156,54,84,810	153,71,11,134
TOTAL			

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

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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 : 23-05-2016

Viren C. Mirani

Chairman & Managing Director

Preetal P. Mepani

Company Secretary

Pradip P. Madhavji

Shridhar N. Pittie

Jayprakash M. Tiwari

Shefali V. Mirani

Directors

Place : Mumbai

Date : 23-05-2016

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

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MR. VIREN C. MIRANI (DIN : 44901)
CHAIRMAN & MANAGING DIRECTOR

**INDIA GELATINE & CHEMICALS LTD.****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

Amount in ₹

	Refer Note No.	2015-2016	2014-2015
I. Revenue from operations	17	94,25,19,755	115,44,69,351
II. Other income	18	5,03,25,995	6,63,63,341
III. Total Revenue (I + II)		99,28,45,750	122,08,32,692
IV. Expenses:			
Cost of materials consumed	19	38,03,77,274	55,44,91,962
Changes in Inventories (Finished goods work-in-progress and Stock-in-Trade)	20	8,80,27,163	(2,06,72,389)
Employee benefit expense	21	5,84,21,251	4,84,21,063
Finance costs	22	16,655	8,347
Depreciation and amortization expense		4,74,63,504	5,11,39,823
Other expenses	23	37,11,91,023	51,52,89,010
Total expenses		94,54,96,870	114,86,77,816
V. Profit before tax (III - IV)		4,73,48,880	7,21,54,876
VI Tax Expense :			
(1) Current tax		1,25,00,000	1,90,00,000
(2) Deferred tax		(17,98,000)	(90,34,163)
VII Profit for the year (V-VI)		3,66,46,880	6,21,89,039
VIII Earnings per equity share :			
Basic & Diluted		3.90	6.62
Weighted average number of Equity Shares (face value of ₹ 10 each)		94,00,000	94,00,000

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

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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 : 23-05-2016

Viren C. Mirani

Chairman & Managing Director

Preetal P. Mepani

Company Secretary

Place : Mumbai

Date : 23-05-2016

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

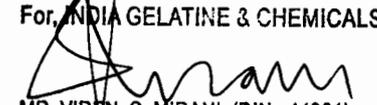
Pradip P. Madhavji

Shridhar N. Pittie

Jayprakash M. Tiwari

Shefali V. Mirani

Directors


MR. VIREN C. MIRANI (DIN : 44901)
CHAIRMAN & MANAGING DIRECTOR



INDIA GELATINE & CHEMICALS LTD.

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 1 Share Capital

	As at 31 st March, 2016		As at 31 st March, 2015	
	Number	in ₹	Number	in ₹
Authorised Equity Shares of ₹ 10/- each	1,25,00,000	12,50,00,000	1,25,00,000	12,50,00,000
Issued Equity Shares of ₹ 10/- each	94,00,000	9,40,00,000	94,00,000	9,40,00,000
Subscribed & Fully Paid up Equity Shares of ₹ 10/- each fully paid	94,00,000	9,40,00,000	94,00,000	9,40,00,000
Total	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 st March, 2016		As at 31 st March, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Olive Finance & Investment Pvt. Ltd.	18,74,599	19.94	18,74,599	19.94
Viren C. Mirani	11,07,846	11.79	11,07,846	11.79
Shefali V. Mirani	7,65,650	8.15	-	-
Sunil P. Mirani	6,56,140	6.98	6,56,140	6.98
Manorama N. Mirani	5,64,580	6.01	5,64,580	6.01
Divyaprabha C. Mirani	5,49,534	5.85	5,49,534	5.85

(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	As at
	31 st March, 2016	31 st March, 2015
	₹	₹
a. Capital Reserves	6,30,26,000	6,30,26,000
b. Securities Premium Account	13,63,40,000	13,63,40,000
c. General Reserves		
Opening Balance	85,31,88,723	73,31,88,723
(+) Transferred from statement of Profit and Loss	3,50,00,000	12,00,00,000
Closing Balance	88,81,88,723	85,31,88,723
d. Surplus in Statement of Profit and Loss :		
Opening balance	3,84,61,706	11,72,91,003
(-) Accumulated Dep. Adjusted	-	59,91,945
(+) Deferred Tax asset on accumulated depreciation	-	19,44,087
(+) Net Profit for the current year	3,66,46,880	6,21,89,039
(-) Proposed Dividend	84,60,000	1,41,00,000
(-) Dividend Distribution Tax	17,22,287	28,70,478
(-) Transfer to Reserves	3,50,00,000	12,00,00,000
Closing Balance	2,99,26,299	3,84,61,706
Total	111,74,81,022	109,10,16,429

**INDIA GELATINE & CHEMICALS LTD.****NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****Note 3 Deferred Tax Liabilities (Net)**

	As at	As at
	31 st March, 2016	31 st March, 2015
	₹	₹
Opening Balance	7,94,32,460	9,04,10,710
Add/(Less) : Provided /(written back) on Accumulated Dep.	-	(19,44,087)
Add/(Less) : Provided /(written back) during the year	(17,98,000)	(90,34,163)
Total	7,76,34,460	7,94,32,460

Note 4 Other Long Term Liabilities

(a) Security Deposit	5,62,182	4,84,263
Total	5,62,182	4,84,263

Note 5 Long Term Provisions

(a) Provision for employee benefits Leave Encashment (unfunded)	1,58,84,628	1,16,65,303
(b) Others : Provisions for Tax & Disputed Matters	12,44,49,454	7,64,49,454
Total	14,03,34,082	8,81,14,757

Note 6 Other Current Liabilities

(a) Advance from Customers	43,90,442	44,01,823
(b) Unpaid dividend	24,34,387	22,99,473
(c) Other Current Liabilities	99,87,980	1,68,16,841
Total	1,68,12,809	2,35,18,137

Note 7 Short Term Provisions

(a) Provision for employee benefits	14,78,654	9,02,236
(b) Others :		
(i) Proposed Dividend	84,60,000	1,41,00,000
(ii) Tax on Dividend	17,22,287	28,70,478
(iii) Provision for income tax & Others	7,87,85,000	11,44,66,700
Total	9,04,45,941	13,23,39,414



NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 8 Fixed Assets

(₹)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	Balance as at 1 st April, 2015	Additions	Sale / Adjustment	Balance as at 31 st March, 2016	Up to 31 st March, 2015	Accumulated Depreciation Reversed / Adjusted	Depreciation for the year	Adjustment due to Sale etc.	Balance as at 31 st March, 2016	Balance as at 31 st March, 2015
a										
Tangible Assets										
Land (Freehold)	4,46,377	-	-	4,46,377	-	-	-	-	4,46,377	4,46,377
Land (Leasehold)	21,00,254	-	-	21,00,254	3,51,683	-	-	-	17,48,571	17,48,571
Buildings	17,09,69,398	-	-	17,09,69,398	7,09,81,340	-	38,00,701	-	9,61,87,357	9,99,88,058
Plant and Equipment	91,25,73,865	1,29,33,328	-	92,55,07,193	57,13,77,107	-	3,61,77,357	-	31,79,52,729	34,11,96,758
Furniture and Fixtures, Office equipment	2,14,48,858	19,80,947	-	2,34,29,805	1,56,49,198	-	14,02,843	-	53,77,763	47,99,659
Vehicles	4,40,51,811	2,25,45,923	2,01,84,229	4,64,13,505	2,16,20,009	-	59,95,218	95,52,839	2,83,51,117	2,24,31,802
Laboratory Equipment	38,21,223	-	-	38,21,223	31,29,898	-	87,385	-	6,03,939	6,91,324
Total	115,54,11,786	3,74,60,198	2,01,84,229	117,26,87,755	88,41,09,237	-	4,74,63,504	95,52,839	45,06,67,853	47,13,02,549
Total Tangible Assets	115,54,11,786	3,74,60,198	2,01,84,229	117,26,87,755	88,41,09,237	-	4,74,63,504	95,52,839	45,06,67,853	47,13,02,549
b										
Intangible Assets										
Technical Know How	3,09,74,285	-	-	3,09,74,285	2,94,25,565	-	-	-	15,48,720	15,48,720
Total	3,09,74,285	-	-	3,09,74,285	2,94,25,565	-	-	-	15,48,720	15,48,720
c										
Capital Work in Progress										
Total	89,39,811	10,47,811	58,97,137	40,90,485	-	-	-	-	40,90,485	89,39,811
Total (a + b + c)	119,53,25,862	3,85,08,009	2,60,81,366	120,77,52,525	71,35,34,802	-	4,74,63,504	95,52,839	45,63,07,058	48,17,91,869



INDIA GELATINE & CHEMICALS LTD.

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 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 st March 2016	As at 31 st March 2015			As at 31 st March 2016	As at 31 st March 2015
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a) Investment in Equity Shares								
1	Tamilnadu Jaibharat Mills Ltd	Others	50,000	50,000	Quoted	Fully Paid	5,00,000	5,00,000
2	Autolite (India) Ltd	Others	100	100	Quoted	Fully Paid	9,000	9,000
3	K.V. Cotton Gin. & Press. Co. Pvt Ltd	Associates	-	9,700	Unquoted	Fully Paid	-	97,00,000
4	Supreme Yarn Spinners Ltd	Others	-	6,000	Unquoted	Fully Paid	-	60,000
5	Shri Vigneswara Cotton Mills Limited	Others	6,000	6,000	Unquoted	Fully Paid	60,000	60,000
6	SCIL Capital India Limited	Associates	-	55,00,000	Unquoted	Fully Paid	-	5,52,84,700
7	SKM Engg. Products Export (I) Ltd	Others	10,000	10,000	Quoted	Fully Paid	1,00,000	1,00,000
8	Ugam Solutions P.Ltd.	Associates	10,000	10,000	Unquoted	Fully Paid	1,70,00,000	1,70,00,000
Total							1,76,69,000	8,27,13,700
(b) Investments in Debentures/Bonds								
1	National Highway Authorities of India Bonds (Tax Free)	Others	12,362	12,362	Quoted	Fully Paid	1,23,62,000	1,23,62,000
2	Cholamandalam Investment & Finance Co. Ltd	Others	20	20	Quoted	Fully Paid	1,00,00,000	1,00,00,000
3	NHAI Bonds (Benefit U/S 54 EC)	Others	500	500	Quoted	Fully Paid	50,00,000	50,00,000
4	NHAI Bonds (Tax Free)	Others	8,571	-	Quoted	Fully Paid	85,71,000	-
Total							3,59,33,000	2,73,62,000
(c) Investments in Mutual Funds								
1	Kotak India Growth Fund	Others	7,270	9,755	Unquoted	Fully Paid	70,28,503	94,30,565
2	Kotak India Growth Fund - II	Others	100	100	Unquoted	Fully Paid	72,29,532	72,29,532
Total							1,42,58,035	1,66,60,097
(d) Other non-current investments								
1	National Savings Certificate	Others	-	-	Unquoted	Fully Paid	6,000	6,000
Total							6,000	6,000
Grand Total							6,78,66,035	12,67,41,797

Note 9 Non-Current Investments

	As at 31 st March, 2016	As at 31 st March, 2015
Investments (Non Trade)		
(a) Investment in Equity Shares	1,76,69,000	8,27,13,700
(b) Investment in debentures or bonds	3,59,33,000	2,73,62,000
(c) Investment in Mutual Funds	1,42,58,035	1,66,60,097
(d) Other non-current investment - National Savings Certificate	6,000	6,000
Total	6,78,66,035	12,67,41,797
Aggregate amount of quoted investments (Market Value of ₹ 3,62,22,070) (Previous Year ₹ 2,77,43,180)	3,65,42,000	2,79,71,000
Aggregate amount of unquoted investments at cost	3,13,24,035	9,87,70,797



INDIA GELATINE & CHEMICALS LTD.

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 10 Long Term Loans and Advances

Unsecured, considered good		
(a) Security Deposits	36,62,311	36,62,311
(b) Other Loans & Advances	13,94,79,232	8,12,69,323
Total	14,31,41,543	8,49,31,634

Note 11 Other Non Current Assets

Sundry Advances for Capital Goods	22,44,262	32,85,697
Total	22,44,262	32,85,697

Note 12 Inventories

(Valued at cost or net realisable value whichever is lower)		
(a) Raw Materials	6,50,41,221	2,73,46,367
(b) Work-in-progress	6,34,33,126	8,05,49,062
(c) Finished goods	8,26,71,383	15,35,82,610
(d) Stores and spares and components	2,79,71,515	2,71,15,646
(e) Loose Tools	2,53,567	2,70,710
Total	23,93,70,812	28,88,64,395

Note 13 Trade Receivables (Unsecured) ₹

	As at 31 st March, 2016	As at 31 st March, 2015
(a) Outstanding for a period exceeding six months from the date they are due for payment (considered good)	5,76,309	4,28,327
(b) Others (considered good)	6,03,85,612	3,86,96,865
Total	6,09,61,921	3,91,25,192

Note 14 Cash and Cash Equivalents ₹

	As at 31 st March, 2016		As at 31 st March, 2015	
(a) Cash on hand		1,97,570		3,35,136
(b) Balances with banks				
(i) In Current Accounts	37,62,30,516		27,49,68,955	
(ii) Earmarked Balances (unpaid dividend accounts)	24,34,387	37,86,64,903	22,99,473	27,72,68,428
(iii) In Deposit Accounts :				
(a) Margin money Deposit	1,67,07,893		1,87,66,656	
(b) Bank deposits with more than 12 months maturity	1,00,00,000	2,67,07,893	1,00,00,000	2,87,66,656
Total		40,55,70,366		30,63,70,220



INDIA GELATINE & CHEMICALS LTD.

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 15 Short Term Loans and Advances

₹

	As at 31 st March, 2016	As at 31 st March, 2015
Unsecured, considered good		
(a) Loans and advances to related parties	2,09,99,999	2,24,14,725
(b) Staff Loans & Advances	1,77,750	1,23,850
© Other Loans and Advances	15,69,94,356	17,44,72,679
Total	17,81,72,105	19,70,11,254

Note 16 Other Current Assets

	2015-2016	2014-2015
Interest Receivable	1,18,50,708	89,89,865
Total	1,18,50,708	89,89,865

Note 17 Revenue From Operations

₹

	2015-2016	2014-2015
(a) Sale of products		
Gross Sales	92,49,98,204	1,13,30,79,805
Less:		
Excise duty	1,31,67,430	97,28,654
Net Sales	91,18,30,774	112,33,51,151
Details of finished goods sold :		
Ossein	5,64,98,020	16,09,67,224
Gelatine	69,09,20,682	71,85,71,967
Di-calcium Phosphate	16,44,12,072	24,38,11,960
Total	91,18,30,774	112,33,51,151
(b) Other Operating Revenue		
(i) Miscellaneous Sales	98,76,485	1,02,63,696
(ii) Export Incentives	1,03,07,729	1,18,90,343
(iii) Service Tax Refund	7,63,797	9,24,872
(iv) HCL Lifting charges	97,40,970	80,39,289
Total	3,06,88,981	3,11,18,200
Grand Total	94,25,19,755	115,44,69,351

Note 18 Other Income

	2015-2016	2014-2015
Interest Income	1,25,22,011	1,12,69,192
Dividend Income	1,56,84,005	1,29,62,515
Profit on sales of investments	2,19,46,373	6,42,320
Profit on sales of assets	-	4,07,33,569
Miscellaneous Income	1,73,606	7,55,745
Total	5,03,25,995	6,63,63,341



INDIA GELATINE & CHEMICALS LTD.

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 19 Raw Materials Consumed

	2015-2016		2014-2015	
	₹	₹	₹	₹
Opening Stock		2,73,46,367		4,52,69,563
Add: Purchase during the year				
i) Crushed Bones	40,01,70,683		50,07,43,522	
ii) Lime	1,69,93,271		2,97,34,163	
iii) Hydrochloric Acid	9,08,174	41,80,72,128	60,91,081	53,65,68,766
		44,54,18,495		58,18,38,329
Less: Closing Stock		6,50,41,221		2,73,46,367
Consumption of materials which includes Consumption of		38,03,77,274		55,44,91,962
i) Crushed Bones		36,23,64,583		51,86,49,115
ii) Lime		1,70,78,690		2,97,17,458
iii) Hydrochloric Acid		9,34,001		61,25,389

Note 20 Changes in Inventories

	2015-2016		2014-2015	
	₹	₹	₹	₹
Closing Stock				
Finished	8,26,71,383		15,35,82,610	
Work in Process	6,34,33,126	14,61,04,509	8,05,49,062	23,41,31,672
Less :				
Opening Stock				
Finished	15,35,82,610		13,60,81,252	
Work in Process	8,05,49,062	23,41,31,672	7,73,78,031	21,34,59,283
(Increase)/Decrease		8,80,27,163		(2,06,72,389)

Note 21 Employee Benefit Expenses

	2015-2016	2014-2015
	₹	₹
Salary, Wages & Bonus	5,32,25,365	4,54,08,218
Staff Welfare Expenses	6,70,290	8,03,402
Contribution to Provident Fund	20,15,022	16,38,107
Contribution to ESI Scheme	1,74,193	1,71,861
Gratuity - Contribution to LIC Scheme	23,36,381	3,99,475
Total	5,84,21,251	4,84,21,063

**INDIA GELATINE & CHEMICALS LTD.****NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****Note 22 Finance Cost**

	2015-2016	2014-2015
	₹	₹
Interest expenses	16,655	8,347
Total	16,655	8,347

Note 23 Other Expenses

	2015-2016		2014-2015	
	₹	₹	₹	₹
Packing Materials Consumed		61,18,869		80,98,571
Stores, Spares & Tools Consumed		3,37,63,508		4,12,12,512
Power & Fuel		13,59,69,529		23,51,47,644
Labour Charges		2,96,10,217		2,84,59,667
CETP, Water and Effluent Treatment Charges		3,00,03,848		3,99,33,911
Repairs				
Machinery	1,08,04,317		1,45,78,411	
Building	1,42,15,314		1,22,79,895	
Others	15,35,338	2,65,54,969	13,62,329	2,82,20,575
Export Expenses		1,32,44,829		2,23,04,474
Freight and Cartage		69,27,683		1,13,08,881
Insurance		50,63,218		26,99,793
Rent, Rates & Taxes		19,17,478		1,80,22,250
Postage and Telephone		18,37,575		20,05,411
Stationery & Printing		9,18,359		8,42,126
Advertisement & Sales Promotion Expenses		27,53,015		26,60,952
Commission and Discount on Sales		1,44,15,918		1,75,31,886
Legal & professional fees		1,73,34,613		1,65,55,229
Directors' Sitting Fees		2,26,970		2,36,843
Donation		91,500		2,61,300
CSR Expenses		18,00,000		18,00,000
Travelling Expenses		1,64,23,800		1,53,55,713
General Expenses		1,38,35,302		1,86,07,805
Sales Tax		1,23,79,823		40,83,667
Total		37,11,91,023		51,52,89,010



INDIA GELATINE & CHEMICALS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

Note 24

SIGNIFICANT ACCOUNTING POLICIES :

1) **Basis of Accounting :**

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 central 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.

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.



INDIA GELATINE & CHEMICALS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

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.

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 MEIS 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.



INDIA GELATINE & CHEMICALS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

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.

Note 25

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 of ₹10,79,966/- (Previous year surplus of ₹ 2,58,982/-) & surplus of ₹ 55,983/- (Previous year surplus of ₹17,229/-) 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 31st March, 2016. 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>2015-2016</u>	<u>2014-2015</u>
GSPC	26,79,093	1,25,66,593
Dakshin Gujarat Vij Company	<u>1,29,17,308</u>	<u>1,29,17,308</u>
	<u>1,55,96,401</u>	<u>2,54,83,901</u>



INDIA GELATINE & CHEMICALS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

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

	<u>2015-2016</u>	<u>2014-2015</u>
Excise Duty	8,14,620	8,14,620
Service Tax	37,52,970	36,00,750
	<u>45,67,590</u>	<u>44,15,370</u>

iii) The Bonus Amendment Act 2015 was made effective from 01.04.2014. However jurisdictional Honorable Gujarat High Court has given stay and the company has therefore not provided liability in respect of Bonus for the A/c. year 2014-15 of ₹ 5,34,565/- in the books.

5(a) Defined Benefit Plan in respect of Gratuity as per Actuarial valuations on 31st March, 2016 :

	<u>31-03-2016</u>	<u>31-03-2015</u>
1. Assumption		
Rate of Interest	8.00 %	8.00%
Salary Growth	4.00 %	4.00%
2. Changes In present value of Obligation as on	31/03/2016	31/03/2015
Present Value of obligation as at beginning of year	2,03,84,183	1,68,19,956
Interest cost	16,30,733	13,29,596
Current Service Cost	10,50,300	7,83,303
Benefits paid	(10,98,923)	(19,16,965)
Actuarial (gain)/loss on obligations	12,33,293	34,23,207
Present value of obligations as at end of year	2,31,99,566	2,02,39,097
3. Changes in the fair value of plan assets as on	31/03/2016	31/03/2015
Fair value of plan assets at beginning of year	1,94,90,370	1,82,75,415
Expected return on plan assets	18,10,885	16,81,379
Contributions	27,92,175	13,10,188
Benefits paid	(10,98,923)	(19,16,965)
Fair value of plan assets at the end of year	2,29,94,507	1,93,50,017
4. Fair value of plan assets		
Fair value of plan assets at beginning of year	1,94,90,370	1,82,75,415
Actual return on plan assets	18,10,885	16,81,379
Contributions	27,92,175	13,10,188
Benefits paid	(10,98,923)	(19,16,965)
Fair value of plan assets at the end of year	2,29,94,507	1,93,50,017
Funded status	(2,05,060)	(8,89,080)
5. Actuarial Gain/Loss recognized		
Actuarial (gain)/loss on obligation	(12,33,293)	(34,23,207)
Actuarial (gain)/loss on obligations	12,33,293	34,23,207
Actuarial (gain)/loss recognized in the year	12,33,293	34,23,207
6. 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	2,31,99,566	2,02,39,097
Fair value of plan assets as at the end of the year	2,29,94,506	1,93,50,017
Funded status	(2,05,060)	(8,89,080)
Net Asset(Liability) recognized in Balance Sheet	(2,05,060)	(8,89,080)



INDIA GELATINE & CHEMICALS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

7. Expenses Recognized in Statement of Profit & Loss

Current service cost	10,50,300	7,83,303
Interest cost	16,30,733	13,29,596
Expected return on plan assets	(18,10,885)	(16,81,379)
Net Actuarial (gain)/Loss recognized in the year	12,33,293	34,23,207
Expenses recognized in Statement of Profit & Loss	21,03,441	38,54,727

5(b) In respect of liability of leave encashment up to 31.03.2016 the company has obtained actuarial valuation and has provided ₹ 42,19,325/- in the books.

6. 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.

7. 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.

8(a). During the year the company has received VAT assessment orders for A/c. years 2010-2011 & 2011-2012 and the department has reduced input VAT tax Credit on fuels & other claims of the company of ₹ 56,30,382/- which has resulted into lower VAT refund and the same Short Credit is included in Sales Tax expenses for the year.

8(b). General expenses includes Credit of ₹ 67,97,066/- arising on account of effect of difference of Excise Duty on opening and closing stock of finished goods.

8(c). In respect of some of the Equipments which were not working efficiently and were also inoperative, the company has obtained technical report from the Govt. approved valuer and on the basis of the same has applied useful life as worked out by the Valuer and provided depreciation on the same.

9. Earnings per share

	Year Ended 31-03-2016	Year Ended 31-03-2015
Net profit attributable to Shareholders (₹ lacs)	366.47	621.89
Weighted average number of Equity Shares	9400000	9400000
Basic earnings per share of ₹ 10/- each	3.900	6.620

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

10. 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 :
 - 1) Khimji Visram & Sons (Guj) Pvt. Ltd.
 - 2) Olive Finance & Investment P. Ltd.
 - 3) Khimji Visram & Sons (Partnership Firm)
- 3) Key Management Personnel and Enterprises having common Key Management Personnel or their Relatives

Key Management Personnel :

Mr. Viren C. Mirani - Chairman & Managing Director

Relatives of Key Management Personnel :

Mr. Nayan C. Mirani, brother of Mr. Viren C. Mirani



INDIA GELATINE & CHEMICALS LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.

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	—	2,05,61,414	—
2.	Loans Given	—	—	—
3.	Interest Received	—	—	15,79,315
4.	Reimbursement of Expenses	—	—	3,52,815

C. Outstanding balances as on 31.03.2016

Sr. No.	Nature of Transaction	Associates	Key Managerial Personnel	Enterprises/Relatives of Key Management Personnel
1.	Loans given	— (--)	— (--)	2,10,00,000 (2,24,14,725)
2.	Investment in Shares	1,70,00,000 (8,19,84,700)	— (--)	— (--)

Figures of previous years are shown in brackets.

11. General Expenses Include	Auditor's Remuneration (Excluding Service Tax)	
	2015-2016	2014-2015
a) Audit Fees	3,25,000	3,25,000
b) For Tax Audit	75,000	75,000
c) Out of pocket expenses	53,640	57,453
d) For other Capacity	32,100	1,43,000
	<u>4,85,740</u>	<u>6,00,453</u>

12. 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

Currency	31-03-2016		31-03-2015	
	Quantity	₹ lacs	Quantity	₹ lacs
USD	NIL	NIL	1,75,000	110.09
EURO	NIL	NIL	NIL	NIL

Payable

Currency	31-03-2016		31-03-2015	
	Quantity	₹ lacs	Quantity	₹ lacs
USD	NIL	NIL	NIL	NIL

**INDIA GELATINE & CHEMICALS LTD.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016.****b) Un hedged Foreign Currency Exposures at Balance Sheet date :****Receivables**

Currency	31-03-2016		31-03-2015	
	Quantity	₹ lacs	Quantity	₹ lacs
USD	5,09,050	336.33	1,96,800	122.65
EURO	NIL	NIL	40,425	27.10

13. Value of Imported and Indigenous Stores Consumed :		₹
	2015-2016	2014-2015
i) Imported	8,12,060	30,95,981
ii) Indigenous	3,29,51,448	3,81,16,531
	3,37,63,508	4,12,12,512
14. Value of Imports calculated on C.I.F. Basis in respect of :		₹
	2015-2016	2014-2015
i) Components - Spare parts	21,56,828	24,38,504
ii) Capital Goods	28,96,959	Nil
15. Expenditure of Foreign Currency on account of :		₹
a) Revenue Expenditure		
i) Travelling	97,74,111	94,62,254
ii) Subscription	3,98,905	4,34,690
iii) Commission	1,29,94,422	1,30,62,130
iv) Technician Fees	6,24,651	Nil
16. Earning in Foreign Exchange		
Export of goods (FOB) as per B/L	61,88,51,355	79,86,42,452
17. 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-45706

Place : Ahmedabad

Date : 23-05-2016

Viren C. Mirani

Chairman & Managing Director

Preetal P. Mepani

Company Secretary

Place : Mumbai

Date : 23-05-2016

Pradip P. Madhavji**Shridhar N. Pittie****Jayprakash M. Tiwari****Shefali V. Mirani****Directors**



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

₹ lacs

	2015-16		2014-15	
A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before tax as per Statement of Profit & Loss		473.48		721.55
Adjustments :				
Depreciation	474.63		511.40	
Loss on Sale of Fixed Assets	60.60		-	
Investment Income	(282.06)		(242.31)	
Interest Paid	0.16		0.08	
Net Gain on Sale of Investments	(219.46)	33.87	(413.76)	(144.59)
Operating Profit before working capital		507.35		676.96
Adjusted for :				
i) Trade & other Receivables	(380.22)		1,191.90	
ii) Stock	494.93		(61.39)	
iii) Trade Payable	(18.23)	96.48	115.95	1,246.46
Cash generated from operations		603.83		1,823.42
Interest Paid	(0.16)		(0.08)	
Direct Tax Paid	(223.23)	(223.39)	(122.92)	(123.00)
		380.44		1,700.42
Foreign Exchange effects		-		-
Net Cash from Operating Activities		380.44		1,700.42
B) CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	(326.11)		(480.34)	
Foreign exchange effect on fixed assets	-		-	
Sale of Fixed Assets	45.71		442.64	
Purchase of Investments	(85.71)		(50.00)	
Sale of Investments	893.93		121.00	
Interest Income	96.61		100.44	
Dividend Income	156.84		129.63	
Net Cash used in Investing Activities		781.27		283.37
C) CASH FLOW FROM FINANCING ACTIVITIES				
Borrowing of Funds	-		-	
Repayment of borrowings	-		(1.48)	
Proceeds from Issue of shares	-		-	
Foreign Exchange Effects on L.T. Borrowings	-		-	
Dividend paid including distribution tax	(169.71)		(197.96)	
Net Cash from Financing Activities		(169.71)		(199.44)
Net Increase in Cash & Cash Equivalents (a+b+c)		992.00		1,784.35
Opening Balance of Cash & Cash equivalents		3,063.70		1,279.35
Closing Balance of Cash & Cash equivalents		4,055.70		3,063.70
Net Increase/(Decrease) in Cash & Cash Equivalents		992.00		1,784.35

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 : 23-05-2016

Viren C. Mirani
Chairman & Managing Director

Preetal P. Mepani
Company Secretary

Place : Mumbai
Date : 23-05-2016

Pradip P. Madhavji
Shridhar N. Pittie
Jayprakash M. Tiwari
Shefali V. Mirani
Directors



INDIA GELATINE & CHEMICALS LTD.

703/704, 'Shilp', C.G. Road, Navrangpura,
Ahmedabad – 380009 Gujarat

Dear Shareholder,

23rd May, 2016

Subject : MCA's Green Initiative for Paperless Communications

The Ministry of Corporate Affairs, Government of India (MCA) has, vide Circular No. 18/2011 dated 29th 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

- A. hold your shares in dematerialized form, kindly register your e-mail address with your Depository Participant at the earliest, or
- B. 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 :
 LINK INTIME INDIA PVT. LTD.
 C-13, Pannalal Silk Mills Compound,
 L.B.S. Marg, Bhandup (W), Mumbai - 400 078.
 Tel.: (022) 2594 6970 / 2594 6960 Fax : (022) 2594 6969
 Email : RNT.HELPDESK@LINKINTIME.CO.IN (Lower Case)

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.indiagelatine.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)

INDIA GELATINE & CHEMICALS LTD.
703/704, 'Shilp', C.G. Road,
Navrangpura,
Ahmedabad – 380009 Gujarat

Folio No./DP ID & Client ID No. : _____

Name of 1st 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, 'Shilp', 7th Floor, Near Municipal Market, Sheth C.G. Road, Navrangpura, Ahmedabad - 380 009
 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	Folio No./Client Id: DP Id:
E-mail 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 44th Annual General Meeting of the Company to be held on Tuesday, 27th September, 2016 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 :

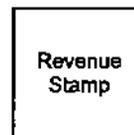
Resolution No.

- | | | | |
|----------|----------|----------|----------|
| 1. _____ | 2. _____ | 3. _____ | 4. _____ |
| 5. _____ | 6. _____ | 7. _____ | |

Signed this _____ day of _____ 2016

Signature of Shareholder _____

Signature of Proxy holder(s) _____



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.

TEAR HERE

If undelivered please return to :

Registrar & Share Transfer Agent :

LINK INTIME INDIA PVT. LTD.

UNIT : INDIA GELATINE & CHEMICALS LTD.

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (W),

Mumbai - 400 078.

Tel.: (022) 2594 6970 / 2594 6960

Fax : (022) 2594 6969

Email : RNT.HELPDESK@LINKINTIME.CO.IN (Lower Case)