



# Nitta Gelatin India Limited

(Formerly Kerala Chemicals and Proteins Limited)

Joint venture of Kerala State Industrial Development Corporation Ltd. and Nitta Gelatin Inc.

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CIN : L24299KL1975PLC002691

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11.06.2020

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## Scrip Code: 506532

Dear Sir(s),

**Sub:** Submission of Related Party Transactions on a consolidated basis for the half ended 31<sup>st</sup> March 2020.

**Ref:** SEBI LODR amended Regulations w.e.f the half year ending 31<sup>st</sup> March 2019.

In pursuance of Sub Regulation 9 of Regulation 23 of the SEBI LODR Regulations, 2015, we hereby submit the details of Related Party Transactions on a consolidated basis for the half year ended 31<sup>st</sup> March 2020.

Kindly take this into record.

Thanking you,  
Yours faithfully,

For Nitta Gelatin India Limited

G. RAJESH KURUP  
Company Secretary



Nitta Gelatin India Limited  
 Consolidated Financial Statements  
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020 (cont'd)  
 (All amounts in ₹ Lakhs, unless otherwise stated)

2.36 Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures

- A. Related parties and nature of relationship
- i. Nitta Gelatin Inc. - Enterprise having substantial interest in the Holding Company
  - ii. Nitta Gelatin NA Inc. - Subsidiary of Nitta Gelatin Inc
  - iii. Nitta Gelatin Canada Inc. - Subsidiary of Nitta Gelatin Inc
  - iv. K.T Chandy Seichi Nitta Foundation - Trust controlled by the Holding Company
  - vii. Kerala State Industrial Development Corporation - Enterprise having substantial interest in the Company
  - vi. Key Managerial Personnel
    - 1. In case of Holding Company
      - Mr Sajiv K. Menon - Managing Director
      - Dr Shinya Takahashi - Whole-time Director (w.e.f 17.04.2017)
    - 2. In case of Subsidiary
      - Mr E. Kesavan - Managing Director
    - 3. Non-Executive Directors:
      - Dr. K. Ellangovan
      - Mr Paul Antony
      - Dr. M. Beena
      - Mr. Sanjay M. Kaul
      - Mr M T Binil Kumar

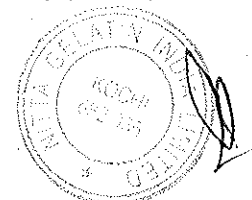
B. Detail of Transactions:

Nature of Transaction	Enterprise having substantial interest in the Holding Company and its Subsidiaries/Trust controlled by the Company		Key Management Personnel		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>Sale and Income</b>						
1 Sale of Goods						
<i>Nitta Gelatin Inc</i>	7,441.90	8,147.73	-	-	7,441.90	8,147.73
<i>Nitta Gelatin NA Inc</i>	3,962.19	4,684.21	-	-	3,962.19	4,684.21
2 GSP duty refund received on exports to related party refunded by them						
<i>Nitta Gelatin NA Inc</i>	-	105.74	-	-	-	105.74
<b>Purchase and Expenses</b>						
1 Commission expense:						
<i>Nitta Gelatin Inc</i>						
- For Sale of Gelatin	9.54	8.41	-	-	9.54	8.41
- For Sale of Peptide	4.60	0.99	-	-	4.60	0.99
2 Rebate/ Discount expense:						
<i>Nitta Gelatin Inc</i>	8.57	9.53	-	-	8.57	9.53
<i>Nitta Gelatin NA Inc</i>	2.39	0.63	-	-	2.39	0.63
3 Technical Assistance Fee:						
<i>Nitta Gelatin Inc</i>	20.11	41.04	-	-	20.11	41.04
4 Interest expense on External Commercial Borrowings						
<i>Nitta Gelatin Inc</i>	101.15	116.95	-	-	101.15	116.95
5 Interest expense on loans						
<i>Kerala State Industrial Development Corporation</i>	83.72	100.67	-	-	83.72	100.67
6 Reimbursement of Expenses (Net):						
<i>Nitta Gelatin Inc</i>	24.24	9.29	-	-	24.24	9.29
7 Donations/Corporate Social Responsibility contribution						
<i>K.T.Chandy Seichi Nitta Foundation(See Note 3.29.3)</i>	42.36	44.26	-	-	42.36	44.26
8 Remuneration *						
<i>Mr Sajiv K. Menon</i>	-	-	170.56	154.75	170.56	154.75
<i>Dr Shinya Takahashi</i>	-	-	24.47	24.42	24.47	24.42
<i>Mr E. Kesavan</i>	-	-	34.32	32.53	34.32	32.53
9 Sitting fees						
<i>Dr. K. Ellangovan</i>	-	-	0.61	0.36	0.61	0.36
<i>Mr Paul Antony</i>	-	-	-	-	-	-
<i>Dr. M. Beena</i>	-	-	-	0.36	-	0.36
<i>Mr. Sanjay M. Kaul</i>	-	-	-	0.18	-	0.18
<i>Mr M T Binil Kumar</i>	-	-	-	0.40	-	0.40
<i>Sharmila Mary Joseph</i>	-	-	0.18	-	-	0.18
<b>Dividend paid on equity shares</b>						
<i>Nitta Gelatin Inc</i>	103.50	97.51	-	-	103.50	97.51
<b>Dividend on preference shares</b>						
<i>Nitta Gelatin Inc</i>	85.00	85.37	-	-	85.00	85.37

Notes:

a) Does not include gratuity and compensated absences as these are provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be determined.

b) Consequent to the revision of remuneration payable to the Managing Director and Whole Time Director, the managerial remuneration paid by the Company to its Directors is in excess of the limits laid down under section 197 of the Companies Act, 2013 read with Schedule V of the Act by ₹ 98.66 Lakhs (Previous Year ₹ 59.16 Lakhs). The Company has already obtained the approval from its shareholders in the Annual General meeting held during August 2019 for the same.



Nitta Gelatin India Limited  
Consolidated Financial Statements

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020 (cont'd)  
(All amounts in ₹ Lakhs, unless otherwise stated)

2.36 Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures (cont'd)

C. Balance outstanding as at year end:

Nature of Transaction	Enterprise having substantial interest in the Holding Company and its Subsidiaries/Trust controlled by the Company		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Receivables				
- Nitta Gelatin Inc	517.48	2,202.99	517.48	2,202.99
- Nitta Gelatin NA Inc	1,424.58	1,514.99	1,424.58	1,514.99
Payables				
- Nitta Gelatin Inc				
<i>Term loan</i>	1,152.17	1,285.20	1,152.17	1,285.20
<i>Trade Advance</i>	-	895.88	-	895.88
<i>Other payables</i>	26.42	76.31	26.42	76.31
- Nitta Gelatin NA Inc				
<i>Other payables</i>	-	9.55	-	9.55
- Kerala State Industrial Development Corporation				
<i>Term loan</i>	653.53	912.29	653.53	912.29

D. Transaction with related parties

In accordance with the applicable provisions of the Income Tax Act, 1961, the Group is required to use certain specified methods in assessing that the transactions with the related parties, are carried out at an arm's length price and is also required to maintain prescribed information and documents to support such assessment. The appropriate method to be adopted will depend on the nature of transactions / class of transactions, class of associated persons, functions performed and other factors as prescribed. Based on certain internal analysis carried out, management believes that transactions entered into with the related parties were carried out at arm's length prices. The Group is in the process of updating the transfer pricing documentation for the financial year ended 31 March 2020. In opinion of the management, the same would not have an impact on these financial statements. Accordingly, these financial statements do not include the effect of the transfer pricing implications, if any.



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