



42nd ANNUAL REPORT 2022-23



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





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]

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BOARD OF DIRECTORS	:	Mr. Dinesh B. Patel Dr. Himanshu C. Patel Ms. Anar H. Patel Dr. Gaurang K. Dalal Dr. Gauri S. Trivedi Mr. Hemendrakumar C. Shah	Chairman Managing Director Director Independent Director Independent Director Independent Director
MANAGEMENT TEAM	:	Mr. Nirmal H. Patel Mr. Vikram Joshi Ms. Anal R. Desai	Chief Executive Officer Chief Finance Officer Company Secretary
REGISTERED OFFICE & FACTORY	:	Block No. 457, Village: Chhatral, Tal: Kalol (N.G.), Dist: Gandhinagar - 382 729	
STATUTORY AUDITORS	:	M/s. Shah & Shah Associates, Chartered Accountants, Ahmedabad	
SECRETARIAL AUDITORS	:	M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad	
COST AUDITORS	:	M/s. Kiran J. Mehta & Co., Cost Auditors, Ahmedabad	
BANKERS	:	Axis Bank Limited Bank of India	
REGISTRAR & SHARE TRANSFER AGENTS	:	Link Intime India Private Limited 506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner, Off C. G. Road, Ahmedabad - 380006	
WEBSITE	:	www.denischemlab.com	

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Important Communication to Members

The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the Compliances and has issued circulars stating that service of notice/ documents including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses, so far, are requested to register their KYC & email addresses with RTA & in respect of electronic holding with the Depository through their concerned Depository Participant.



NOTICE

NOTICE is hereby given that the **42ND ANNUAL GENERAL MEETING** of the members/shareholders of **DENIS CHEM LAB LIMITED** will be held on **Friday, the 29th September, 2023 at 12:00 Noon IST** through Video Conferencing ("VC") /Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2023, the Reports of the Board of Directors and Auditors thereon.
2. To declare final dividend of Rs. 2/- per Equity Share as recommended by the Board of Directors for the financial year ended on 31st March, 2023.
3. 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.

SPECIAL BUSINESS:

4. 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 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. 000025), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2023-24, be paid a remuneration of Rs.1,70,000/- (Rupees One Lakh Seventy Thousand Only) plus taxes as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit."

"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."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary incidental or ancillary to give effect to this resolution, and to settle any question or doubt that may arise in this regard."

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

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and on the recommendation/approval of Nomination & Remuneration Committee and the Board of Directors (the Board) at their respective meetings, consent of the members / shareholders of the Company be and is hereby accorded to revise the remuneration (excluding reimbursement of expenses, if any) payable to Mr. Nirmal H. Patel, holding an office or place of profit, as 'Chief Executive Officer (CEO) of the Company', up to Rs. 7 Lakh per month w.e.f. 1st October, 2023 with the authority to the Board to alter / vary the terms and conditions of the said appointment including but not limited to designation and remuneration in such manner as may be decided by the Board from time to time at the recommendation of the Nomination & Remuneration Committee."

"RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing Resolution, the Board of Directors of the Company and any person/authority authorized by the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable in the said regard."

6. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

"RESOLVED THAT 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, the Company do hereby accord its

approval to the re-appointment of Dr. Himanshu C. Patel (DIN-00087114) as Managing Director of the Company, not liable to retire by rotation, for a period of 3 years with effect from 1st August, 2023 to 31st July, 2026, who would attain the age of 70 years during his tenor, on the terms and conditions and the remuneration (which have been approved by Nomination and Remuneration Committee) and that he be paid remuneration (even in the year of losses or inadequacy of profit) by way of Salary, perquisites and Commission not exceeding the amount thereof as set out in the Explanatory Statement which is permissible under Section II of Part II of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the extent and scope of Salary and Perquisites as specified in the Explanatory Statement be altered, enhanced, widened or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Managing Director without the matter being referred to the Company in General Meeting again.”

7. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (“Amendment Regulations”), other applicable provisions if any, of the Companies Act, 2013 and rules made there under including any statutory modification(s) or re-enactment thereof and subject to such other approvals as may be necessary in this regard, the consent of the members of the Company be and is hereby accorded for continuation of directorship of Mr. Dinesh B. Patel (DIN: 00171089) as the Non-Executive Director of the Company, who has attained age of 75 years and is aged 89 years at present, from the conclusion of this AGM till as long as he continues in the office of the Director of the Company on the existing terms and conditions, subject to the provisions, rules and regulations of Companies Act 2013 and/or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or of any other appropriate authorities, as may be applicable, and as amended from time to time.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary incidental or ancillary to give effect to this resolution, and to settle any question or doubt that may arise in this regard.”

Registered Office :

Block No. 457, Village: Chhatral,
Tal: Kalol (N.G.),
Dist: Gandhinagar - 382 729
Date : 17th July, 2023

By Order of the Board,

Anal R. Desai
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Businesses in the Notice is annexed hereto.
2. The 42nd Annual General Meeting (AGM) will be held on Friday, 29th September, 2023 at 12:00 noon IST through Video Conferencing (VC)/Other Audio Visual Means (OAVM), in compliance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020 dated 5th May, 2020, MCA General Circular No. 02/2022, dated 5th May, 2022 and MCA General Circular No. 10/2022 dated 28th December, 2022 (hereinafter referred to as MCA Circulars) and in compliance with the provisions of the Companies Act, 2013 (“Act”) and SEBI Circular dated 12th May, 2020 and 5th January, 2023 (hereinafter referred to as SEBI Circulars) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The deemed venue for the 42nd AGM shall be the Registered Office of the Company. **Annual Report will not be sent in physical form.**



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3. Since this AGM is being held through VC / OAVM pursuant to MCA Circulars, physical attendance of the Members / Shareholders has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members /shareholders will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.** Members / Shareholders have to attend and participate in the ensuing AGM through VC/OAVM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. Members / Shareholders of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Body Corporates whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company on their email Id denischem401@gmail.com, a certified copy of the Board Resolution/authorization letter authorising their representative to attend and vote on their behalf at the Meeting and through E-voting.
5. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members / Shareholders whose email addresses are registered with the Registrar & Share Transfer Agent of the Company/ Depositories. Members / Shareholders may note that the Notice and Annual Report will also be available on the Company's website www.denischemlab.com, website of stock exchange viz. BSE Limited at www.bseindia.com that of Central Depository Services (India) Limited (agency for providing remote e-voting facility) at www.evotingindia.com
6. Members / Shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Members / Shareholders can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice below.
9. As the Annual General Meeting (AGM) of the Company is held through Video Conferencing/OAVM, we therefore request the members / shareholders to submit questions in advance relating to the business specified in this Notice of AGM on the email ID at denischem401@gmail.com
10. The Register of Members and Share Transfer Books will remain closed from **23rd September, 2023 to 29th September, 2023** (both days inclusive) for the purpose of the above referred 42nd Annual General Meeting and to determine Members / Shareholders eligible for payment of Final Dividend of Rs. 2.00/- per Equity Share i.e. (20%) on the Equity Shares of Rs. 10/- each (face value) for the year ended 31st March, 2023, if declared at the said Annual General Meeting (AGM).
11. The Board has recommended a dividend of Rs. 2/- per equity share of Rs. 10/- each, which, if declared by the members / shareholders at this Annual General Meeting (AGM), will be paid on or before the 30th day from the date of declaration, to those shareholders or their mandates to those shareholders whose names shall appear in the Company's Register of Shareholders/Members as on **Friday, the 22nd September, 2023** and in respect of shares held in the electronic form, to those 'Deemed Members' whose names appear in the Statement of Beneficial Ownership furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) at the closure of business hours on **Friday, the 22nd September, 2023**.
12. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend, if declared by the Shareholders. In order to enable the Company to determine

the appropriate TDS rate as applicable, Shareholders/Members are requested to submit the documents in accordance with, the provisions of the Income Tax Act, 1961.

- a) For Resident Shareholders, TDS shall be deducted under Section 194 of the Income Tax Act, 1961, at rate in force on the amount of Dividend declared and paid by the Company during Financial Year 2023-24, provided Permanent Account Number (PAN) is registered by the Shareholder. If PAN is not registered or if they are specified person (non-filers) as per Section 206AB of the Income Tax Act, 1961, TDS would be deducted at a higher rate as per the provisions of the Income Tax Act, 1961 and/or the Rules framed thereunder. However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by such resident individual during the Financial Year 2023-24 does not exceed Rs. 5,000/-. Please note that this includes future dividends, if any, which may be declared by the Company during the Financial Year 2023-24.

Separately, in cases where a Shareholder provides Form 15G (applicable to any resident person other than a company or a firm) / Form 15H (applicable to a resident individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- b) For Mutual Fund Shareholders, TDS is exempt under Section 10(23D), provided Mutual Funds provide SEBI Registration / Central Board of Direct Taxes (CBDT) notification and declaration that their income is exempt under Section 10 (23D) of the Income Tax Act, 1961.
- c) For Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the Income Tax Act, 1961, at applicable rate, including surcharge and cess.
- d) For Other Non-resident Shareholders, taxes are required to be withheld in accordance with, the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. However, as per Section 90 of the Income Tax Act, 1961, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the Shareholder, if they are more beneficial to them. For this purpose, i.e., to avail the Tax Treaty benefits, the Non Resident Shareholder will have to provide the following:
- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
 - Self-declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
 - Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
 - Self-declaration, certifying the following points:
 - i. Shareholder/Member is and will continue to remain a tax resident of the country of its residence during the financial year 2023-24;
 - ii. Shareholder/Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Shareholder/Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. Shareholder/Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
 - v. Shareholder/Member does not have a taxable presence or a permanent establishment in India during the Financial Year 2023-24.



Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident Shareholder.

Kindly note that the aforementioned documents are required to be submitted by 11:59 p.m. (IST) on **Friday, the 22nd September, 2023** to the Company at denischem401@gmail.com and to Link Intime India Private Limited at ahmedabad@linkintime.co.in / rnt.helpdesk@linkintime.co.in, in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction received post **Friday, the 22nd September, 2023**, will be considered for payment of Final Dividend. No claim shall lie against the Company for such taxes deducted. In case of any queries / difficulties, Shareholders may write to Link Intime India Private Limited at ahmedabad@linkintime.co.in / rnt.helpdesk@linkintime.co.in. Shareholders are also requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from a Shareholder, there would still be an option available with such Shareholder to file the return of income and claim an appropriate refund, if eligible.

Shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

13. 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). Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
14. Shareholders holding the shares in electronic mode may please note that their Dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) or at the available locations of Reserve Bank of India (RBI) or National Electronic Fund Transfer (NEFT) or Real Time Gross Settlement (RTGS). The Dividend would be credited to their Bank account as per the mandate given by the Shareholders to their Depository Participant(s). In the absence of availability of NECS / ECS / NEFT facility, the Dividend would be paid through demand drafts / dividend warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their demand drafts / dividend warrants as per the applicable regulations. For Shareholders who have not updated their Bank account details, dividend warrants / demand drafts will be sent to their registered addresses.
15. Shareholders holding shares in electronic form are hereby informed that Bank particulars registered against their respective Depository accounts will be used by the Company for payment of dividend. For the safety and interest of the Shareholders, it is important that Bank account details are correctly provided to the Depository Participants and registered against their demat account. Shareholders whose shareholding is in the electronic mode are requested to update the change of address details to their respective DPs.
16. Shareholders who hold shares in physical form and who have not provided the information regarding Bank particulars, are requested to immediately notify the name of the Bank and the branch, 9-digit MICR number, 11-digit IFS Code and the nature of account and other required information in Form ISR-1 along with the supporting document(s) to Link Intime India Private Limited at 5th Floor, 506 TO 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006. The said Form ISR-1 is available on the

Company's website and on the website of the Link Intime India Private Limited at <https://web.linkintime.co.in/KYC-downloads.html>.

17. Stock Broker(s), Custodian(s) or any other person(s) / entity(ies) holding Equity Shares of the Company as the Registered Owner(s), for and on behalf of the Beneficial Owner(s) of the Company on the cut-off date for payment of Final Dividend (if declared), i.e., on **Friday, the 22nd September, 2023**, is / are requested to provide the details of the Beneficial Owner(s) of the Equity Shares so as to reach the Company on or before **Friday, the 22nd September, 2023**, in the below format, to enable the Company to ensure / make suitable arrangements, to provide TDS credit to the actual beneficiary:

Sr. No.	Particulars of the Registered Owner						Particulars of the Beneficial Owner			
	Name of the Registered Owner	DP-ID	Client ID / Folio-No.	No. of Equity Shares	Category – Individual / Firm / Trust / Company / FPI / NRI, etc.	PAN	Name of the Beneficial Owner	Address of the Beneficial Owner	Category – Individual / Firm / Trust / Company / FPI / NRI, etc.	PAN

18. Pursuant to the requirement of Regulation 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India, the brief profile/particulars of the Directors of the Company seeking their appointment or re-appointment at the Annual General Meeting (AGM) are stated at the end of this Notes annexed hereto.

19. Compulsory Transfer of Equity Shares to Investor Education and Protection Fund ("IEPF") Suspense Account:

Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF. Please note that pursuant to provisions of Section 124, 125 of the Companies Act, 2013 all unclaimed/unpaid dividends up to **2012-13** have been transferred to the IEPF. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Ministry of Corporate Affairs (www.mca.gov.in). In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

Unclaimed / Unpaid Dividend:

Shareholders who have not encashed the dividend for the previous year(s), are requested to make their claim with Link Intime India Private Limited ("RTA"), the Registrar and Share Transfer Agent of the Company at 5th Floor, 506 TO 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad – 380006.

20. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in dematerialized form are, therefore requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their dematerialized accounts.

SEBI vide its Circular dated November 3, 2021 and December 14, 2021 had mandated the submission of PAN, KYC details and nomination by holders of physical securities by March 31, 2023. Further, SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, has extended the due date for submission of PAN, KYC details and nomination by holders of physical securities to **September 30, 2023**.