

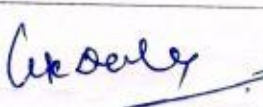
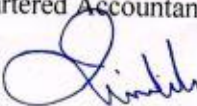


FORM A
(Pursuant to Clause 31(a) of Listing Agreement)

(Format of covering letter of the annual audit report to be filed with the Stock Exchange/s)

1	Name of the company	Denis Chem Lab Limited
2	Annual financial statements for the year	31 st March, 2015
3	Type of Audit observation	Un-qualified
4	Frequency of observation	N.A.
5	To be signed by-	
	Himanshu C. Patel Managing Director	
	Vikram Joshi CFO	
	Gaurang Dalal Audit Committee Chairman	
	Auditor of the Company	For Shah & Shah Associates, Chartered Accountants  Patel.

Date: 30th May, 2015

annual
report
2014-15



DENIS CHEM LAB LIMITED
(MFG. of I.V. Fluids in Glass & P.P.Plastic Bottles)

**Aqua
pulse**[®]





Our Vision

to be a leading pharmaceutical company recognized by the society and its stake holders for its best business practices and for its contribution in...

Saving **Lives**

Our Mission

to deliver high quality medical products in multiple therapy segments by ensuring quality in every drop, to ensure shareholder returns by constantly innovating, transforming and delivering to make someone else's...

Life **Better**

Aqua
pulse



DENIS CHEM LAB LIMITED

[CIN: L24230GJ1980PLC003843]

34TH ANNUAL REPORT 2014-15

BOARD OF DIRECTOR	:	Mr. Dinesh B. Patel	Chairman
		Dr. Himanshu C. Patel	Managing Director
		Dr. Gaurang K. Dalal	Director
		Ms. Anar H. Patel	Director
		Mr. Janak G. Nanavaty	Director
		Dr. Gauri S. Trivedi	Director
MANAGEMENT TEAM	:	Mr. Nirmal H. Patel	Chief Executive Officer
		Mr. Vikram Joshi	Chief Finance Officer
		Ms. Khushbu H. Shah	Company Secretary
REGISTERED OFFICE & FACTORY	:	Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729	
AUDITORS	:	M/s. Shah & Shah Associates, Chartered Accountants Ahmedabad	
SECRETARIAL AUDITORS	:	M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad	
BANKERS	:	Axis Bank Limited Bank of India	
REGISTRAR & SHARE TRANSFER AGENTS	:	Sharepro Services (India) Private Limited, 13 AB, Samhita Warehousing Complex, 2 nd Floor, Sakinaka Tel. Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Mumbai -400 072	
WEBSITE	:	www.denischemlab.com	



NOTICE

NOTICE is hereby given that the **34TH ANNUAL GENERAL MEETING** of the members of **DENIS CHEM LAB LIMITED** will be held as scheduled below:

Date	: 23 th September, 2015
Day	: Wednesday
Time	: 10.00 A.M.
Place	: Registered Office of the Company at: Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729

to transact the following :

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Dinesh B. Patel (DIN – 00171089), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re appointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary 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, M/s. Shah & Shah Associates, Chartered Accountants (Firm Registration No.113742W), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this 34th Annual General Meeting (AGM) till the conclusion of the 36th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 25), appointed by the Board of Directors of the Company in their Board Meeting held on 19th May, 2015 to conduct the audit of the cost records of the Company for the Financial Year 2015-16, be paid remuneration, as set out in the Statement annexed to the Notice convening the Meeting.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution.”

Registered Office :

Block No. 457, Village: Chhatral,
Tal: Kalol (N.G.),
Dist: Gandhinagar - 382 729
Date : 29th July, 2015.

By Order of the Board,

Dinesh B. Patel
Chairman

DENIS CHEM LAB LIMITED

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business in the Notice is annexed hereto.
2. The Register of Members and Share Transfer Books will remain closed from **4th September, 2015 to 23rd September, 2015** (both days inclusive) for the purpose of Annual General Meeting (AGM).
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.

The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorising their representative to attend and vote on their behalf at the AGM.
5. In terms of provision of Section 125 of the Companies Act, 2013 the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly, the unclaimed dividend in respect of financial year 2006-07 was transferred to the IEPF in November, 2014. The unclaimed dividend in respect of financial year 2007-08 is in the process of being transferred to the IEPF in accordance with the provisions of Section 125 of the Companies Act, 2013.
6. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA).
7. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. The Directors have furnished the requisite declarations for their appointment / re-appointment.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.



ANNUAL REPORT 2014-2015

9. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
10. The Shareholders holding Shares in Physical form are advised to seek their shareholding changed to dematerialised form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded in the Stock Exchanges.
11. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
12. Members/Proxies are requested to bring duly filled attendance form along with their copy of Annual Report at the Meeting. Copies of Annual Report will not be distributed at the Meeting.
13. All documents referred to in the Notice and Explanatory Statement shall be available for inspection by members at the Registered Office of the Company during the business hours between 11.00 a.m. to 1.00 p.m. on all working days of the Company up to the date of the Annual General Meeting.
14. To support the "Green Initiative", Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar & Share Transfer Agents of the Company for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. In support of the 'Green Initiative' announced by the Government of India, electronic copies of the Annual Report for 2014-15 and this Notice inter alia indicating the process and manner of e-voting along with Attendance Form and Proxy Form are being sent by email to all the Members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any Member has requested only for a hard copy of the same. For Members who have not registered their email address, physical copies will be sent to them in the permitted mode. The Notice of AGM will also be available on the Company's website, www.denischemlab.com and that of Central Depository Services (India) Limited ("CDSL"), www.cdslindia.com, www.evotingindia.com
16. The Ministry of Corporate Affairs has, on 10th May, 2012, notified the Investor Protection and Education Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules) with the objective of enabling shareholders to use the information provided by the companies on their websites and the website of the IEPF, to verify the status of unclaimed dividends, if any. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with the Company's RTA before the unclaimed dividends are transferred to the IEPF.

17. VOTING THROUGH ELECTRONIC MEANS

- (a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Clause 35B of the Listing Agreement and any other applicable provisions, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') is provided by Central Depository Services (India) Limited.
- (b) The facility for voting through ballot paper shall be made available at the AGM, and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot. E-voting facility will not be made available at the AGM venue.

DENIS CHEM LAB LIMITED

- (c) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (d) The remote e-voting period commences **at 9.00 a.m. on Sunday, 20th September, 2015 and ends at 5:00 p.m. on Tuesday, 22nd September, 2015**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 16th September, 2015**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- (e) The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.

The procedure and instructions for remote e-voting are, as follows:

- (i) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- (ii) Now click on "Shareholders" to cast your votes.
- (iii) Now, fill up the following details in the appropriate boxes:

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

- (iv) Next, enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are holding shares in demat form and has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (vii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company / Depository Participant are requested to use the Sequence No. printed on Address Slip / email to the members pertaining to the Notice of this AGM.
DOB#	Enter the Date of Birth as recorded in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. If the details are not recorded with the Depository or Company, please enter the number of Shares held by you in the bank account column.

#Please enter the DOB or Dividend Bank Details in order to login.



- (i) After entering these details appropriately, click on “SUBMIT” tab.
- (ii) Members holding shares in physical form will then directly reach 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.
- (iii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Now, select the Electronic Voting Sequence Number (“EVS”) of “DENIS CHEM LAB LIMITED” from the drop down menu and click on “SUBMIT”.
- (v) 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.
- (vi) Click on the ‘RESOLUTIONS FILE LINK’ if you wish to view the entire Resolution details.
- (vii) 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.
- (viii) Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take out print of the voting done by you by clicking on ‘Click here to print’ option on the Voting page.
- (x) Note for Non – Individual Members and Custodians:

Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (f) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

DENIS CHEM LAB LIMITED

- (g) **Mr. Kashyap R. Mehta, Proprietor, M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad** has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (h) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of 'Ballot Paper' for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. **E-voting facility will not be made available at the AGM venue.**
- (i) The Scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- (j) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.denischemlab.com and on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS MENTIONED IN THE NOTICE OF 34TH ANNUAL GENERAL MEETING DATED 29TH JULY, 2015.

In respect of Item No. 4:

The Board has appointed M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 25) to audit cost accounts of the Company for the year 2015-16. The remuneration payable to the Cost Auditor shall be as per the recommendation made by the Audit Committee and approved by the Board of Directors. The members are requested to pass the resolution for the remuneration payable to M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad, as set out at item no. 4 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

The above proposal is in the interest of the Company and the Directors recommend the Resolution No. 4 of this Notice for consent and approval by the Members.

Registered Office :
Block No. 457, Village: Chhatral,
Tal: Kalol (N.G.),
Dist: Gandhinagar - 382 729
Date : 29th July, 2015.

By Order of the Board,

Dinesh B. Patel
Chairman



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 34th ANNUAL REPORT together with the Audited Financial Statements for the Financial Year 2014-15 ended 31st March, 2015.

1. FINANCIAL RESULTS :

Particulars	2014-15	2013-14
Operating Profit (Before Interest & Depreciation)	960.08	643.74
Less : Interest	536.28	299.04
Profit before Depreciation	423.80	344.70
Less : Depreciation	387.92	131.63
Profit before Tax	35.88	213.07
Less : Provision for Taxation	8.03	99.00
Less/(Add): Deferred Tax Liability/ (Assets)	19.70	(10.73)
(Add): Excess provision of tax relating to earlier years	-	-
Profit after Tax	8.16	124.80

There are no material changes and commitment affecting the financial position of the Company which have occurred between 1st April, 2015 and date of this report.

2. DIVIDEND:

With a view to conserve the resources for general corporate purposes including working capital requirements of the Company, your Directors have not recommended any dividend for the year under review ended 31st March, 2015.

3. OPERATIONS:

The revenue from operations i.e. transfusion solution in Bottles and Plastic Bottles is increased by 14% from ` 6731 lacs of the previous year 2013-14 to ` 7685 lacs for the year 2014-15. The facility was inspected by Food and Drug Control Administration (FDCA), Gandhinagar for the renewal of its World Health Organization-Good Manufacturing Practices (WHO-GMP) certification and manufacturing license renewal which was satisfactorily completed. The Company's manufacturing license is valid till December 2017.

During the year under review, the export market was explored in more detail and I.V. products in plastic bottles were exported to new destinations. Further efforts are underway for increasing exports to various countries.

4. NEW PROJECTS:

The Management has envisaged an increased demand for various I. V. fluids in India for the future considering the development of health related investment and steady population increase.

DENIS CHEM LAB LIMITED

4.1 Increasing the Moulding and Filling capacity with cost reduction in BFS.

We are under the process of implementing additional capacity in our BFS line. This project will help us to save significantly on our main RM cost viz PP Granules. The project will be implemented in Q3 FY16. We already have the team and systems in place for marketing of products from this project and we will be able to derive significant returns from day one of the operations. This project will help us in lowering our costs and penetrate into cost competitive markets effectively while maintaining margins.

4.2 Increasing the moulding and filling capacity for 1000 ml, and increasing filling capacity 3000 ml.

In the BFS category of 1000 ml and 3000 ml are niche products with few companies offering the same. The current market for 1000 ml and 3000 ml is growing at 35% and we are achieving 12% operating margins in 1000 ml and 20% operating margins in 3000 ml.

5. LISTING:

The Equity Shares of the Company are listed on Ahmedabad Stock Exchange & BSE Limited. The Company is regular in payment of Annual Listing Fees. The Company has paid Listing fees up to the year 2015-16.

6. RIGHTS ISSUE OF EQUITY SHARES:

As communicated in the Directors' Report for the year 2013-14, there was good response to the Rights Issue of 60,27,864 Equity Shares of ₹ 10/- each at a premium of ₹ 3/- per share aggregating to ₹ 783.62 lacs. The Board of Directors allotted shares on 30th May, 2014. There are no material variations between the projections and actual utilization of the funds raised through Rights Issue by the Company during the year 2014-15.

7. DIRECTORS:

7.1 One of your Directors viz. Mr. Dinesh B. Patel retires by rotation in terms of the Articles of Association of the Company. However, being eligible offers himself for reappointment.

7.2 The Board of Directors duly met 10 times during the financial year under review.

7.3 The Board has made necessary evaluation of its own performance and that of its commitments and of individual Directors.

7.4 The performance evaluation of the Chairman, Executive and Non-Executive Directors was carried out by at the meeting of the Independent Directors held on 27th March, 2015.

7.5 DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134 of the Companies Act, 2013, it is hereby confirmed:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at 31st March, 2015 being end of the financial year 2014-15 and of the profit of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.



(v) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. MANAGERIAL REMUNERATION:

8.1 REMUNERATION OF DIRECTORS:

There has been no increase in remuneration payable to Managing Director.

Sr. No.	Name of the Director & Designation	Remuneration for the year 2014-15	% increase over last year	Parameters	Median of Employees Remuneration	Ratio	Commission received from Holding/ Subsidiary
1.	Dr. Himanshu C. Patel Managing Director	₹ 52,89,121/-	61%	Higher responsibility and time involvement due to current expansion & modernisation	₹ 2,16,772	24.40	N.A.

The Board of Directors has framed a Remuneration Policy that assures the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to enhance the quality required to run the Company successfully. The Relationship of remuneration to performance is clear and meets appropriate performance benchmarks. All the Board Members and Senior Management personnel have affirmed time to time implementation of the said Remuneration policy.

8.2 MARKET CAPITALISATION:

Sr. No.	Particulars	As on 31-03-2014	As on 31-03-2015
1.	No. of Shares	30,13,932	90,41,796
2.	Market price	25.05	32.16
3.	Market Capitalisation (₹ In lacs)	755	2908
4.	EPS	4.14	0.09
5.	P/E Ratio	6	357

9. KEY MANAGERIAL PERSONNEL:

9.1 % INCREASE IN REMUNERATION OF DIRECTORS AND KMP:

Sr. No.	Name of the Director & KMP	Designation	Percentage Increase (If any)
1.	Dr. Himanshu C. Patel	Managing Director	61%
2.	Mr. Nirmal Patel#	CEO	-
3.	Mr. Vikram Joshi#	CFO	-
4.	Ms. Khushbu Shah	Company Secretary	-

Appointed during the year 2014-15.

DENIS CHEM LAB LIMITED

9.2 COMPARISON BETWEEN REMUNERATION OF KMP & PERFORMANCE OF THE COMPANY:

As per the Remuneration Policy and based on the Recommendation of Nomination & Remuneration Committee the Relationship of remuneration to KMP & performance of Company is clear and meets appropriate performance benchmarks.

10. PERSONNEL AND H. R. D.:

10.1 INDUSTRIAL RELATIONS

The industrial relations continued to remain cordial and peaceful and your Company continued to give ever increasing importance to training at all levels and other aspects of H. R. D.

The number of Employees of the Company are 140. The relationship between average increase in remuneration and Company's performance is as per the appropriate performance benchmarks and reflects short and long term performance objectives appropriate to the working of the Company and its goals.

10.2 PARTICULARS OF EMPLOYEES:

There is no Employee drawing remuneration requiring disclosure under Rule 5(2) of Companies Appointment & Remuneration of Managerial personnel) Rules, 2014.

11. RELATED PARTY TRANSACTION AND DETAILS OF LOANS, GUARANTEES, INVESTMENT & SECURITIES PROVIDED:

Details of Related Party Transactions and Details of Loans, Guarantees and Investments covered under the provisions of Section 188 and 186 of the Companies Act, 2013 respectively are given in the notes to the Financial Statements attached to the Directors' Report.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of Companies (Accounts) Rules, 2014, relating to the conservation of Energy and Technology Absorption forms part of this report and is given by way of **Annexure- A**.

13. CORPORATE GOVERNANCE AND MDA:

As per Clause 49 of the Listing Agreement and the Companies Act, 2013, Report on Corporate Governance and Management Discussion and Analysis (MDA) form part of this Annual Report. A certificate regarding compliance with the conditions of Corporate Governance as stipulated in clause 49 of the listing agreement is also appended to the Annual Report as **Annexure - B**.

14. SECRETARIAL AUDIT REPORT:

Your Company has obtained Secretarial Audit Report as required under Section 204(1) of the Companies Act, 2013 from M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad. The said Report is attached with this Report as **Annexure – C**. There are no remarks / qualification in the Secretarial Audit Report, hence no explanation has been offered.

15. EXTRACT OF ANNUAL RETURN:

The extract of Annual return in Form – MGT-9 has been attached herewith as **Annexure – D**.



16. AUDIT COMMITTEE/ NOMINATION AND REMUNERATION COMMITTEE/ STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The details of various committees and their functions are part of Corporate Governance Report.

17. GENERAL:

17.1. AUDITORS:

The present Auditors of the Company M/s. Shah & Shah Associates, Chartered Accounts, Ahmedabad, will retire at the ensuing 34th Annual General Meeting. The Company has obtained from them consent to the effect that their reappointment as Auditors of the Company for period of 2 years commencing from the Financial Year 2015-16 to 2016-17, if made, will be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013. The remarks of Auditor are self explanatory and have been explained in Notes on Accounts.

17.2 INSURANCE:

The movable and immovable properties of the Company including plant and Machinery and stocks wherever necessary and to the extent required have been adequately insured against the risks of fire, riot, strike, malicious damage etc. as per the consistent policy of the Company.

17.3 DEPOSITS:

The Company has not accepted during the year under review any Deposits and there were no overdue deposits.

17.4 RISKS MANAGEMENT POLICY:

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company.

17.5 SUBSIDIARIES/ ASSOCIATES/ JVS:

The Company does not have any Subsidiaries/ Associates Companies / JVs.

17.6 CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

17.7 SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There has been no significant and material orders passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

DENIS CHEM LAB LIMITED

17.8 DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Company did not receive any complaint.

17.9 GRATUITY:

The Company has entered in to an agreement with Life Insurance Corporation of India for covering its Gratuity Liability and has thus provided for the same. A Gratuity Trust Fund has been created with Life Insurance Corporation of India.

17.10 INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

18. DEMATERIALISATION OF EQUITY SHARES:

Shareholders have an option to dematerialise their shares with either of the depositories viz NSDL and CDSL. The ISIN No. allotted is INE051G01012.

19. FINANCE:

19.1 The Company's Income-tax Assessment has been completed up to the Assessment Year 2012-13 and Sales tax Assessment is completed up to the Financial Year 2010-11.

19.2 The Company is enjoying Working Capital facilities, Corporate Loan and Term Loan from Axis Bank Limited and Bank of India. The Company is regular in payment of interest and principal.

20. ACKNOWLEDGMENT:

Your Directors express their sincere thanks and appreciation to Promoters and Shareholders for their constant support and co operation. Your Directors also place on record their grateful appreciation and co operation received from Bankers, Financial Institutions, Government Agencies and employees of the Company.

For and on behalf of the Board,

Place : Ahmedabad
Date : 29th July, 2015

Dinesh B. Patel
Chairman



FORM - A

Disclosure of particulars with respect to Conservation of Energy

Particulars		2014-15	2013-14
A. Power and Fuel Consumption :			
1.	Electricity		
(a)	Purchased Units (KWH)	3416472	2718624
	Total Amount (` in Lacs)	269.23	196.16
	Rate (Unit)	7.88	7.21
b)	Own generation Through Diesel Generator	75279	33944
	Total Litres	13400	8400
	Unit per Litre of Diesel Oil	5.61	4.04
	Cost/Unit (`)	10.82	10.06
2.	Coal/Lignite (Kgs)	-	-
	Total Amount (Rupees)	-	-
	Average Rate (In ` Per Litre)	-	-
3.	Bio Fuel (Kgs.)	3683460	3644635
	Total Amount (` In lacs)	167.08	159.73
	Average Rate (In ` Per Kgs.)	4.54	4.38
B. Consumption of Electricity units per ton of Production :			
(i)	Electricity (in Units) I. V. Solution - Bottle	0.06	0.06
(ii)	Diesel Oil (in Litres) I. V. Solution – Bottle	0.0015	0.0007
(iii)	Lignite/Coal I. V. Solution – Bottle	-	-
(iv)	Bio Fuel I. V. Solution – Bottle	0.07	0.07

DENIS CHEM LAB LIMITED

(B) TECHNOLOGY ABSORPTION:			
Efforts made in Research and Development and Technology Absorption as per Form B prescribed in the Rules is as under:			
1.	Research & Development (R & D)		
(a)	Specific areas in which R&D carried out by the Company.	: New product development and improvement in Quality.	
(b)	Benefits derived as a result of the above R&D	: Increase in the range of products in its volume of contribution in increased sales turnover.	
(c)	Future plan of action	: To maintain improved quality of products through quality control.	
(d)	Expenditure on R&D	: Marginal	
2.	Technology absorption, adoption and innovation : The Company does not envisage any technology absorption.		
(C) FOREIGN EXCHANGE EARNINGS & OUTGO:			
		2014-15	2013-14
	Total Foreign exchange earnings	US \$ 69,750	US \$ 1,62,616
	Total Foreign Exchange used	₹ 627 lacs	Nil

For and on behalf of the Board,

Place : Ahmedabad
Date : 29th July, 2015

Dinesh B. Patel
Chairman



REPORT ON CORPORATE GOVERNANCE

INTRODUCTION:

Corporate Governance is important to build confidence and trust which leads to strong and stable partnership with the Investors and all other Stakeholders. The detailed Report on implementation of Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchange/s is set out below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and ability. The Company has implemented the mandatory requirements of the 'Code of Governance' as mentioned in Clause 49 of the Listing Agreement. The Compliance Report of the Company vis-à-vis the Stock Exchange Listing Agreement is presented below.

2. BOARD OF DIRECTORS:

a) Composition and Category of Directors as on 31st March, 2015 and on the date of report is:

Name of Directors	Category of Directorship	No. of other Directorships@	No. of Committee Membership/ Chairmanship in other Companies	No. of Board Meetings attended during 2014-15	Attendance at the AGM held on 29-04-2014 Yes(Y)/No(N)
Mr. Dinesh B. Patel	Non-Executive	1	-	9	Y
Dr. Himanshu C. Patel	Executive	1	-	10	Y
Dr. Gaurang K. Dalal	Non-Executive Independent	1	-	10	N
Ms. Anar H. Patel	Non-Executive	-	-	10	Y
Mr. Janak G. Nanavaty	Non-Executive Independent	2	1	8	N
Dr. Gauri S. Trivedi	Non-Executive Independent	-	-	9	N

@ Private Companies Excluded.

DENIS CHEM LAB LIMITED**b) Details of the Directors seeking Appointment/Re-appointment in forthcoming Annual General Meeting:**

Name of Director	Shri Dinesh B. Patel
Date of Birth	04-07-1934
Date of Appointment	25-04-2007
Qualifications	B. Sc. (Chem.)
Expertise in specific functional areas	Management
List of Public Limited Companies in which Directorships held	Sintex Industries Limited
List of Private Limited Companies in which Directorships held	-
Chairman/Member of the Committees of the Board of Directors of the Company	Audit Committee – Member
Chairman/Member of the Committees of Directors of other Companies	-
Shareholding in the Company	NIL

c) Board Procedures:

The Board of Directors meets once a quarter to review the performance and Financial Results. A detailed Agenda File is sent to all the Directors well in time of the Board Meetings. The Chairman/Managing Director briefs the Directors at every Board Meeting, overall performance of the Company. All major decisions/approvals are taken at the Meeting of the Board of Directors such as policy formation, business plans, budgets, investment opportunities, Statutory Compliance etc. The meeting of the Board of Directors for a period from 1st April, 2014 to 31st March, 2015 were held on 29-05-2014; 29-07-2014; 29-09-2014; 12-11-2014; 28-11-2014; 11-02-2015; 24-02-2015; 26-02-2015; 26-03-2015 and 27-03-2015.

3. AUDIT COMMITTEE:

The Audit Committee consists of the following Directors as on date of the Report:

Name of the Directors	Expertise	Functions of the Committee	Attendance
Dr. Gaurang K. Dalal, Chairman	All members are Non executive. Chairman is Independent Director and majority are independent. One member has thorough financial and accounting knowledge.	The functions of the Audit Committee are as per Company Law and Listing Agreement with Stock Exchange which include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies.	Majority of members were present at the meeting held on 29-05-2014; 29-07-2014; 12-11-2014 & 11-02-2015.
Mr. Janak G. Nanavaty			
Mr. Dinesh B. Patel			



The Board of Directors has laid down a policy on Vigil Mechanism for Directors and Employees to report their genuine concerns or grievances to the Company for Company's effective and smooth functioning. All the Board Members and Senior Management personnel have affirmed compliance with the policy of Vigil Mechanism.

4. NOMINATION & REMUNERATION COMMITTEE:

Name of the Directors	Functions of the Committee	Attendance
Mr. Janak G. Nanavaty Chairman	All members are Non executive. The Committee is vested with the responsibilities to function as per SEBI Guidelines and recommends to the Board Compensation Package for the Managing Director. It also reviews from time to time the overall Compensation structure and related policies with a view to attract, motivate and retain employees.	All members were present at the meeting held on 29-05-2014 & 29-07-2014.
Dr. Gaurang K. Dalal		
Dr. Gauri S. Trivedi		

The Committee identifies and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

The Committee fixes remuneration of the Directors on the basis of their performance and also practice in the industry. The terms of reference of the Nomination & Remuneration Committee include review and recommendation to the Board of Directors of the remuneration paid to the Directors. The Committee meets as and when required to consider remuneration of Directors.

Details of remuneration paid:

1. Dr. Himanshu C. Patel, Managing Director was paid ` 52,89,121/- as managerial remuneration during the financial year 2014-15.
2. The Directors were paid total ` 96,600/- as Sitting Fees during the financial year 2014-15.
3. No Commission or Stock Option has been offered to the Directors.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board has constituted a Stakeholders' Relationship Committee for the purpose of effective Redressal of the complaints and concerns of the shareholders and other stakeholders of the Company.

The Committee comprises the following Directors as members as on the date of the Report:

1. Ms. Anar H. Patel Chairman
2. Dr. Himanshu C. Patel Member

The Company has not received any complaints during the year. There was no valid request for transfer of shares pending as on 31st March, 2015.

Ms. Khushbu H. Shah, Company Secretary is the Compliance Officer for the above purpose.

DENIS CHEM LAB LIMITED**6. TRAINING OF INDEPENDENT DIRECTORS:**

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

7. INDEPENDENT DIRECTORS' MEETING:

A meeting of the Independent Directors of the Company was held on 27th March, 2015, in conformity with the provisions of the Schedule IV of the Companies Act, 2013 & the Listing Agreement.

8. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings of the Company are given below:

Financial Year	Date	Time	Venue
2011-2012	14-09-2012	10.00 a.m.	Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729 Special Resolution: 1. Re-appointment of Dr. Himanshu C. Patel as Managing Director of the Company under Section 198, 269, 309, 314, 316 of the Companies Act, 1956. 2. Issue, offer and allot Equity Shares on Preferential Basis under Section 81(1A).
2012-2013	06-09-2013	10.00 a.m.	Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729 No Special Resolution was passed.
2013-2014	29-09-2014	10.00 a.m.	Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729 Special Resolution: 1. Borrowing Limit under Section 180(1)(c) of the Companies Act, 2013 2. Creation of charge/mortgage under Section 180(1)(a) of the Companies Act, 2013 3. Re-appointment of Dr. Himanshu C. Patel as Managing Director of the Company under Sections 188, 196, 197, 203 of the Companies Act, 2013

Pursuant to the relevant provisions of the Companies Act, 1956/ 2013, there was no matter required to be dealt by the Company to be passed through postal ballot during 2014-15.

9. DISCLOSURES:

- a) The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management that may have any potential conflict with the interest of the Company. The Company has no subsidiary.



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- b) There has neither been any non compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.
- c) The Company has established the Vigil Mechanism, by formulating Whistle Blower Policy (WBP), for Directors and Employees of the Company to report their genuine concerns or grievances to the Company. All the Board Members and Senior Management personnel have affirmed compliance with the policy of Vigil Mechanism.

d) Code of Conduct:

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management and the same has been placed on the Company's website. All Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review.

e) Prohibition of Insider Trading:

In Compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has framed a Code of Conduct to avoid any insider trading and it is applicable to all the Directors, Officers and such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing with the shares of the Company.

- f) The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement.

10. MEANS OF COMMUNICATIONS:

In compliance with the requirements of the Listing Agreement, the Company regularly intimates Unaudited/ Audited Financial Results to the Stock Exchanges immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in 'Western Times' (English and Gujarati).

Results are also displayed on Company's website www.denischemlab.com.

During the year ended on 31st March, 2015, no presentations were made to Institutional Investors or analyst or any other enterprise.

11. MANAGEMENT DISCUSSION AND ANALYSIS:

a. Industry Structure and Developments:

The Indian pharmaceutical industry currently tops the chart amongst India's science based industries with wide ranging capabilities in the complex field of drug manufacture and technology. The Indian pharmaceutical industry is expected grow at 19% in 2015. Our Company is primarily into the business of manufacturing and marketing of sterile injectables.

b. Opportunities and Threats:

Our Competitive Strengths:-Diverse Product Portfolio -Wide sales, marketing and distribution network -Wide range of fill volumes -Experienced management team and well qualified senior executives -Adoption of superior technology for manufacturing sterile injectables -Our contract manufacturing and institutional sales business stabilizes our revenue stream -Targeting new domestic and export markets -Wide range of Sterile Injectable Products.

The prices of our pharmaceutical products are or may be restricted by the price controls imposed by government and healthcare providers in several countries including India. In India, prices of

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certain pharmaceutical products are determined by the Drug Prices Control Order (“DPCO”), promulgated by the Indian government and administered by the National Pharmaceutical Pricing Authority (“NPPA”). If the price of one or more products are administered or determined by the DPCO/NPPA, it may have a material adverse impact on our profitability in case we are not able to control costs.

c. Segment wise Performance:

The Company is operating in single segment. Hence, there is no need of reporting segment wise performance.

d. Recent Trend and Future Outlook:

India is now among the top 5 pharmaceutical emerging markets. There will be new drug launches, new drug filings and Phase II clinic trials throughout the year. On back of increasing sales of generic medicines, continued growth in chronic therapies and a greater penetration in rural markets, the domestic pharmaceutical market is expected to grow at 14-15% in 2015.

We expect to keep up with our recent growth numbers. The various cost cutting measures will also lead to expansion in operation margins. We also have had success in penetrating high end customers such as Pan National hospital chains. We expect this development to benefit us as it will give us valuable opportunity to enhance our brand reputation and give us experience to market our products – especially high end –better. Towards this, we have succeeded in obtaining contracts for our new product ‘Aquapulse’ from major hospital chains in India and we expect these efforts to yield more returns in the future.

We are also making efforts to expand our market presence by entering into new markets, especially tier 2 towns. We are also in advanced stages of obtaining new registration for various international markets. We are expecting returns from this push by Q4 FY.16. These marketing efforts have the capacity increase sales and also reduce our dependency on our existing customers.

e. Risks and Concerns:

We operate in a competitive sector. Our institutional customer base includes government, semi-government, hospitals & nursing homes, aided agencies and the defence sector which forms a part of our Company’s income. Our Company procures orders from these institutions by tender process. We may face competition during this tender process.

f. Internal Control Systems and their Adequacy:

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

g. Financial Performance with respect to Operational Performance:

The financial performance of the Company for the year 2014-15 is described in the Directors’ Report.

h. Material Developments in Human Resources and Industrial Relations Front:

Your Company has undertaken certain employees’ development initiatives, which have had of very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year. We are also concentrating on building up of our Human Resource Capital especially in our Sales Team by under taking various T & D activities. We are



also creating adequate support systems at our HO which will provide requisite knowledge and data to our sales team. These activities will lead to a more informed and motivated sales team.

i. Cautionary Statement:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

12. SHAREHOLDERS' INFORMATION:

a)	Registered Office	:	Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729
b)	Annual General Meeting	:	Day : Wednesday
		:	Date : 23 rd September, 2015
		:	Time : 10.00 a.m.
		:	Venue : Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729
c)	Financial Calendar	:	
	1 st Quarter Results	:	Mid August, 2015.
	Half-yearly Results	:	Mid November, 2015.
	3 rd Quarter Results	:	Mid February, 2016.
	Audited yearly Results	:	End-May, 2016.
d)	Book Closure Dates	:	From : Friday, the 4 th September, 2015
		:	To : Wednesday, the 23 rd September, 2015 (both days inclusive).
e)	Dividend Payment Date	:	N.A.
f)	Listing of Shares on Stock Exchanges	:	BSE Limited P. J. Towers, Dalal Street, Mumbai – 400001.
		:	Ahmedabad Stock Exchange Limited, Kamdhenu Complex, 1 st Floor, Ambawadi, Ahmedabad 15. The Company has paid the annual listing fees for the financial year 2015-16 to both the Stock Exchanges where its securities are listed.
g)	Stock Exchange Code	:	Stock Exchange Code
		:	BSE 537536
		:	ASE 13710

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h)	<p>Registrar and Share Transfer Agents :</p> <p>Registrars and Share Transfer Agents (RTA) for both Physical and Demat Segment of Equity Shares of the Company:</p> <p>M/s. Sharepro Services (India) Private Limited, 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Tel. Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Mumbai -400 072</p> <p>Tel no : (22) 67720300/400</p> <p>Fax : (22) 28591568</p> <p>Email Address : sharepro@shareproservices.com</p>
i)	<p>Share Transfer System:</p> <p>The transfer of shares in physical form is processed and completed by M/s. Sharepro Services (India) Private Limited within a period of 15 days from the date of receipt thereof.</p> <p>In case of Shares in electronic form, the transfers are processed by NSDL/ CDSL through the respective Depository Participants.</p>

j) Stock Price Data :

The shares of the Company were traded on the BSE Limited. The information on stock price data are as under:

Month	BSE		
	High (₹)	Low (₹)	Shares Traded (No.)
April, 2014	35.45	24.40	33,815
May, 2014	32.90	20.45	74,006
June, 2014	27.65	18.30	4,86,951
July, 2014	29.50	22.80	2,13,781
August, 2014	28.00	22.80	1,47,362
September, 2014	37.70	24.10	3,63,859
October, 2014	34.25	24.90	1,25,392
November, 2014	50.95	28.50	6,25,793
December, 2014	53.00	33.10	1,66,185
January, 2015	44.00	36.05	1,21,869
February, 2015	43.80	33.10	1,66,185
March, 2015	39.00	30.00	1,18,358



- k) Distribution of Shareholding as on 31st March, 2015:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Up to 500	1498	68.75	282107	3.12
501 to 1000	253	11.61	201445	2.23
1001 to 2000	205	9.40	299607	3.31
2001 to 3000	88	4.04	225787	2.50
3001 to 4000	28	1.28	98210	1.09
4001 to 5000	25	1.15	118024	1.30
5001 to 10000	45	2.07	319469	3.53
10001 to 20000	19	0.87	255505	2.83
20001 & Above	18	0.53	7241642	80.09
Grand Total	2179	100.00	9041796	100.00

- l) Category of Shareholders as on 31st March, 2015:

Category	No. of Shares held	% of Shareholding
Promoters (Directors & Relatives)	4577050	50.62
Financial Institutions/ Banks	—	—
Mutual Fund	—	—
Domestic Companies	119176	1.32
Indian Public	1899544	21.01
NRI & CM	2446026	27.05
Foreign Corporate	—	—
Grand Total	9041796	100.00

- m) Shareholding of Non-Executive Directors as on 31st March, 2015:

Name of the Non-Executive Director	No. of Shares held	% of Shareholding
Ms. Anar H. Patel	25,48,126	28.18
Total	25,48,126	28.18

- n) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:

The Company has not issued any GDRs/ADRs.

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o) Dematerialisation of Shares. :

The Company's Equity Shares are traded compulsorily in dematerialised form.

Approximately 96% of the Equity Shares have been dematerialised. ISIN number for dematerialisation of the Equity Shares of the Company is INE051G01012.

13. CEO/CFO Certification:

The requisite certification from the Managing Director and Chief Financial Officer required to be given under clause 49 (IX) was placed before the Board of Directors of the Company.

14. PLANT LOCATIONS:

The Company's Plant is located at :

Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729.

15. ADDRESS FOR CORRESPONDENCE:

For both Physical and Electronic Form and any assistance regarding correspondence dematerialisation of shares, share transfers, transactions, change of address, non receipt of dividend or any other query relating to shares, Shareholders' correspondence should be addressed to the Company's Registrar and Share Transfer Agent at:

M/s. Sharepro Services (India) Private Limited,
13 AB, Samhita Warehousing Complex,
2nd Floor, Sakinaka Tel. Exchange Lane,
Off Andheri-Kurla Road, Sakinaka,
Mumbai -400 072

Tel no : (22) 67720300/400

Fax : (22) 28591568

Email Address : sharepro@shareproservices.com

Compliance Officer : Ms. Khushbu H. Shah, Company Secretary

16. DECLARATION

All the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the code of conduct for the year ended on 31st March, 2015.

For and on behalf of the Board,

Place : Ahmedabad
Date : 29th July, 2015

Dinesh B. Patel
Chairman



CERTIFICATE ON CORPORATE GOVERNANCE

To
**The Members of
Denis Chem Lab Limited.**

We have examined the compliance of conditions of Corporate Governance by M/s. Denis Chem Lab Limited, for the year ended on 31st March, 2015 and also up to the date of this report as stipulated in Clause 49 of the Listing Agreement of the said Company with BSE Limited and Ahmedabad Stock Exchange Limited.

We have conducted our review on the basis of relevant records and documents maintained by the Company for the year ended 31st March, 2015 and also up to the date of this report and furnished to us for the purpose of the review and the information and explanation given to us by the Company during the course of review.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause- 49 of the above mentioned listing agreements.

As per representation received from the Registrars of the Company, we state that as per records maintained by the Stakeholders' Relationship Committee, no investor grievance remaining unattended/ pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KASHYAP R. MEHTA & ASSOCIATES
Company Secretaries

Place : Ahmedabad
Date : 29th July, 2015

KASHYAP R. MEHTA
Proprietor
C.O.P. No. 2052
FCS: 1821
FRN: S2011GJ16650

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,
The Members,
Denis Chem Lab Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Denis Chem Lab Limited** [CIN: L24230GJ1980PLC003843] ('hereinafter called the Company') having Registered Office at Block No. 457, Village: Chhatral, Tal: Kalol (N.G.) Dist: Gandhinagar – 382 729 Gujarat. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and



(vi) Various common laws applicable to the manufacturing and other activities of the Company such as Labour Laws, Pollution Control Laws, Land Laws etc. for which we have relied on Certificates/ Reports/ Declarations/Consents/Confirmations obtained by the Company from the experts of the relevant field such as Advocate, Labour Law Consultants, Engineers, Occupier of the Factories, Registered Valuers, Chartered Engineers, Factory Manager, Chief Technology Officer of the Company, Local Authorities, Effluent Treatment Adviser etc.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (on voluntary basis).
- (ii) The Listing Agreements entered into by the Company with BSE Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

- a. Duly passed Special Resolution under Section 180(1)(c) at the 33rd Annual General Meeting held on 29th September, 2014 and have complied with relevant provisions of the Companies Act, 2013 and rules made there under
- b. Duly passed Special Resolution under Section 180(1)(a) at the 33rd Annual General Meeting held on 29th September, 2014 and have complied with relevant provisions of the Companies Act, 2013 and rules made there under
- c. Duly passed Special Resolution pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, at the 33rd Annual General Meeting held on 29th September, 2014 to the reappointment of Dr. Himanshu C. Patel as Managing Director of the Company.

For KASHYAP R. MEHTA & ASSOCIATES
Company Secretaries

KASHYAP R. MEHTA
Proprietor
FCS: 1821
COP - 2052
FRN: S2011GJ16650

Place : Ahmedabad
Date : 29th July, 2015

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN AS ON 31ST MARCH, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(1)	CIN	L24230GJ1980PLC003843
(2)	Registration Date	15-07-1980
(3)	Name of the Company	Denis Chem Lab Limited
(4)	Category / Sub-Category of the Company	Public Company Limited by Shares
(5)	Address of the registered Office and Contact Details	Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729
(6)	Whether Listed Company	Yes
(7)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services (India) Private Limited 13 AB, Samhita Warehousing Complex, 2 nd Floor, Sakinaka Tel. Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Mumbai -400 072

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover
1	Manufacture of allopathic Pharmaceutical Preparation	21002	85.45
2	Manufacture of utenary preparation	21005	14.55

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company has no Holding/ Subsidiary/ Associate Company.

IV. SHARE HOLDING PATTERN:

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held as on 1 st April, 2014				No. of Shares held as on 31 st March, 2015				% Change during 2014-15
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1492350	-	1492350	49.52	4577050	-	4577050	50.62	1.1
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	1492350	-	1492350	49.52	4577050	-	4577050	50.62	1.1



B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) VCF	-	-	-	-	-	-	-	-	-
f) Ins. Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign VCF	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4217	10400	14617	0.48	119176	-	119176	1.32	0.84
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals holding <= ` 1,00,000	268480	422525	691005	22.93	1092078	379124	1471202	16.27	(6.66)
ii) Individuals holding > ` 1,00,000	-	-	-	-	416842	11500	428342	4.74	4.74
c) Others (specify)									
NRIs	1200	200	1400	0.05	6881	200	7081	0.08	0.03
OCB	811680	-	811680	26.93	2435040	-	2435040	26.93	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Others	2880	-	2880	0.10	3905	-	3905	0.04	(0.06)
Sub-total (B)(2):-	1088457	433125	1521582	50.48	4073922	390824	4464746	49.38	(1.1)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1088457	433125	1521582	50.48	4073922	390824	4464746	49.38	(1.1)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2580807	433125	3013932	100.00	8650972	390824	9041796	100.00	-

DENIS CHEM LAB LIMITED

ii) Shareholding of Promoters:

Sr No	Shareholder's Name	Shareholding as on 01-04-2014			Share holding as on 31-03-2015			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anar Patel	816042	27.08	-	2548126	28.18	-	1.1
2	Himanshu C. Patel	577680	19.17	-	1733040	19.17	-	-
3	Nirmal H. Patel	98628	3.27	-	295884	3.27	-	-
	Total	1492350	49.52	-	4577050	50.62	-	1.1

iii) Change in Promoters' Shareholding:

Sr. No.	For Each of the Promoter and Promoter Group having change during the year	Shareholding as on 1 st April, 2014		Changes during the Year	Shareholding as on 31 st March, 2015	
		No. of shares	% of total shares		No. of shares	% of total shares
	As on 01-04-2014					
1.	Anar Patel	816042	27.08	1.1%	2548126	28.18

iv) Shareholding Pattern of top ten Shareholders:

(other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding as on 01-04-2014		Changes during the Year (increase/decrease due to allotment of Rights Issue)	Shareholding as on 31-03-2015	
		No. of shares	% of total shares		No. of shares	% of total shares
	As on 01-04-2014					
1	V-S Holding B.V.	811680	26.93	-	2435040	26.93
2	VTC Leasing & Finance Limited	10000	0.3318	(0.2212)	10000	0.1106
3	Giraben Jitendraprasad Patel	7600	0.2522	(0.1681)	7600	0.0841
4	Ankit J. Patel	6084	0.2019	(0.2019)	-	-
5	Ratnamala Satishbhai Patel	6000	0.1991	(0.0885)	10000	0.1106
6	Gunvanti Motilal Shah	5400	0.1792	(0.1095)	6304	0.0697
7	Mrunal S. Jhaveri	5400	0.1792	(0.1792)	-	-
8	Malav K. Parikh	5282	0.1753	0.0377	19255	0.2130
9	Jaykumar Jitendraprasad Patel	4400	0.1460	(0.1460)	-	-
10	Subhadra Rasiklal Surti	4080	0.1354	(0.1354)	-	-



v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding, if any, of each Directors and each Key Managerial Personnel	Shareholding as on 01-04-2014		Changes during the Year	Shareholding as on 31-03-2015	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1.	Anar Patel	816042	27.08	1.1%	2548126	28.18
2.	Himanshu C. Patel	577680	19.17	-	1733040	19.17
3	Nirmal H. Patel	98628	3.27	-	295884	3.27
	Total	1492350	49.52	1.1%	4577050	50.62

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
A.	Indebtedness as on 01-04-2014				
	i) Principal Amount	11,03,70,910	86,85,538	6,10,31,958	18,00,88,406
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	14,06,128	1,04,770	77,626	15,88,524
	Total (i+ii+iii)	11,17,77,038	87,90,308	6,11,09,584	18,16,76,930
B.	Change in Indebtedness during 2014-15				
	* Addition	15,76,91,033	1,76,15,697	6,68,71,886	24,21,78,616
	* Reduction	3,53,43,265	1,52,70,839	5,82,33,079	10,88,47,183
	Net Change				
C.	Indebtedness as on 31-03-2015				
	i) Principal Amount	23,27,18,678	1,10,30,396	6,96,70,765	31,34,19,439
	ii) Interest due but not paid				
	iii) Interest accrued but not due	26,74,927	90,955	6,22,540	33,88,422
	Total (i+ii+iii)	23,53,93,605	1,11,21,351	7,02,93,305	31,68,07,861

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manger
		Mr. Himanshu C. Patel
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 51,72,800
	(b) Value of perquisites u/s 17(2)Income-tax Act, 1961	₹ 1,16,321
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	
2.	Stock Option	NIL
3.	Sweat Equity	NIL
4.	Commission	NIL
5.	Others, Please specify	NIL
	Total (A)	₹ 52,89,121
	Ceiling as per the Companies Act	

B. Remuneration to other Directors:

Particulars of Remuneration	Name of Directors					Total Amount
	Anar Patel	Dinesh Patel	Gaurang Dalal	Janak Nanavaty	Gauri Trivedi	
1. Fee for attending Board/ Committee meetings	21110	18880	21110	17720	17780	96600
2. Commission	-	-	-	-	-	-
3. Others,	-	-	-	-	-	-
please specify						
Total Managerial Remuneration	21110	18880	21110	17720	17780	96600



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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Nirmal Patel - CEO	Ms. Khushbu Shah - Company Secretary	Mr. Vikram Joshi - CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,25,200	1,82,400	13,75,000	25,82,600
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
5.	Others, Please specify	-	-	-	-
	Total	10,25,200	1,82,400	13,75,000	25,82,600

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no such Penalties/ Punishment/ Compounding of Offences as on the date of report.

INDEPENDENT AUDITORS' REPORT

To,
The Members of
DENIS CHEM LAB LIMITED

We have audited the accompanying financial statements of **DENIS CHEM LAB LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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



- i. in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2015;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SHAH & SHAH ASSOCIATES

Chartered Accountants

FRN:113742W

NIMISH B SHAH

PARTNER

Membership Number: 30102

Place : Ahmedabad

Date : 19th May, 2015

**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT ON ACCOUNTS FOR
THE YEAR ENDED 31st MARCH, 2015**

1. a) The company is in the process of compiling and preparing records showing full particulars, including quantitative details and situation of fixed assets.
b) As explained to us, all the fixed assets have been physically verified by the management at the end of the year. However in the absence of records of fixed assets; material discrepancies, if any could not be found on such verification the said fixed assets.
2. a) Physical verification has been conducted by the management at reasonable intervals in respect of finished goods, raw materials & work-in-progress & stores & spares.
b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) In our opinion the Company is maintaining proper records of inventories. The discrepancies noticed on such verification between the physical stocks and book records were not significant and the same have been properly dealt with in the books of account.
3. As informed to us the company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act,2013.
4. In our opinion there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. We have broadly reviewed the cost records maintained by the company and are of the opinion that prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
7. a) As per information and explanations given to us, the company is not regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable except for a sum of ₹ 36,55,070/- for Service Tax.
b) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute, except in case of excise duty and income tax, the details of which is as under:



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Disputed liability in respect of	Dispute pending before	Financial Year	Amount involved (₹)
CST	Commissioner of Commercial Tax, (Appeals)	2005-06	74,41,721/-
GST	Commissioner of Commercial Tax, (Appeals)	2005-06	5,93,005/-
CST	Commissioner of Commercial Tax, (Appeals)	2004-05	12,91,963/-
VAT	Commissioner of Commercial Tax, (Appeals)	2004-05	7,91,085/-
Income Tax	Commissioner of Income Tax, (Appeals)	2010-11	3,55,690/-
Income Tax	Commissioner of Income Tax, (Appeals)	2011-12	9,40,590/-

8. There are no accumulated losses of the company as at the end of the year. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that there is no default in repayment of dues to the banks as at the year end.
10. According to information and explanations given to us the Company has not given any guarantee for loan taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.
11. Term loans obtained by the company in earlier years have been utilized for the purpose for which they were obtained.
12. Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended 31.03.2015.

For SHAH & SHAH ASSOCIATES
Chartered Accountants
FRN:113742W

Place : Ahmedabad
Date : 19th May, 2015

NIMISH B SHAH
PARTNER
Membership Number: 30102

DENIS CHEM LAB LIMITED

BALANCE SHEET AS ON 31ST MARCH, 2015

Particulars	Note No.	As at	
		31/03/2015	31/03/2014
		Amount ₹	Amount ₹
EQUITY AND LIABILITIES:			
Shareholders' Funds:			
Share Capital	1	90,417,960	30,139,320
Reserves and Surplus	2	78,057,196	64,421,859
		168,475,156	94,561,179
Non-current Liabilities:			
Long-term borrowings	3	240,349,382	169,779,217
Deferred tax liabilities (Net)	4	6,768,830	4,799,080
Long-term provisions	5	3,721,762	4,208,269
		250,839,974	178,786,566
Current Liabilities			
Short-term borrowings	6	165,225,964	125,539,244
Trade payables	7	81,183,947	51,656,443
Other current liabilities	8	145,327,263	60,685,770
Short-term provisions	9	2,197,464	10,269,631
		393,934,638	248,151,088
TOTAL		813,249,768	521,498,833
ASSETS :			
Non-Current Assets			
Fixed Assets			
Tangible assets	10	422,734,829	91,292,827
Capital Work-in-Progress		2,175,020	87,336,404
		424,909,849	178,629,231
Non - Current Investments	11	600,000	3,011,096
Long-term loans and advances	12	13,916,695	6,805,062
Current Assets			
Inventories	13	39,894,683	35,888,142
Trade Receivables	14	253,806,506	165,733,870
Cash and Bank balances	15	18,180,760	27,220,622
Short-term loans and advances	16	60,321,303	103,645,082
Other current assets	17	1,619,972	565,728
		373,823,224	333,053,444
TOTAL		813,249,768	521,498,833
Summary of Significant Accounting Policies &	26		
The accompanying notes forming integral part of the financial statements.	27		

As per our Report of even date

For and on behalf of Board of Directors

For Shah & Shah Associates

Chartered Accountants

Nimish B. Shah

Partner

Membership No. 30102
[FRN No. : 113742W]

Place : Ahmedabad
Date : 19th May, 2015

Mr. Vikram Joshi
Chief Financial Officer

Ms. Khushbu H. Shah
Company Secretary

Mr. Dinesh B. Patel
Chairman

Dr. Himanshu C. Patel
Managing Director

Ms. Anar H. Patel
Mr. Janak G. Nanavaty

Dr. Gaurang K. Dalal

Ms. Gauri S. Trivedi
Directors

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	For the year ended 31st March 2015 (₹)	For the year Ended 31st March 2014 (₹)
INCOME			
Revenue from Operations	18	768,527,528	673,137,179
Other income	19	2,950,033	2,763,938
TOTAL INCOME		771,477,561	675,901,117
EXPENSES			
Cost of Materials Consumed	20	375,305,336	357,081,069
Changes in inventories of finished goods & work-in-progress	21	(6,033,802)	(3,308,950)
Employee Benefit Expenses	22	73,826,993	63,481,305
Depreciation and amortization expenses	10	38,791,889	13,162,950
Finance Cost	23	53,628,090	29,903,917
Other Expenses			
I) Manufacturing & Other Expenses	24	87,713,585	75,490,180
II) Selling & Distribution Expenses	25	144,657,068	118,783,351
TOTAL EXPENSES		767,889,159	654,593,822
Profit Before Tax		3,588,402	21,307,295
Tax Expenses			
Current Tax		802,620	9,900,000
Deferred Tax		1,969,750	(1,072,865)
Short/(Excess) provision of tax relating to earlier years		-	-
Profit for the year		816,032	12,480,160
Earning per Share (EPS)			
Basic & Diluted		0.09	4.14
Summary of Significant Accounting Policies &	26		
The accompanying notes forming integral part of the financial statements.	27		

As per our Report of even date

For Shah & Shah Associates

Chartered Accountants

Nimish B. Shah

Partner

Membership No. 30102

[FRN No. : 113742W]

Place : Ahmedabad

Date : 19th May, 2015

For and on behalf of Board of Directors

Mr. Vikram Joshi
Chief Financial Officer**Ms. Khushbu H. Shah**
Company Secretary**Mr. Dinesh B. Patel**
Chairman**Dr. Himanshu C. Patel**
Managing Director**Ms. Anar H. Patel**
Mr. Janak G. Nanavaty
Dr. Gaurang K. Dalal
Ms. Gauri S. Trivedi
Directors

Place : Ahmedabad

Date : 19th May, 2015

DENIS CHEM LAB LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015

Sr. No.	Particulars	For the Period Ended on 31/03/2015		For the Period Ended on 31/03/2014	
		Amount ₹	Amount ₹	Amount ₹	Amount ₹
A.	Cash Flow From Operating activities:				
	Net Profit before Tax		3,588,402		21,307,295
	Adjustments For:				
	Depreciation	38,791,889		13,162,950	
	Loss/(Profit) on Sale of Assets Sold/Discarded (Net)	-		-	
	Interest Income	(2,205,449)		(1,727,439)	
	Finance Cost	53,628,090	90,214,530	29,903,917	41,339,428
	Operating Profit before Working Capital Changes		93,802,932		62,646,723
	Movement in Working Capital				
	Trade Receivables	(88,072,636)		845,993	
	Inventories	(4,006,541)		(2,671,954)	
	Loans & Advances and Other Assets	35,157,902		(86,045,191)	
	Liabilities & Provisions*	106,096,830		7,834,750	
	Short Term loans & Advances	-		-	
			49,175,555		(80,036,402)
	Cash Generated From Operations		142,978,487		(17,389,679)
	Less: Direct Taxes Paid (Net of refunds received,if any)		802,620		7,179,044
	Net Cash Generated from Operating Activities		142,175,867		(24,568,723)
B.	Cash Flow From Investing Activities				
	Purchase of Fixed Assets	(285,570,975)		(96,408,656)	
	Proceeds from Sale of Fixed Assets	-		-	
	Interest Received	2,205,449		1,727,439	
	Investments	2,411,096		-	
	Net Cash used in Investing Activities		(280,954,430)		(94,681,217)
C.	Cash Flow From Financing Activities				
	Increase/(Decrease) in Long term Borrowing	70,570,165		124,709,817	
	Increase/(Decrease) in Short term Borrowing	39,686,720		27,190,716	
	Increase/(Decrease) in Other Long term Provisions	(486,507)		4,208,269	
	Finance Cost	(53,628,090)		(29,903,917)	
	Dividend paid	-		(3,013,932)	
	Share issued	60,278,640		-	
	Dividend Tax Paid	-		(512,218)	
	Preliminary expenses w/f against Securities Premium	13,317,773		-	
	Net Cash used in Financing Activities		129,738,702		122,678,735
	Net Increase/(Decrease) in Cash & Cash Equivalents		(9,039,862)		3,428,795
	Cash & Cash Equivalents as at beginning of the Year		27,220,622		23,791,827
	Cash & Cash Equivalents as at closing of the Year		18,180,760		27,220,622

NOTES : The figures of previous year have been regrouped wherever necessary

As per our Report of even date

For and on behalf of Board of Directors

For Shah & Shah Associates

Chartered Accountants

Nimish B. Shah

Partner

Membership No. 30102

[FRN No. : 113742W]

Place : Ahmedabad

Date : 19th May, 2015

Mr. Vikram Joshi
Chief Financial Officer

Ms. Khushbu H. Shah
Company Secretary

Mr. Dinesh B. Patel
Chairman

Dr. Himanshu C. Patel
Managing Director

Ms. Anar H. Patel
Mr. Janak G. Nanavaty

Dr. Gaurang K. Dalal

Ms. Gauri S. Trivedi

Directors

Place : Ahmedabad

Date : 19th May, 2015



**NOTES FORMING PART OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON 31ST MARCH, 2015**

Particulars	As at 31/03/2015		As at 31/03/2014	
	Number	Amount (₹)	Number	Amount (₹)
NOTE - 1 : SHARE CAPITAL				
Authorised:				
11,000,000 Equity Shares of ₹ 10/- each (Previous year 11,000,000 Shares)		110,000,000		110,000,000
Issued, Subscribed & Fully paid up:				
9,041,796 Equity Shares of ₹ 10/- each (Previous year 3,013,932 Shares)		90,417,960		30,139,320
Total		<u>90,417,960</u>		<u>30,139,320</u>

Disclosure Pursuant to Note no. 6(A)(f) and 6 (A)(g) of Part I of Schedule VI to the Companies Act, 1956

The Details of Share Holders holding more than 5 % of Shares

Name of the share holder	As at 31/03/2015		As at 31/03/2014	
	No of Shares	%	No of Shares	%
Himanshu C. Patel	1,733,040	19.17	577,680	19.17
Anar H Patel	2,548,126	28.18	816,042	27.08
V-S Holding B.V.	2,435,040	26.93	811,680	26.93

i) The Reconciliation of the number of shares outstanding is set out below

Particular	No of Shares	No of Shares
Shares outstanding at the beginning of the year	3,013,932	1,506,966
Right/Bonus Issue During the Year	6,027,864	1,506,966
Shares outstanding at the end of the year	9,041,796	3,013,932

The Company has one class of equity shares having par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to shareholding.

DENIS CHEM LAB LIMITED

Particulars	As at 31/03/2015 Amount (₹)	As at 31/03/2014 Amount (₹)
NOTE - 2 : RESERVES AND SURPLUS		
General Reserve		
Balance as per last Balance Sheet	4,190,925	4,190,925
Less: Additional Depreciation pursuant to Enactment of Schedule - II of the Companies Act, 2013	(498,468)	-
Add: Transferred from Profit & Loss Account	-	-
	3,692,457	4,190,925
Capital Reserve		
i. Capital profit on forfeiture of equity shares		
Balance as per last balance sheet	14,500	14,500
ii. Cash Subsidy		
Balance as per last balance sheet	1,183,950	1,183,950
iii. Security Premium		
Balance as per last balance sheet	10,778,760	25,848,420
Less : Bonus Issue	-	(15,069,660)
Add :Right Issue preimum	18,083,592	-
Less:Right Issued Expenses	(4,765,819)	-
	24,096,533	10,778,760
Profit & Loss Account		
Balance as per last Balance Sheet	48,253,724	35,773,564
Add: Transferred from Statement of Profit & Loss	816,032	12,480,160
Less : Appropriations		
Transferred to General Reserve	-	-
Proposed Dividend on Equity Shares	-	-
Tax on Dividend	-	-
	49,069,756	48,253,724
Total	78,057,196	64,421,859



Particulars	As at 31/03/2015 Amount (₹)		As at 31/03/2014 Amount (₹)	
NOTE - 3 : LONG TERM BORROWINGS				
Secured				
Term Loans				
From Banks				
Corporate Term Loan				
Axis Bank Limited (Refer Note - I)	120,533,065		63,266,077	
Bank of India (Refer Note -II)	99,097,328		35,976,115	
Other Loans				
Life Insurance Corporation (Refer Note - III)	2,478,500		2,478,500	
Machinery Loan (Refer Note - IV)	9,989,435		8,650,219	
Vehicle Loan	620,351	232,718,679	-	110,370,911
Less : Current Maturity within next 12 months		(64,743,249)		(4,334,888)
Total (A)		167,975,430		106,036,023
Unsecured Loans :				
Deposit from Directors	51,470,766		47,333,462	
Deposit from Stockist	18,200,000		13,698,496	
Banks and Others	11,030,396	80,701,162	8,685,538	69,717,496
Less : Current Maturity withing next 12 months		(8,327,210)		(5,974,302)
Total (B)		72,373,952		63,743,194
Total(A+B)		240,349,382		169,779,217

- I. Corporate loan from Axis Bank Limited is secured against first pari passu charge on the land at Block No. 460 and land at block No.457 of Village- Chhatral, Taluka : Kalol, Dist Gandhinagar, Plant and Machinery of the company with other consortium banks, fixed assets to be acquired out of bank finance with other consortium lenders. Further it is also secured against second charge on respective units of immovable properties & by personal guarantee of the Managing Director of the company
- II. Corporate loan from Bank of India is secured against first pari passu charge on the land at Block No. 460 and land at block No.457 of Village- Chhatral, Taluka : Kalol, Dist Gandhinagar, Plant and Machinery of the company with other consortium banks, fixed assets to be acquired out of bank finance with other consortium lenders. Further it is also secured against second charge on respective units of immovable properties & by personal guarantee of the Managing Director of the company
- III. Loan from Life Insurance Corporation of India is Secured against assignment of Keyman Insurance Policy .
- IV. Machinery loan from Intec Capital Limited amounting to ` 60.00 Lakhs (Previous year ` 86.50 Lakhs) and Reliance Capital Limited amounting to ` 39.89 (Previous year Nil) are secured against hypothecation of concerned machinery.
- V. Vehicle Loan from Kotak Mahindra Bank Ltd. amounting to ` 6.21 Lakhs (Previous year Nil) is secured against hypothecation of vehicle.

DENIS CHEM LAB LIMITED

Particulars	As at 31/03/2015 Amount (₹)	As at 31/03/2014 Amount (₹)
NOTE - 4 : DEFERRED TAX LIABILITIES (NET)		
Tax effect of items constituting deferred tax liability:		
On difference between book balance and tax balance of fixed assets due to depreciation	28,595,097	6,294,234
Tax effect of items constituting deferred tax asset:		
Disallowance under Income Tax Act	21,826,267	1,495,153
Total	6,768,830	4,799,081

NOTE - 5 : LONG TERM PROVISION**For Employee Benefits**

Group Gratuity	1,700,937	2,136,725
Leave Encashment	2,020,825	2,071,544
Total	3,721,762	4,208,269

NOTE - 6 : SHORT TERM BORROWINGS**Secured:**

Working Capital Loan From Banks (Refer Note-I)	120,759,809	84,822,522
Bill Discounting Facilities (IFCI Ltd)	44,466,155	165,225,964
Total	165,225,964	125,539,244

- I. Working Capital Loans from the Axis Bank is Secured against equitable mortgage of land situated at Block No . 460 of Village - Chhatral, Taluka : Kalol, Dist Gandhinagar. And exculsive charge by way of Stocks of Raw Materials, Work - in- Process , Finish Goods, Consumable Stores and Spares and such other movables including Book Debts. Further it is also secured against personal guarantee of Managing Director of the company.

NOTE - 7 : TRADE PAYABLES**Trade Payables**

Sundry Creditors (Refer Note-26(h))	81,183,947	51,656,443
Total	81,183,947	51,656,443



Particulars	As at 31/03/2015 Amount (₹)	As at 31/03/2014 Amount (₹)
NOTE - 8 : OTHER CURRENT LIABILITIES		
Advances from Customers	1,405,851	6,285,070
Current Maturity of Long Term Borrowings (Refer Note under long term borrowings for details of security)	73,070,459	10,309,190
Unpaid Dividend*	580,702	639,394
Other liabilities**	70,270,251	43,452,116
Total	145,327,263	60,685,770

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

** Other liabilities include statutory remittances, payable for capital goods/services, remuneration to employees.

NOTE - 9 : SHORT TERM PROVISIONS

Tax Provisions (Net of Advance Tax)	1,191,233	10,269,631
Provision for Excise Duty	1,006,231	
Provision for Dividend	-	-
Provision for Coprorate Dividend Tax	-	-
Total	2,197,464	10,269,631

NOTE - 10 : FIXED ASSETS

	Gross Block (At Cost)				Depreciation Block				Net Block	
	As at 01/04/14	Addition during the Year	Deduction during the Year	Total as at 31/03/15	As at 01/04/14	For the Year	Deduction during the Year	Total as at 31/03/15	As at 31/03/15	As at 31/03/14
Free Hold Land	1,039,292	-	-	1,039,292	-	-	-	-	1,039,292	1,039,292
Building	51,320,564	102,672,289	-	153,992,853	28,090,652	7,375,118	-	35,465,770	118,527,083	23,229,912
Plant & Machinery	150,241,001	246,505,411	-	396,746,412	89,130,079	26,463,815	-	115,593,894	281,152,518	61,110,922
Laboratory Equipment	6,415,702	1,202,102	166,310	7,451,494	3,524,399	1,104,040	-	4,628,439	2,823,055	2,891,303
Electrical Installation	6,187,995	15,717,478	275,999	21,629,474	4,114,547	2,831,514	-	6,946,061	14,683,413	2,073,448
Furniture Fixtures	2,681,074	1,893,736	22,413	4,552,397	2,253,924	357,325	-	2,611,249	1,941,148	427,150
Computer	920,330	326,600	30,608	1,216,322	734,427	212,996	-	947,423	268,899	185,903
Vehicles	1,922,839	899,211	3,138	2,818,912	1,799,427	167,615	-	1,967,042	851,870	123,412
Other Equipments	221,431	231,881	-	453,312	9,946	163,937	-	173,883	279,429	211,485
Intangible Assets	-	1,283,651	-	1,283,651	-	115,529	-	115,529	1,168,122	-
Total	220,950,228	370,732,359	498,468	591,184,119	129,657,401	38,791,889	-	168,449,290	422,734,829	91,292,827
Previous year	211,527,845	9,422,383	-	220,850,228	116,494,451	13,162,950	-	129,657,401	91,292,827	-

DENIS CHEM LAB LIMITED

Particulars	As at 31/03/2015 Amount (₹)	As at 31/03/2014 Amount (₹)
NOTE - 11: NON CURRENT INVESTMENTS		
Non Trade		
OTHER INVESTMENTS		
In Debentures / Mutual Fund		
Quoted		
13.5% Debenture of Peninsula Land Limited 2015 of ` 10,00,000 each	-	1,011,096
1000, 7.40% Debentures of India Infrastructure Finance Company Limited of ` 1000 each	-	1,000,000
Unquoted		
400,12.50% Debentures of Tata Capital Ltd of ` 1500 each	600,000	600,000
In Mutual Funds		
355.574,Units of India Bulls Liquid Fund of ` 1000 each	-	400,000
Total	600,000	3,011,096
Aggregate amount of Quoted Investments	-	2,011,096
Aggregate amount of Unquoted Investments	600,000	1,000,000
NOTE - 12 : LONG TERM LOANS AND ADVANCES		
Unsecured, Considered Good:		
Security and Other Deposits	13,916,695	6,805,062
Total	13,916,695	6,805,062
NOTE - 13 : INVENTORIES		
Raw Materials & Packing Materials	19,379,986	21,290,540
Work-in-Progress	2,610,577	1,212,050
Finished Goods	16,853,063	12,217,788
Stores & Spares	1,051,057	1,167,764
Total	39,894,683	35,888,142
NOTE- 14 : TRADE RECEIVABLES		
Unsecured:		
Debts outstanding for a period exceeding six months:		
Consider Good	2,909,742	3,122,539
Consider Doubtful (See Note. 26(f))	-	-
	2,909,742	3,122,539
Less Provision for Doubtful Debts	-	-
	2,909,742	3,122,539
Others, considered Good	250,896,764	162,611,331
Total	253,806,506	165,733,870

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Particulars	As at 31/03/2015 Amount (₹)	As at 31/03/2014 Amount (₹)
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NOTE - 15 : CASH AND BANK BALANCES

Cash and Cash Equivalents

Balances With Banks

Current Accounts	1,624,081	14,337,483
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Cash on Hand	247,841	309,042
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Other Bank Balances

Fixed Deposit with Original maturity period of more than twelve months but maturing within next twelve months	331,000	50,000
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Unpaid Dividend Accounts *	580,702	639394
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Margin Money /Bank Guarantee (Including some under lien with bankers)	15,397,136	11884703
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Total	18,180,760	27,220,622
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*These Balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

NOTE - 16 : SHORT TERM LOANS AND ADVANCES

(Unsecured, Considered good):

Advances paid to suppliers*	51,181,957	93,067,085
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Balance with Government Authorities	2,515,579	3,053,221
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Advances recoverable in cash or kind or value to be received*	5,756,683	7,078,139
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Advances to Staff	867,084	446,637
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Total	60,321,303	103,645,082
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*Includes to related parties

NOTE - 17 : OTHER CURRENT ASSETS

Interest accrued on Deposits	1,619,972	565,728
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Total	1,619,972	565,728
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**NOTES FORMING PART OF PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED ON 31ST MARCH - 2015**

Sr. Particulars No.	For the Period Ended on 31/03/2015		For the Period Ended on 31/03/2014	
	Amount ₹	Amount ₹	Amount ₹	Amount ₹
NOTE - 18 : REVENUE FROM OPERATIONS				
Transfusion Solution in Bottles	771,504,832		667,684,210	
Conversion Charges	28,981,773		34,901,971	
	<u>800,486,605</u>		<u>702,586,181</u>	
Less: Excise Duty	31,959,077	768,527,528	29,449,002	673,137,179
Total		<u><u>768,527,528</u></u>		<u><u>673,137,179</u></u>
NOTE - 19 : OTHER INCOME				
Interest	1,958,066		1,727,439	
Interest on Investment	247,383		-	
Miscellaneous Income	124,947		3,083	
Rent Income	619,637		227,000	
Sundry Balance Written Off	-	2,950,033	806,416	2,763,938
Total		<u><u>2,950,033</u></u>		<u><u>2,763,938</u></u>
NOTE - 20 : COST OF MATERIALS CONSUMED				
Raw Materials and Packing Materials Consumed	370,706,766		351,182,417	
Stores, Spares & Tools Consumed	4,598,570	375,305,336	5,898,652	357,081,069
Total		<u><u>375,305,336</u></u>		<u><u>357,081,069</u></u>



Sr. Particulars No.	For the Period Ended on 31/03/2015		For the Period Ended on 31/03/2014	
	Amount ₹	Amount ₹	Amount ₹	Amount ₹

**NOTE - 21 : CHANGES IN INVENTORIES OF
FINISHED GOODS AND WORK IN PROGRESS**

Opening Stocks:

Finished Goods	12,217,788		9,532,025	
Work-in-Progress	<u>1,212,050</u>	<u>13,429,838</u>	<u>588,863</u>	10,120,888

Less : Closing Stocks :

Finished Goods	16,853,063		12,217,788	
Work-in-Progress	<u>2,610,577</u>	<u>19,463,640</u>	<u>1,212,050</u>	13,429,838
Variation		<u>(6,033,802)</u>		<u>(3,308,950)</u>
Total		<u><u>(6,033,802)</u></u>		<u><u>(3,308,950)</u></u>

NOTE - 22 : EMPLOYEE BENEFITS EXPENSES

Salaries, Wages & Bonus	69,573,127		56,392,189	
Contribution to provident & other funds	3,611,837		6,707,241	
Staff Welfare Expenses	<u>642,029</u>	<u>73,826,993</u>	<u>381,875</u>	<u>63,481,305</u>
Total		<u><u>73,826,993</u></u>		<u><u>63,481,305</u></u>

NOTE - 23 : FINANCE COST

Interest on Working Capital Loans from banks	21,298,727		17,778,631	
Interest on Term Loan	19,691,575		4,067,139	
Bank charges and L/C charges	5,068,722		3,842,988	
Interest Others	<u>7,569,066</u>	<u>53,628,090</u>	<u>4,215,159</u>	<u>29,903,917</u>
Total		<u><u>53,628,090</u></u>		<u><u>29,903,917</u></u>

DENIS CHEM LAB LIMITED

Sr. Particulars No.	For the Period Ended on 31/03/2015		For the Period Ended on 31/03/2014	
	Amount ₹	Amount ₹	Amount ₹	Amount ₹
NOTE - 24 : MANUFACTURING AND OTHER EXPENSES				
Laboratory Chemicals		4,030,126		3,451,267
Electricity Charges		28,413,861		19,616,330
Fuel Consumption		17,654,269		16,559,480
Freight Inward		4,512,348		5,101,402
Office Rent		480,000		480,000
Rates & Taxes		415,500		15,500
Repairs & Maintenance :				
Machinery	3,908,371		3,004,560	
Building	272,787		760,085	
Computer	264,011		227,807	
Others	72,841	4,518,010	781,668	4,774,120
Insurance		21,257		478,642
Loading & Unloading Charges		3,905,907		3,076,794
Traveling & Conveyance		6,063,984		4,689,215
Vehicle expenses		346,351		203,742
Printing, Stationery and Postage Expenses		1,272,805		1,398,695
Excise Duty and Service Taxes		6,120,701		2,500,123
Donation		10,000		-
Bad Debts written off		256,070		363,755
General Charges		9,571,345		11,828,180
Preliminary Expenses W/ff		-		670,000
Foreign Exchange Gain /Loss		121,053		282,935
Total		87,713,585		75,490,180
NOTE : 25 Selling & Distribution Expenses				
Packing & Freight		76,139,196		69,954,808
Commission On sales		34,007,115		27,873,532
Advertisement and Sales promotion		4,087,324		4,390,963
Breakages & Damages		6,965,169		2,473,227
Travelling Expenses		8,944,116		5,702,781
Discount and Rate Difference		14,330,548		7,976,458
Depot Maintenance Expenses		183,600		411,582
Total		144,657,068		118,783,351

**NOTE 26 : SIGNIFICANT ACCOUNTING POLICIES****Corporate Information:**

Denis Chem Lab Limited is public limited company domiciled in India and incorporated in 1982 under the provisions of Companies Act, 1956. Its shares are listed on BSE in India. The company is engaged in the business of manufacturing of Pharmaceutical Products.

a) Basis of Accountings:

The Financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention.

b) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Fixed Assets and Depreciations:

- i. Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment provisions. The cost comprises purchase price (Net of Cenvat/Vat credit wherever applicable) and any attributable cost for bringing the asset to its working condition for its intended use, inclusive of financing cost till commercial production.
- ii. Depreciation has been provided under the "Written Down Value Method (WDV)" as per the provisions of and on the basis of useful life of the assets prescribed in Schedule II to the Companies Act, 2013.

d) Impairment of Assets:

The company evaluates impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired, the impairment loss is then recognized for the amount by which the carrying amount of the assets to the act exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest levels for which there are separately identifiable cash flows.

e) Investments:

Long term investments are carried at cost less provision, if any for other than temporary diminution in the value of such investments. Current investments are stated at lower of cost and fair value.

f) Inventories:

Inventories consist of Raw Materials and Packing Materials, Work-In-Process, Finished goods and Stores. Inventories are valued at lower of cost and net realizable value. The cost is determined on First In First Out basis. The cost of work in process and finished goods includes material and packing cost, proportion of labour and manufacturing overheads.

DENIS CHEM LAB LIMITED

g) Excise Duty:

The excise duty in respect of closing inventory of finished goods is included as part of inventory, if any as per applicable laws.

h) Revenue Recognition:

Sales are recognized upon delivery of products and are recorded inclusive of excise duty but net of rate difference and sales tax.

Dividend on investments is recognised only when the right of receipt is established.

Interest income is recognized on time proportion basis.

i) Transaction in Foreign Currency:

Foreign exchange transactions are accounted at the exchange rate prevailing at the date of the transaction. Gains and Losses resulting from settlement of such transaction and from the transaction of monetary assets and liabilities denominated in foreign currency are recognized in the statement of Profit and Loss.

j) Stores and Spares:

Stores and spares consumed include spares utilised for repairs and maintenance of machinery.

k) Cenvat Credit:

Consumption of materials is arrived at after considering credit availed under CENVAT scheme under central excise rules. Cenvat availed on Capital Goods is reduced from the cost of the Fixed assets.

l) Retirement Benefits:

The company has covered its gratuity liability with Life Insurance Corporation of India under Employee Group Gratuity Scheme.

Leave Encashment payable to the employees are recorded on accrual basis.

Contribution to Provident Fund and Employee State Insurance Scheme is charged to revenue.

m) Research & Development Expenses:

Expenditure on Research & Development on revenue account is charged to Statement of Profit & Loss. Assets acquired for Research & Development activities are capitalised and depreciated in the same manner as other fixed assets.

n) Provisions for Taxation:

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the company.

Deferred Tax Assets and Liabilities are recognised on Future Tax consequences attributable to the timing differences that result between the profits offered for Income Tax and Profit as per Financial Statement. Deferred Tax assets and Liabilities are measured as per the tax rates/laws that have been enacted by the balance sheet date.

**NOTE : 27 NOTES ON FINANCIAL STATEMENTS**

- a) Contingent Liability not provided for:

Particulars		As At	As At
		31-03-2015 ₹	31-03-2014 ₹
i)	In respect of counter guarantee given by the bank	4,88,32,782	3,79,67,223
ii)	Disputed demand not acknowledged as debt against which the company has preferred appeal:		
	Sales Tax	10,117,774	10,151,901
	Income Tax	12,96,280	3,55,690

- b) Estimated amount of contracts remaining to be executed on capital account and not provided for ` 5,10,47,302/- (Previous Year ` 21,37,05,000/-)
- c) Balances of Debtors, Creditors and Loans and Advances in the Balance Sheet are subject to confirmation.
- d) In the opinion of the management of the Company, provisions for all known liabilities have been made in the books of accounts. Further, the current assets and liabilities are stated at the value realisable in the ordinary course of business.
- e) Statement of Profit & Loss Includes:

Sr. No.	Particulars	2014-15	2013-14
(i)	Remuneration of auditor:		
	For Audit Fees	5,64,730	5,64,730
	For certification work	—	—
	Tax audit fees	85,270	85,270
	Total	6,50,000	6,50,000
(ii)	Remuneration to Managing Director		
	Salary	50,00,000	30,00,000
	Contribution to Provident Fund	1,72,800	1,72,800
	Perquisites	1,16,321	1,02,702
	Total	52,89,121	32,75,702

- f) Under the Micro, Small and Medium Enterprises Development Act, 2006; certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The company is in the process of compiling relevant information from its suppliers about their coverage under the Act. Since the relevant information is not available, no disclosures have been made in the accounts.
- g) The management of the company has carried out an exercise to ascertain impairment of Fixed Assets. In the opinion of the management of the company there are no indications of impairment of assets as at 31/03/2015 and therefore no effect of impairment is required to be given in the books of accounts.

DENIS CHEM LAB LIMITED

h) Unsecured Loans:

Unsecured loan from banks includes a sum of ` Nil (Previous year ` 4,12,813/-) borrowed from the different banks for the purpose of the business of the company sanctioned to Managing Director of the company in his personal capacity.

i) Value of Raw Materials, Store & Spares Consumed:

Sr. No.	Particulars	2014-15		2013-14	
		₹	% of Total	₹	% of Total
(i)	Raw Material				
	Imported	3,71,484	0.10	13,44,980	0.38
	Indigenous	37,03,352,82	99.90	34,98,37,437	99.62
	Total	37,07,06,766	100.00	35,11,82,417	100.00
(ii)	Stores & Spares				
	Imported	-	-	-	-
	Indigenous	45,98,570	100.00	58,98,652	100.00
	Total	45,98,570	100.00	58,98,652	100.00

j) C.I.F. Value of Imports in respect of Raw Materials : ` 3,71,484/- (Previous Year ` 13,44,980/-)

k) F.O.B. Value of Exports in respect of Goods : ` 4,21,72,467/-

l) RELATED PARTY DISCLOSURES:-

a) Name of the Related Parties:-

- i) Associate Company : Denis Plast Limited
- ii) Key Management Personnel : Dr. Himanshu C. Patel
& their relatives : Dr. Himanshu C. Patel (HUF)
Mr. Nirmal H. Patel
- iii) Directors : Shri Dinesh B. Patel
Dr. Gaurang Dalal
Ms. Anar H. Patel
Ms. Gauri S. Trivedi
Mr. Janak G. Nanavaty



b) Transactions with the Related Parties during the period :

	Related party referred to in i. above	Related party referred to in ii. above	Related party referred to in iii. above
Rent	-	-	4,80,000 (4,80,000)
Sitting Fees	-	-	96,600 (72,600)
Purchases	2,14,09,649 (1,78,94,507)	85,58,812 (76,93,180)	- -
Sales	-	-	-
Remuneration	-	63,14,321 (39,53,202)	- -
Balance Receivable/Payable as at Balance Sheet Date	- -	1,57,068 (51,487)	- -

Note: The amount in bracket represents the figures in respect of previous year.

The related party as well as transaction shown above is as certified by the Managing Director of the Company.

m) The figures of previous year have been regrouped wherever necessary.

As per our Report of even date
For Shah & Shah Associates
Chartered Accountants
Nimish B. Shah
 Partner
 Membership No. 30102
 [FRN No. : 113742W]
 Place : Ahmedabad
 Date : 19th May, 2015

For and on behalf of Board of Directors

Mr. Vikram Joshi
 Chief Financial Officer

Mr. Dinesh B. Patel
 Chairman

Ms. Anar H. Patel
Mr. Janak G. Nanavaty
Dr. Gaurang K. Dalal
Ms. Gauri S. Trivedi
 Directors

Ms. Khushbu H. Shah
 Company Secretary

Dr. Himanshu C. Patel
 Managing Director

Place : Ahmedabad
 Date : 19th May, 2015

DENIS CHEM LAB LIMITED
[CIN: L24230GJ1980PLC003843]

Registered Office:
Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729

FORM MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and
 Rule 19(3) of the Companies (Management and Administration) Rules, 2014]]

Name of the member (s):	
Registered Address:	
Email Id:	
Folio No./ DPID-Client ID:	

I/We, being the member (s) of Shares of the above named Company, hereby appoint:

- Name:
 Address:
 Email Id: Signature: or failing him
- Name:
 Address:
 Email Id: Signature:

as my/ our proxy to attend and vote for me as me/us and on my/ our behalf at the 34th Annual General Meeting of the Company, to be held on Wednesday, the 23rd September, 2015 at 10.00 a.m. at the Registered Office of the Company at Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 st March, 2015, the reports of the Board of Directors and Auditors thereon.
2	Re-Appointment of Mr. Dinesh B. Patel, liable to retire by rotation and being eligible, offers himself for re-appointment
3	Appointment of Statutory Auditors of the Company
Special Business	
4	Consideration of Remuneration payable to Cost Auditors of the Company pursuant to Section 148 of the Companies Act, 2013.

Signed this day of 2015

Signature of Shareholder



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

DENIS CHEM LAB LIMITED
[CIN: L24230GJ1980PLC003843]

Registered Office:
Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729

FORMMGT-12
ATTENDANCE FORM/ BALLOT FORM
(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/THROUGH PROXY AT THE MEETING
AND HAVE NOT OPTED FOR E-VOTING)

1	Name and address of the Sole/ First named Shareholder	
2	Name(s) of the Joint Holder(s) (if any)	
3	Registered Folio No./ DPID-Client ID	
4	Number of Shares(s) held	
5	I/We hereby exercise my/our attendance at the meeting and vote(s) in respect of the Resolutions set out in the Notice of 34 th Annual General Meeting (AGM) of the Company held on Wednesday, the 23 rd September, 2015, by placing the tick (✓) mark at the appropriate box below:	

Resolution No.	Resolutions	No. of Shares	(FOR) I/We assent to the resolution	(AGAINST) I/We dissent the resolution
Ordinary Business				
1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 st March, 2015, the reports of the Board of Directors and Auditors thereon.			
2	Re-Appointment of Mr. Dinesh B. Patel, liable to retire by rotation and being eligible, offers himself for re-appointment			
3	Appointment of Statutory Auditors of the Company.			
Special Business				
4	Consideration of Remuneration payable to Cost Auditors of the Company pursuant to Section 148 of the Companies Act, 2013.			

Place :
Date :

(Signature of the Shareholder/Proxy)

Note:

This Form is to be used for exercising attendance/voting at the time of 34th Annual General Meeting to be held on Wednesday, the 23rd September, 2015 by shareholders/proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.



DENIS CHEM LAB LIMITED
(MFG. of I.V. Fluids in Glass & P.P. Plastic Bottles)

REGISTERED OFFICE & FACTORY :

Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729

**Aqua
pulse**[®]

