

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.

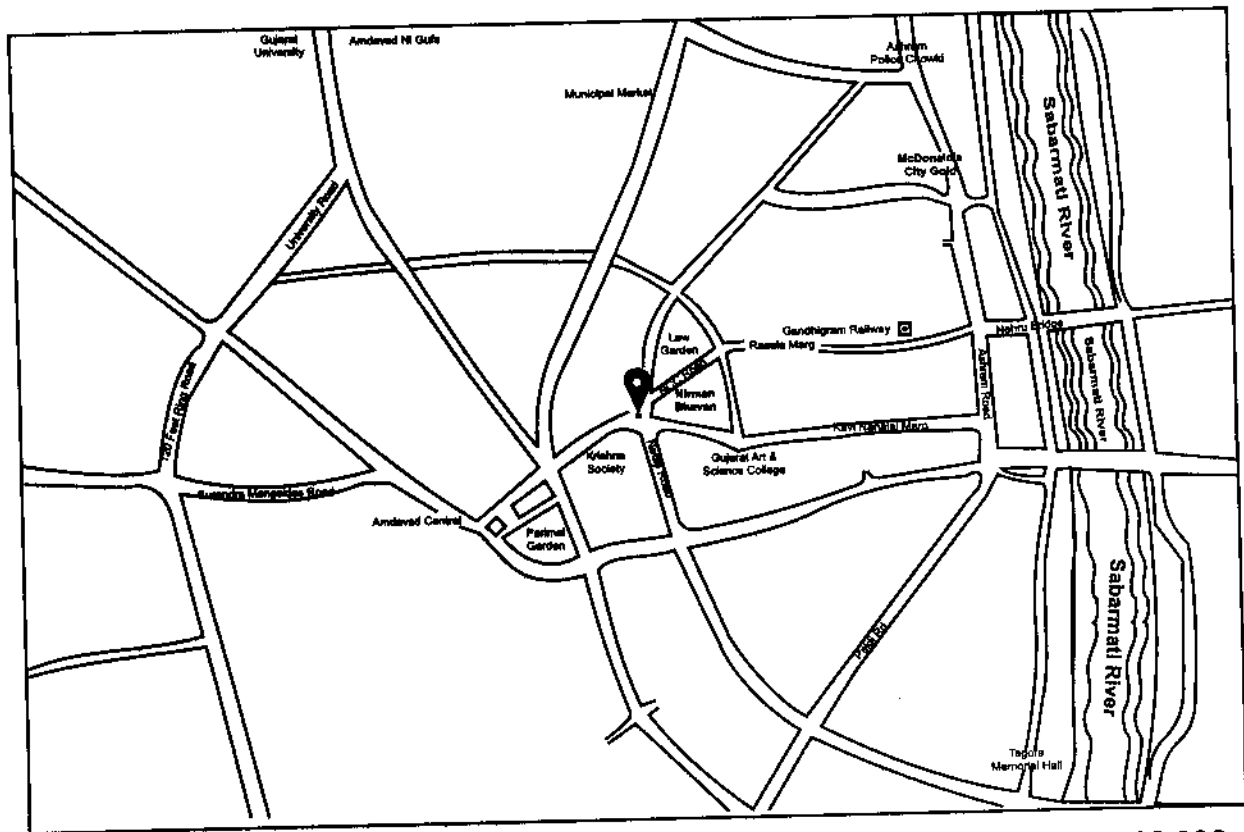
FINANCIAL HIGHLIGHTS

₹ 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.



INDIA GELATINE & CHEMICALS LTD.

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 hereby 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. Medlclaim 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. Shafali 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.