



# 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

Website : www.gelatin.in

03-02-2018

The General Manager,  
The Department of Corporate Relations,  
**BSE LIMITED**  
P. J. Towers, 1<sup>st</sup> Floor, Dalal Street,  
Mumbai - 400001.

**BSE Code: 506532**

Dear Sirs,

**Sub. : Outcome of the Board Meeting**

**Ref. :** Para A of Part A of Schedule III of the Securities and Exchange Board of India ("**SEBI**") (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read together with SEBI Circular No. CFD/DIL3/CIR/2018/2 dated January, 03, 2018 ("**SEBI Circular**")

With reference to the captioned subject, we hereby inform you that, the Board of Directors of our Company at its meeting held on 03<sup>rd</sup> February, 2018, which commenced at 11.30 a.m. and concluded at 4.00 p.m., have accorded approval to a scheme of merger and amalgamation under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**"), subject to the approvals as required, between the Company (NGIL) and Reva Proteins Limited (RPL), a subsidiary of the Company, primarily engaged in the business of manufacturing of Limed Ossein, Ossein, Dicalcium Phosphate and 8% Dicalcium Phosphate, where RPL (Transferor Company) shall get merged with NGIL (Transferee Company) on such terms & conditions as are detailed in the Scheme.

Along with considering the Scheme, the Board also took on record the following:-

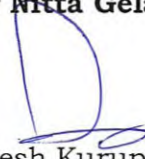
1. The report on recommendation of Share Exchange Ratio.
2. The Fairness Opinion on recommendation of the Share Exchange Ratio.

The Scheme is subject to necessary Statutory and Regulatory approvals including the approval of the National Company Law Tribunal, Chennai. Enclosed as per Annexure A is the information required to be disclosed pursuant to the aforesaid provisions.

We request you to take the same on record.

Yours Faithfully,

For **Nitta Gelatin India Limited**

  
Rajesh Kurup  
Company Secretary

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## Annexure A

Disclosure of Information pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) read with SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10/03/2017 as further amended by Circular No.CFD/DIL3/CIR/2018/2 dated 03/01/2018.

**1. Name of the entity(ies) forming part of the amalgamation/ merger, details in brief such as size, turnover etc.;**

**Transferor Company:** The Transferor Company is a public limited company originally incorporated under the Companies Act, 1956 in the State of Kerala on 30/07/2009 with Registration No.024529 and continuing its existence under the Companies Act, 2013 bearing CIN:U24295KL2009PLC024529, having its registered office at 50 / 1002 Panampilly Nagar Ernakulam, Kerala – 682036 and is a subsidiary of the Transferee Company with 74.6 % Equity Stake and balance stake being held directly by Nitta Gelatin Inc. Japan (NGI, Japan). The Transferee Company is also holding 100% Preference Stake in Transferor Company. The shares of the Transferor Company are not listed in any stock exchange. The Transferor Company is presently engaged in Manufacturing of limes Ossein, Ossein, Dicalcium Phosphate and 8% dicalcium Phosphate.

**Transferee Company.** The Transferee Company is a public limited company originally incorporated under the Companies Act, 1956 in the State of Kerala with the name Kerala Chemicals and Proteins Limited (KCPL) on 30/04/1975 with Registration No.002691 while during the year 2008, the name had been changed to Nitta Gelatin India Limited and continuing its existence under the Companies Act, 2013 bearing CIN No.L24299KL1975PLC002691, having its registered office at 50 / 1002 Panampilly Nagar Ernakulam, Kerala - 682036. The Transferee Company is a successful industrial joint venture between Nitta Gelatin Inc., (NGI) Japan (43% Equity Stake) and Kerala State Industrial Development Corporation Limited (KSIDCL) (31.5% Equity Stake) while balance shareholding is distributed amongst public. The Transferee Company is primarily engaged in the business of manufacturing of Gelatin, Collagen peptide, Dicalcium Phosphate, Chitosan, Nutrigold, Seedaid, Cartipep. The equity shares of the Transferee Company are listed on the BSE Limited (“BSE”) Mumbai.

Set out below are the details of the net worth and total revenue of the Transferor Company and the Transferee Company.

(Rs.)

Particulars	Net worth (as per Ind AS)	Total Revenue (as per Ind AS)
	As at the end of the recent Quarter(31.12.2017)	As at the end of the recent Quarter(31.12.2017)
<b>Transferee Company</b>	<b>145,46,60,252</b>	<b>237,80,15,433</b>
<b>Transferor Company</b>	<b>6,61,75,169</b>	<b>19,36,63,114</b>

(₹ in crores)



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## 2. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";

The Transferor Company is a subsidiary of the Transferee Company. The proposed merger does not fall within the purview of related party transaction under the Companies Act, 2013 in view of general circular No. 30/2014 dated July 17, 2014 issued by the Ministry of Corporate Affairs besides being subject to the sanction of the National Company Law Tribunal, Chennai. However, pursuant to the LODR Regulations, the transactions fall within the purview of related party transactions while the same is done at arm's length.

## 3. Area of business of the entity(ies);

The Transferor Company is primarily engaged in the manufacturing of limes Ossein, Ossein, Dicalcium Phosphate and 8% dicalcium Phosphate.

The Transferee Company is primarily engaged in the business of manufacturing of Gelatin, Collagen peptide, Dicalcium Phosphate, Chitosan, Nutrigold, Seedaid, Cartipep.

## 4. Rationale of amalgamation/ merger;

The proposed scheme of merger and arrangement amongst the Transferor Company, the Transferee Company and their respective shareholders under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") provides for the merger of the Transferor Company with the Transferee Company.

The Scheme shall enable the Transferee Company reap several benefits as follows;

- i. Synergy of operations for achieving organization effectiveness and control;
- ii. Optimisation of resources;
- iii. Reduction of statutory and legal compliance requirements;
- iv. Overall cost management;
- v. Greater integration and financial strength;
- vi. Seamless availability of technical expertise;
- vii. Greater level of synergy in the Goods and Service Tax (GST) regime;
- viii. Transferor Company to become a part of the transferee company as one single entity;
- ix. Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure;
- x. Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out;
- xi. RPL to become a division of NGIL and better liquidity position;
- xii. Balance sheet becomes stronger;
- xiii. Streamlining the group structure and rationalization;
- xiv. Developing stronger base for future growth.



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### 5. In case of cash consideration – amongst or other share exchange ratio;

Upon the scheme becoming effective, all equity shares and optionally convertible preference shares held by the Transferee Company in the share capital of the Transferor Company as on the effective date shall stand cancelled, without any further act or deed and as consideration of the merger, redeemable preference shares be issued to Equity Shareholder by the Transferee Company and no other consideration shall pass from the Transferee Company.

### 6. Brief details of change in shareholding pattern (if any) of listed entity;

There will be no change in the shareholding pattern of the Transferee Company pursuant to the Scheme as no equity shares are being issued by the Transferee Company in connection with the Scheme.

The approval extended by the Board which comprised of the following Directors, was unanimous : 1. Dr. M. Beena IAS; 2. Mr. Koichi Ogata; 3. Mr. A.K Nair; 4. Mr. K.L Kumar; 5. Mrs. Radha Unni; 6. Dr. Naotoshi Umeno; 7. Dr. K. Cherian Varghese; 8. Mr. Shiniya Takahashi Director (Technical); 9. Mr. Sajiv K. Menon. Managing Director; Leave of absence: Mr. T.K Jose IAS

For Nitta Gelatin India Limited

G.Rajesh Kurup

Company Secretary



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