



## INDIA GELATINE & CHEMICALS LTD.

CIN: L99999GJ1973PLC002260

**Registered Office :** 703/704, 'Shilp', 7th Floor, Near Municipal Market, Sheth C.G. Road, Navrangpura, Ahmedabad – 380 009.

**E-mail ID :** investor@indiagelatine.com; **Website :** www.indiagelatine.com

**Tel :** +91-79-26469514; **Fax :** +91-79-26465569

### **POSTAL BALLOT NOTICE**

**(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules, 2014)**

**Dear Member(s),**

Notice is hereby given, in accordance with the provisions of Section 110 of the Companies Act, 2013 (the “**Act**”) read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules, 2014 (the “**Rules**”) including any statutory modification or re-enactment thereof for the time being in force and any other applicable provisions, if any, seeking approval of the members of India Gelatine & Chemicals Ltd. (the “**Company**”) on the appended resolution below by way of a special resolution by means of postal ballot/including electronic voting (e-voting).

An Explanatory Statement pursuant to Section 102 of the Act, Buy-back Regulations and other applicable provisions, pertaining to the said resolution setting out the material facts and the reasons thereof, along with the postal ballot form is annexed herewith for your consideration. The postal ballot notice along with the postal ballot form is also available on the website of the Company [www.indiagelatine.com](http://www.indiagelatine.com)

The Board of Directors of the Company has pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, appointed Mr. Chirag Shah, Practicing Company Secretary (CP No. 3498) (“**Scrutinizer**”) to act as the Scrutinizer for conducting the postal ballot/ e-voting process, in a fair and transparent manner and Central Depository Services (India) Limited (“**CDSL**”) as agency in respect of e-voting for the postal ballot. Member(s) have the options of voting either by e-voting or through the physical postal ballot. Member(s) desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed on the postal ballot form and record their assent (**‘FOR’**) or dissent (**‘AGAINST’**) therein and return the postal ballot form duly completed in all respects in the enclosed self-addressed, postage pre-paid envelope. Postal ballot form(s), if sent by courier or by registered post / speed post at the address mentioned on the self-addressed envelope at the expense of the member(s) will also be accepted. The postal ballot form(s) may also be deposited personally at the address given on the self-addressed envelope. The duly completed postal ballot form should reach the Scrutinizer not later than 05:00 p.m. IST on Friday, May 19, 2017, to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the member. The member(s) desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions as stated in the notes under the heading “**Voting through Electronic Means (E-voting)**”.

The Scrutinizer will submit his report to the Chairman or in his absence a person authorized by him in writing, after completion of scrutiny of Postal Ballot (including e-voting) in a fair and transparent manner. The results of the Postal Ballot will be announced on or before Sunday, May 21, 2017, and will be displayed at the Registered Office and Corporate Office of the Company and will also be published in newspapers and communicated to the BSE Limited (the “**BSE**”) where the equity shares of the Company are listed. The results of the Postal Ballot will also be displayed on the Company’s website: [www.indiagelatine.com](http://www.indiagelatine.com) and on the website of CDSL.

#### **SPECIAL BUSINESS:**

#### **1. APPROVAL FOR BUY-BACK OF EQUITY SHARES NOT EXCEEDING 25% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PAID-UP SHARE CAPITAL OF THE COMPANY:**

In this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Article 63 of the Articles of Association of the Company and the provisions of sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013 (“**Act**”) and applicable rules made there under and in compliance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time (“**Buy-back Regulations**”) and subject to such other approvals permissions and sanctions as may be necessary and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “**Board**”) and in terms of board resolution dated April 08, 2017, the consent of Members of the company be and is hereby accorded for the Buy-back of fully paid up Equity Shares by the Company having face value of ₹10/- each (“**Equity Share(s)**”) up to 23,07,700 Equity Shares (representing 24.55% of the total paid-up equity share capital of the Company) at a price of ₹ 117/- (Rupees One Hundred & Seventeen only) (“**Buy-back Price**”) per Equity Share payable in cash for a total consideration not exceeding ₹ 27,00,00,900/- (Rupees Twenty Seven Crores and Nine Hundred Only), excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. (“**Transaction Costs**”) (hereinafter referred to as “**Buy-back Size**”), which is within the limit of 25% of the total paid-up

equity share capital and free reserves (including securities premium account) as per the audited financial statements of the Company for the nine months ended on December 31, 2016, through the “Tender Offer” route as prescribed under the Buy-back Regulations (the process being referred hereinafter as “**Buy-back**”), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company including those who are promoters, members of promoter group and persons acting in concert as on the record date, it being understood that the “promoter”, “promoter group”, and “persons acting in concert” will be such persons as have been disclosed under the shareholding pattern filings made by the Company from time to time under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

**FURTHER RESOLVED THAT** 15% (fifteen percent) of the total number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders, as prescribed under Regulation 6 of the Buy-back Regulations.

**FURTHER RESOLVED THAT** the amount required by the Company for the Buy-back be met out of the balances in free reserves, current surplus and/or cash and cash equivalents and/or internal accruals and/or liquid resources and/or such other permissible source of funds of the Company as per the Act and the Buy-back Regulations.

**FURTHER RESOLVED THAT** the Company, to the extent legally permissible, implement the Buy-back using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time and the Company shall approach the **BSE Limited** for facilitating the same.

**FURTHER RESOLVED THAT** the Buy-back of Equity Shares from non-resident shareholders, Overseas Corporate Bodies, shareholders of foreign nationality, etc. if any, shall be subject to such approval if and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and relevant rules and regulations framed there under, if any.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to do or to delegate all or any of the powers herein conferred and also to execute such documents, writings, etc., to any committee of the Board or to any other director(s) or executive(s) / officer(s) of the Company, jointly and/or severally, as may be necessary to give effect to the aforesaid resolution, including but not limited to, finalising the terms of the Buy-back, record date, entitlement ratio, the time frame for completion of the Buy-back within the statutory limits prescribed by the law and to do all such acts, deeds, matters and things, take necessary steps as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto including but not limited to appointment of all intermediaries and agencies including but not limited to merchant bankers, Buy-back broker, bankers, solicitors, registrars, legal advisors, transaction advisors, advertising agency, printers and other agencies for the implementation of the Buy-back, to make applications seeking approval of appropriate authorities and to initiate all necessary action for opening of accounts (including but not limited to escrow account, special payment account, demat escrow account, etc.), preparation, signing and issuance of various documents, including public announcement, declaration of solvency and certificate of extinguishment of shares / share certificates required to be filed in connection with the Buy-back and such other undertakings, agreements, papers, documents and correspondence as may be necessary in this regard, with the Securities and Exchange Board of India, BSE Limited, Registrar of Companies under Ministry of Corporate Affairs, Depositories and / or other authorities and extinguishment of dematerialised shares and physical destruction of share certificates in respect of Equity Shares bought back by the Company as per the Buy-back Regulations and to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buy-back.

**FURTHER RESOLVED THAT** the Board and/or Managing Director be and is hereby jointly and/or severally authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buy-back, in accordance with the statutory requirements, as well as to give such directions, delegation of authority hereunder, as may be necessary or desirable, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the Members shall be deemed to have given their approval expressly by the authority of this resolution.

**FURTHER RESOLVED THAT** all acts, deeds, matters and things, either verbal or written or otherwise, already done by the Company and/ or by any of its directors and/or officers and/or representatives for and in the name of the Company in regard to Buy-back be and are hereby ratified and approved.”

**By order of the Board,  
For, India Gelatine & Chemicals Ltd.,**

**Sd/-  
Varsha Aswani  
(Company Secretary)**

Date: April 11, 2017  
Place: Mumbai

**Notes:**

1. The Explanatory Statement and reasons for the proposed Special Business pursuant to Section 102 read with Section 110 of the Act setting out material facts pertaining to the Resolution are appended herein below along with postal ballot form for your consideration.
2. The Board of Directors of the Company has appointed Mr. Chirag Shah, a Practicing Company Secretary (C.P. No. 3498), as the Scrutinizer for conducting the postal ballot process (including e-voting), in a fair and transparent manner.
3. The postal ballot notice is being sent to the Member(s) whose names appear on the Register of Members/List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of working hours on Friday, April 14, 2017 i.e. the cut-off date. Members whose names appear on the Register of Members/List of Beneficial Owners as on the cut-off date i.e. Friday, April 14, 2017, shall be considered for the purpose of voting. A person who is not a Member as on Friday, April 14, 2017 i.e. the cut-off date for reckoning voting rights should treat this Notice for information purposes only.
4. Member(s) who have registered their email IDs for receipt of documents in electronic form, the postal ballot notice is also being sent to their email addresses registered with their Depository Participants (in case of electronic shareholding)/the Company's Registrar and Transfer Agent (in case of physical shareholding). For Member(s), whose email IDs are not registered, physical copies of the postal ballot notice along with postal ballot form are being sent by permitted mode along with a postage prepaid self-addressed business reply envelope. The self-addressed envelope bears the address to which duly completed postal ballot form is to be sent.
5. Resolution passed by the Members through postal ballot shall be deemed to have been passed as if it has been passed at a General Meeting of the Members.
6. The Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by valid e-voting shall prevail and votes cast through physical postal ballot form will be treated as invalid.
7. In case a Member is desirous of obtaining a duplicate postal ballot form, he or she may send an email to Link Intime India Private Limited at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) and it shall forward the same along with postage prepaid self-addressed Business Reply Envelope to the Member.
8. In compliance with Section 110 read with section 108 of the Companies Act, 2013 and the Rules made there under, the Company has provided the facility to the Members to exercise their votes electronically and vote on the resolution through the e-voting facility provided by Central Depository Services (India) Limited (CDSL). The instructions for e-voting are annexed to this Notice.
9. A Member cannot exercise his/her vote by proxy on postal ballot.
10. Members desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the postal ballot notice and form and return the physical postal ballot form duly completed and signed, in the enclosed self-addressed business reply envelope to the Scrutinizer, so that it reaches the Scrutinizer on or before 5:00 PM IST on Friday, May 19, 2017. The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered/ speed post, at the address mentioned on the self-addressed business reply envelope at the expense of the members, will also be accepted. If any postal ballot is received after 5:00 PM IST on Friday, May 19, 2017, it will be considered that no reply has been received from the Member.
11. The last date of receipt of the business reply envelope with postal ballot form, i.e. Friday, May 19, 2017, shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
12. The Postal Ballot Notice is also being uploaded on the Company's website viz. [www.indiagelatine.com](http://www.indiagelatine.com)
13. The Scrutinizer will submit his report to the Chairman & Managing Director/such other person as may be authorized by the Chairman & Managing Director after the completion of the scrutiny of the postal ballots (including e-voting). The result of the postal ballot would be announced by the Chairman & Managing Director or any other Director/ Authorized Persons of the Company on or before Sunday, May 21, 2017 and displayed on the notice board of the Company at its Registered Office and its office in Mumbai besides being communicated to BSE Limited. The results will also be displayed on the website of the Company i.e. [www.indiagelatine.com](http://www.indiagelatine.com) for the information of the member(s).
14. All material documents referred in the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 10.00 a.m. and 5.00 p.m. up to the date of declaration of the result of Postal Ballot.
15. Any queries/grievances pertaining to:  
 Voting by Postal Ballot can be addressed to Mrs. Varsha Aswani, Company Secretary of the Company at 77/78, Mittal Chambers, 228, Nariman Point, Mumbai- 400021 or by sending an e-mail at [varsha@indiagelatine.com](mailto:varsha@indiagelatine.com)  
 The e-voting process can be addressed to CDSL by sending an e-mail at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
16. **Voting through Electronic Means (E-voting)**  
 In compliance with the requirements of regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 110, 108 and other applicable provisions of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 including the amendments thereto, the Company is pleased to provide e-voting facility to all its Members,

to enable them to cast their votes electronically, for the resolution proposed to be passed through postal ballot, instead of dispatching the physical postal ballot form by post. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its Members.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Thursday, April 20, 2017 at 10.00 A.M. IST. and ends on Friday, May 19, 2017 at 05.00 PM IST. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, April 14, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on “Shareholders” tab.
- (iv) Now Enter your User ID:
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company. (6 Digit Alpha-Numeric)
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to <https://www.evotingindia.com> and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first-time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for “INDIA GELATINE & CHEMICALS LTD.” on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, you have decided to vote on, click 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If 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.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://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](mailto: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](mailto: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.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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

- (A) Please follow all steps from sl. no. (i) to sl. no. (xx) above to cast vote.
- (B) The voting period begins on Thursday, April 20, 2017 at 10.00 A.M. IST. and ends on Friday, May 19, 2017 at 05.00 PM IST. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of April 14, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**Annexure to Notice****Explanatory Statement pursuant to section 102 of the Companies Act, 2013**

In accordance with applicable provisions of the Act and Rules made there under and Buy-back Regulations, the Explanatory Statement contains relevant and material information to enable the Members holding Equity Shares of the Company to consider and approve the Special Resolution on the Buyback of the Company's Equity Shares.

**1. APPROVAL FOR BUY-BACK OF EQUITY SHARES NOT EXCEEDING 25% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PAID-UP SHARE CAPITAL OF THE COMPANY:**

The Board of Directors of the Company, have subject to the consent of the Members of the company, had accorded their consent for the Buy-back of fully paid up Equity Shares having face value of ₹ 10/- each up to 23,07,700 Equity Shares (representing 24.55% of the total paid-up equity share capital of the Company) at a price of ₹ 117/- (Rupees One Hundred & Seventeen only) per Equity Share payable in cash for a total consideration not exceeding ₹ 27,00,00,900 (Rupees Twenty Seven Crores and Nine Hundred Only), excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc., which is within the limit of 25% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company, as per the audited financial statements of the Company for the nine months ended on December 31, 2016, through the Tender Offer route as prescribed under the Buy-back Regulations, on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company including those who are promoters, members of promoter group and persons acting in concert.

Since the Buy-back is more than 10% of the total paid-up equity share capital and free reserves of the Company, in terms of section 68(2)(b) of the Act, it is necessary to obtain the consent of the members of the Company, for the Buy-back by way of a Special Resolution. Further, as per section 110 of the Act read with rule 22 (16) (g) of the rules, the consent of the members of the Company to the Buy-back is required to be obtained by means of postal ballot/e-voting. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the resolution.

Requisite details relating to the Buy-back are given below:

**a) Necessity for the Buy-back**

The Buy-back proposal through "Tender Offer" route is being implemented in keeping with the Company's desire to enhance long term shareholder value and improve the Company's return on equity by means of capital allocation. The Buy-back would lead to reduction in outstanding number of Equity Shares and may consequently increase earnings per share over a period of time.

**b) The maximum amount required under the Buy-back & its percentage of the total paid up capital and free reserves:**

The maximum amount required under the Buy-back will not exceed ₹ 27,00,00,900 (Rupees Twenty Seven Crores and Nine Hundred Only) which is not exceeding 25% of the aggregate of the paid up capital and free reserves of the Company (including Securities Premium account) as per the Audited Financial Statements of the Company for the nine months ended on December 31, 2016, excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

**c) Buy-back Price and the basis of arriving at the Buy-back Price:**

The Equity Shares are proposed to be bought back at a price of ₹ 117/- (Rupees One Hundred & Seventeen only) per Equity Share. The Buy-back Price has been arrived at after considering various factors, including but not limited to, the volume weighted average market price of the Equity Shares of the Company on BSE Ltd where the Equity Shares of the Company are listed during 3 (three) months and 2 (two) weeks preceding the date of the Board Meeting, closing market price on the date of Board Meeting and the impact on the net worth of the Company.

The Buy-back Price of ₹ 117/- per Equity Share represents (i) premium of 50.14% over the volume weighted average price of the equity shares on BSE for 3 months preceding the date of Board Meeting to consider the proposal of the Buy-back ; (ii) premium of 34.13% over the volume weighted average price of the equity shares on BSE for 2 weeks preceding the date of Board Meeting to consider the proposal of the Buy-back; (iii) premium of 26.90% over the closing market price of the equity shares on BSE as on the date of the Board Meeting to consider the proposal of the Buy-back.

**d) Maximum Number of shares that the Company proposes to Buy-back:**

The Company proposes to Buy-back up to 23,07,700 Equity Shares representing 24.55% of the total issued and paid up equity share capital of the Company.

**e) Method to be adopted for the Buy-back:**

The Buy-back shall be on a proportionate basis from the equity shareholders / beneficial owners of the Equity Shares of the Company including promoters, members of promoter group and persons acting in concert holding equity shares as on the record date through the “Tender Offer” route, as prescribed under the Buy-back Regulations.

As required under the Buy-back Regulations, the Company will announce a record date for determining the names of the equity shareholders who will be eligible to participate in the Buy-back.

In due course, the equity shareholders as on the Record Date will receive a Letter of Offer along with a Tender / Offer Form indicating the entitlement of the equity shareholder for participating in the Buy-back.

The Equity Shares to be bought back as part of the Buy-back is divided in two categories:

- i. Reserved category for small shareholders, and
- ii. General category for all other shareholders.

As defined in the Buy-back Regulations, a ‘small shareholder’ is a shareholder who holds Equity Shares of the Company having market value, on the basis of closing price of shares, on the recognised stock exchange in which highest trading volume in respect of such Equity Shares, as on Record Date, of not more than ₹ 2,00,000/- (Rupees Two lakhs only).

In accordance with Regulation 6 of the Buy-back Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-back or number of Equity Shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders as part of this Buy-back.

On the basis of the holding on the Record Date, the Company will determine the entitlement of each shareholder including small shareholder to tender their shares in the Buy-back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder on the Record Date and the ratio of the Buy-back applicable in the category to which such shareholder belongs.

The participation of the equity shareholders of the Company in the Buy-back will be voluntary. Equity shareholders may also tender a part of their entitlement. Equity shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other equity shareholders, if any. If the Buy-back entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of Buy-back entitlement to tender Equity Shares in the Buy-back.

The maximum tender under the Buy-back by any equity shareholder cannot exceed the number of Equity Shares held by the equity shareholder as on the Record Date. The Equity Shares tendered as per the entitlement by Members holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buy-back Regulations. The settlement of the tenders under the Buy-back will be done using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time and other relevant rules and regulations.

Subject to shareholders’ approval hereunder, detailed instructions for participation in the Buy-back as well as the relevant Schedule of Activities will be included in the Letter of Offer which will be sent to the equity shareholders as on the Record Date.

The Buy-back from non-resident members, Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs), and members of foreign nationality, if any, etc. shall be subject to such approvals as are required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed there under, if any.

**f) Aggregate shareholding of the Promoters, the directors of the Promoter companies holding shares in the Company and of Persons who are in control of the Company as on the date of this Notice:**

| Category of Member                                               | No. of Equity Shares Held | % of Existing Equity Share Capital |
|------------------------------------------------------------------|---------------------------|------------------------------------|
| Promoters & Promoters Group                                      | 63,52,939                 | 67.5845                            |
| Persons Acting in Concert                                        | -                         | -                                  |
| Total of Promoters, Promoter Group and Persons Acting in Concert | 63,52,939                 | 67.5845                            |

**g) Aggregate number of Equity Shares purchased or sold as well as minimum and maximum price at which such purchases and sales were made along with relevant dates by persons mentioned under (f) above for a period of six months preceding the date of the Board Meeting at which the Buy-back was approved till the date of this notice:**

Except for the transaction(s) disclosed below, there were no Equity Shares purchased or sold or transferred by Promoters and Promoter group of the Company, during the period of six (6) months preceding the date of the Board Meeting at which the proposal for Buy-back was approved and from the date of the Board Meeting till the date of this Notice:

| Name                                      | Date of Transaction                                                                                                        | Mode                            | No. of Equity Shares                                               | Minimum Price<br>Date of Minimum Price                                                      | Maximum Price<br>Date of Maximum Price                                                      |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| Viren Mirani                              | 20/12/2016                                                                                                                 | Acquire                         | 1106417                                                            | 63.25 – 20/12/2016                                                                          | 63.25 – 20/12/2016                                                                          |
| Shefali Mirani                            | 20/12/2016<br>27/03/2017                                                                                                   | Acquire                         | 632211<br>40558                                                    | 63.25 – 20/12/2016<br>Gift/No consideration –<br>27/03/2017                                 | 63.25 – 20/12/2016<br>Gift/No consideration –<br>27/03/2017                                 |
| Sunil Mirani                              | 22/11/2016<br>20/12/2016<br>27/03/2017                                                                                     | Acquire<br>Disposal<br>Disposal | 404122<br>900630<br>21133                                          | Transfer on Partition of HUF<br>63.25 – 20/12/2016<br>Gift/No consideration –<br>27/03/2017 | Transfer on Partition of HUF<br>63.25 – 20/12/2016<br>Gift/No consideration –<br>27/03/2017 |
| Madhav Mirani                             | 20/12/2016<br>27/03/2017                                                                                                   | Disposal                        | 266920<br>19425                                                    | 63.25 – 20/12/2016<br>Gift/No consideration –<br>27/03/2017                                 | 63.25 – 20/12/2016<br>Gift/No consideration –<br>27/03/2017                                 |
| Manorama Mirani                           | 20/12/2016                                                                                                                 | Disposal                        | 564580                                                             | 63.25 – 20/12/2016                                                                          | 63.25 – 20/12/2016                                                                          |
| M/s Olive Finance & Investments Pvt. Ltd. | 17/11/2016<br>18/11/2016<br>21/11/2016<br>24/11/2016<br>02/12/2016<br>09/12/2016<br>14/12/2016<br>15/12/2016<br>19/12/2016 | Disposal                        | 1000<br>1000<br>1000<br>3000<br>500<br>500<br>1500<br>1500<br>1500 | 59.85 – 21/11/2016                                                                          | 68.97 – 09/12/2016                                                                          |

**h) Intention of the Promoters and Promoters Group of the Company to tender Equity Shares for Buy-back:**

In terms of the Buy-back Regulations, under the Tender Offer route, the promoters and promoter group of the Company have the option to participate in the Buy-back. In this regard, the promoter and promoter group as listed hereinabove have expressed their intention to tender up to following number of shares in the proposed buy-back:

| Sr. No. | Particulars                               | Shares held on April 08, 2017 | Maximum No. shares which may be tendered |
|---------|-------------------------------------------|-------------------------------|------------------------------------------|
| A.      | Promoters                                 |                               |                                          |
|         | Mr. Viren Mirani                          | 22,14,263                     | 22,14,263                                |
|         | Mrs. Shefali Mirani                       | 14,38,419                     | 14,38,419                                |
|         | Total Promoters (A)                       | 36,52,682                     | 36,52,682                                |
| B.      | Promoters Group                           |                               |                                          |
|         | Mr. Madhav N. Mirani                      | 1,20,209                      | 1,19,939                                 |
|         | Mr. Sunil P. Mirani                       | 1,38,499                      | 1,38,499                                 |
|         | M/s Olive Finance & Investments Pvt. Ltd. | 18,63,099                     | 18,63,099                                |
|         | Total Promoters Group (B)                 | 21,21,807                     | 21,21,537                                |
|         | Total Promoters and Promoter Group (A+B)  | 57,74,489                     | 57,74,219                                |

Further details of date and price of acquisition(s) of equity shares that the promoters and promoter group intend to tender are as under:

**a) Mr. Viren Mirani**

| Sr. No. | Date of Acquisition | No. of equity shares | Cost of Acquisition per Share | Nature of Transaction |
|---------|---------------------|----------------------|-------------------------------|-----------------------|
| 1       | On various dates    | 79,166               | Not available                 |                       |
| 2       | 26.09.2003          | 79,350               | ₹ 8.80                        | Inter-se Transfer     |
| 3       | 31.03.2008          | 29,330               | ₹ 10.00                       | Inter-se Transfer     |
| 4       | 28.03.2014          | 4,53,000             | ₹ 38.84                       | Off-market            |
| 5       | 17.07.2014          | 4,67,000             | ₹ 39.08                       | Off-market            |
| 6       | 20.12.2016          | 11,06,417            | ₹ 63.25                       | Inter-se Transfer     |

## b) Mrs. Shefali V. Mirani;

| Sr. No. | Date of Acquisition | No. of equity shares | Cost of Acquisition per Share | Nature of Transaction |
|---------|---------------------|----------------------|-------------------------------|-----------------------|
| 1       | On various dates    | 2,500                | Not available                 | -                     |
| 2       | 15.05.2015          | 7,63,150             | ₹ 74.00                       | Inter-se Transfer     |
| 3       | 20.12.2016          | 6,32,211             | ₹ 63.25                       | Inter-se Transfer     |
| 4       | 27.03.2017          | 40,558               | Nil                           | Gift                  |

## c) Mr. Madhav N. Mirani

| Sr. No. | Date of Acquisition | No. of equity shares | Cost of Acquisition per Share | Nature of Transaction |
|---------|---------------------|----------------------|-------------------------------|-----------------------|
| 1       | 25.02.2015          | 1,19,939             | ₹ 79.00                       | Inter-se Transfer     |

## d) Mr. Sunil P. Mirani

| Sr. No. | Date of Acquisition | No. of equity shares | Cost of Acquisition per Share | Nature of Transaction        |
|---------|---------------------|----------------------|-------------------------------|------------------------------|
| 1       | 22.11.2016          | 1,38,499             | Nil                           | Transfer on partition of HUF |

## e) M/s Olive Finance &amp; Investments Pvt. Ltd.

| Sr. No. | Date of Acquisition | No. of equity shares | Cost of Acquisition per Share | Nature of Transaction        |
|---------|---------------------|----------------------|-------------------------------|------------------------------|
| 1       | 30.08.2010          | 18,63,099            | ₹ 17.00                       | Off-Market Inter-se Transfer |

## i) No Defaults:

The Company confirms that there are no defaults made or subsisting in the repayment of deposits / interest thereon, redemption of debentures or preference shares, payment of dividend to any shareholder or repayment of term loans / interest thereon to any financial institution or banks.

j) **Confirmation that the Board of Directors have made full enquiry into the affairs and prospects of the Company and that they have formed the opinion to the effect that the Company, after Buy-back will continue to be able to meet its liabilities and will not be rendered insolvent:**

The Board of Directors of the Company have made full enquiry into the affairs and prospects of the Company and have formed the opinion:

- That immediately following the date on which the results of the Postal Ballot will be declared, there shall be no grounds on which the Company can be found unable to pay its debts.
- That as regards the Company's prospects for the year (12 months) immediately following 1) the date of the Board Meeting and 2) the date on which the results of the postal ballot will be declared, approving the Buy-back, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year (12 months) from the date of the Board Meeting as well as the date on which the results of the Postal Ballot will be declared.
- In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act.

k) **Report addressed to the Board of Directors by the Company's Auditors:**

The text of the Report dated 10<sup>th</sup> April 2017 received from Mahendra N. Shah & Co., Chartered Accountants, Ahmedabad, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Date: 10<sup>th</sup> April 2017

To,

The Board of Directors

India Gelatine and Chemicals Limited,

703/704, Shilp, 7th Floor, Near Municipal Market Sheth

C.G. Road, Navrangpura, Ahmedabad – 380009.

Dear Sirs,

**Sub: Auditors' Report in respect of proposed buy-back of Equity Shares of India Gelatine and Chemicals Limited ("Company") in terms of clause (xi) of Part A of Schedule II to the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended ("Buy-back Regulations")**

1. In connection with the proposed buy-back of equity shares by the Company in pursuance of the provisions of Section 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and further in terms of the requirements of clause (xi) of Part A of Schedule II to the Buy-back Regulations, we report that:
  - a. We have enquired into the Company's state of affairs in relation to financial year ended March 31, 2016 as approved by the Board of Directors in the meeting held on May 23, 2016 and by the shareholders of the Company at the meeting held on September 27, 2016 and audited financial statements for the nine months ended December 31, 2016 as approved by the Board of Directors in the meeting held on April 8, 2017.
  - b. The amount of the permissible capital payment towards Buy-back of equity shares on the basis set out in the attached Annexure A stating statement of computation of permissible capital payment for the proposed Buyback of Equity Shares is, in our view, properly determined.
  - c. The Board of Directors of the Company in their meeting held on April 08, 2017 have formed their opinion as specified in Clause (x) of Part A of Schedule II of buy-back on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
2. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Buy-back Regulations solely to enable the Board of Directors of the Company to include it in the public announcement, the draft letter of offer, letter of offer and any other corrigendum/ addendum, in pursuance of the provisions of Companies Act 2013 and the Buy-back Regulations.

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

Chirag M. Shah  
Partner  
Memb. No. 045706

Date: 10<sup>th</sup> April 2017  
Place: Ahmedabad

**Annexure- A**

Computation of amount of permissible capital payment towards buy-back of equity shares in accordance with proviso to section 68 (2) (b) & (c) of the Act and Regulation 4(1)(a) of the Buy-back Regulations based on the audited financial statements for the nine months ended December 31, 2016

| <b>Particulars</b>                                                                                                                                                                       | <b>For 9 Months Ended as on December 31, 2016 (Rs. in lakhs)</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| Paid-up Equity Share Capital as at December 31, 2016                                                                                                                                     |                                                                  |
| 94,00,000 Equity shares of Rs.10 each fully paid-up                                                                                                                                      | 940.00                                                           |
| Free reserves as at December 31, 2016                                                                                                                                                    |                                                                  |
| Securities premium account                                                                                                                                                               | 1363.40                                                          |
| General reserve                                                                                                                                                                          | 8881.89                                                          |
| Surplus in the statement of profit & loss                                                                                                                                                | 386.58                                                           |
| <b>Total</b>                                                                                                                                                                             | <b>11571.87</b>                                                  |
| Permissible capital payment towards Buy-back of Equity Shares in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013 (25% of paid up equity capital and free reserves) | 2892.97                                                          |
| Permissible number of Equity Shares eligible for Buy-back in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013 (25% of number of paid up equity capital) (Nos.)      | 23,50,000                                                        |

**l) Compliance of Regulation 19 (2) of the Buy-back Regulations:**

The board of directors of the Company hereby confirm that, no scheme of arrangement or amalgamation or compromise pursuant to provisions of the Companies Act, 2013 is pending as on the date of this public announcement.

**m) Compliance with Section 68(2)(c) of the Companies Act, 2013:**

The aggregate paid-up equity share capital and free reserves (including Share Premium Account) as on December 31, 2016 is ₹ 11571.87 lakhs. Under the provisions of the Companies Act, 2013, the funds deployed for the Buy-back cannot exceed 25% of the total paid-up share capital and free reserves of the Company i.e. ₹ 2892.97 lakhs.

Further, under the Act, the number of Equity Shares that can be bought back during the financial year shall not exceed 25% of the paid-up Equity Shares of the Company. Accordingly, the number of Equity Shares that can be bought back during the financial year cannot exceed 23,50,000 Equity Shares being 25% of 94,00,000 Equity Shares as per the audited financial statements as on December 31, 2016.

**n) As per the provisions of the Buy-back Regulations and the Companies Act, 2013:**

- The Company shall not issue any Equity Shares or other securities (including by way of bonus) till the date of closure of the Buy-back;
- The Company shall not raise further capital for a period of one year from the closure of the Buy-back, except in discharge of its subsisting obligations, or such period as may be permitted under the relevant regulations and applicable law;
- The Special Resolution approving the Buy-back will be valid for a maximum period of 1 year from the date of passing the said Special Resolution (or such extended period as may be permitted under the Companies Act, 2013 or the Buy-back Regulations or by the appropriate authorities). The Schedule of Activities for the Buy-back shall be decided by the Board of Directors and/or any other person authorized by the Board of Directors within the above time limits;
- The Equity Shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;
- The Company shall not withdraw Buy-back after the Draft Letter of Offer is filed with the SEBI or public announcement of buy-back is made;
- The Company shall not Buy-back locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable; and
- The Company confirms that as required under Section 68(2)(d) of the Companies Act, 2013, the ratio of aggregate of secured and unsecured debts owed by the Company shall not be more than twice the equity share capital and free reserves after the Buy-back.

For any clarifications related to the Buy-back process, the equity shareholders may contact any one of the following:

|                                                                                                                                                                                        |                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mrs. Varsha Aswani</b><br>Company Secretary<br>India Gelatine and Chemical Limited<br>Email: varsha@indiagelatine.com<br>E-Mail: investor@indiagelatine.com<br>Tel: +91 22 22020341 | <b>Mr. Pravin Golatkar/ Mr. Ishwar Suvarna</b><br>Link Intime India Pvt. Ltd.<br>C101, 247 Park, LBS Marg, Vikhroli (West)<br>Mumbai – 400083<br>Tel No.: +91 22 49186000<br>Fax: +91 22 49186060<br>Email: rnt.helpdesk@linkintime.co.in |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

All the material documents referred to in the Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board Resolution for the Buy-back, the Auditors Report dated April 10, 2017 and audited financial statements for the nine months period ended on December 31, 2016 are available for inspection by the members of the Company at its registered office on any working day between IST 10.00 a.m. and 5.00 p.m. up to the last date of receipt of Postal Ballot Form specified in the accompanying notice.

In the opinion of the Board, the proposal for Buy-back is in the interest of the Company and its equity shareholders. The directors, therefore, recommend passing of the special resolution as set out in the accompanying notice for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives is / are directly / indirectly concerned / interested in the above resolution except to the extent of their respective interest as shareholders of the Company.

**By order of the Board,**  
**For, India Gelatine & Chemicals Ltd.,**

**Sd/-**  
**Varsha Aswani**  
**(Company Secretary)**

Date: April 11, 2017

Place: Mumbai