

# **XXI<sup>ST</sup> ANNUAL REPORT 2001-2002**



**देशरक्षक**

**DESHRAKSHAK AUSHDHALAYA LTD.**

# DESHRAKSHAK AUSHDHALAYA LTD.

## XXIst ANNUAL GENERAL MEETING

Date : 28th September 2002  
 Day : Saturday  
 Time : 4:00 P.M.  
 Venue : Registered Office  
 Kankhal, Haridwar  
 Uttaranchal-249 408

## BOARD OF DIRECTORS

**Shri Paras Kumar Jain**  
 Chairman & Managing Director

**Shri Manoj Kumar Jain**  
**Shri Tosh Kumar Jain**  
**Smt. Payal Jain**  
**Smt. Sudesh Jain**

## DIRECTOR SECRETARIAL

**Shri R.C. Sharma**

## AUDITORS

**M/s. Anil Jain & Co.**  
 10, Guru Mandal Ashram,  
 Devpura,  
 Haridwar

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## BANKERS

**Oriental Bank of Commerce**  
**Punjab National Bank**

## REGISTERED OFFICE & WORKS

**Bhagwant Kuti,**  
**Kankhal, Haridwar**  
**Uttaranchal-249 408**

**XXI<sup>st</sup> Annual Report****देशरक्षक****NOTICE :**

**NOTICE** is hereby given that the XXI<sup>st</sup> Annual General Meeting of the Members of Deshrakshak Aushdhalaya Ltd. will be held on 28<sup>th</sup> day of September 2002 at 4:00 P.M. at the Registered Office of the Company situated at Kankhal, Haridwar, Uttaranchal-249 408 to transact the following business:-

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2002 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Manoj Kumar Jain who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Smt. Sudesh Jain who was appointed as an Additional Director and liable to retire on the conclusion of the A.G.M. and being eligible offers herself for re-appointment.
4. To appoint a Director in place of Shri R.C. Sharma who was appointed as an Additional Director and liable to retire on the conclusion of the A.G.M. and being eligible offers himself for re-appointment.
5. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remunerations.

**PLACE : KANKHAL, HARIDWAR**

**Date : 30-08-2002**

**BY ORDER OF THE BOARD  
FOR DESHRAKSHAK AUSHDHALAYA LTD.**

**Sd/-**

**PARAS KUMAR JAIN**

**Chairman Cum Managing Director**

**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxies, in order to be effective, must be received by the Company not less than 48 hours before commencement of the meeting. The blank proxy form is enclosed.
2. The Register of Members and Transfer Books of the Company shall remain closed from 25<sup>th</sup> day of September 2002 to 30<sup>th</sup> September 2002 (both days inclusive) the same date shall be the record date for the purpose of recording transfer.
3. Members are requested to notify the change, if any, in their address to the company immediately and always quote their folio number(s) in all correspondence with the company.
4. Members/Proxies attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
5. Member/Proxies attending the meeting are requested to bring their copies of Annual Reports with them at the meeting.

**XXI<sup>st</sup> Annual Report****DIRECTORS' REPORT**

The Members,

**DESHRAKSHAK AUSHDHALAYA LTD.**

The Directors have pleasure in presenting the XXI<sup>st</sup> Annual Report with the Audited Statement of Accounts for the period from 1<sup>st</sup> April 2001 to 31<sup>st</sup> March 2002.

**FINANCIAL PERFORMANCE**

The Company recorded total income sales during the year 2001-2002 of Rs. 164.32 lacs as compared to the previous year of Rs. 143.56 lacs.

Brief highlights of the financial performance are as under:

	(Rupees in lacs)
Sales	164.32
Other Income	Nil
Total Receipts	164.32
Profit/Loss before Depreciation Financial charges and tax	14.49
Interest & Financial charges	9.72
Depreciation	13.80
Profit/Loss before tax	(9.04)
Provision for tax	0.00
Profit/Loss after tax (Net Loss)	(9.04)

The management has taken decision to straighten its marketing network to achieve utmost turnover target in future.

**FUTURE PROSPECTS**

The inherent quality of harmlessness and neutral gravity of side effects increasing the popularity of the Ayurvedic medicines rapidly. The research and development in the field of Ayurved done over the years have made it more effective. Now the people have greater concern over the ancient pattern of Ayurvedic treatment. So the future of the Ayurvedic medicines are very bright and enthusiastic. The Management has taken steps through cost reduction to eliminate its losses incurred during the year.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO**

Information regarding Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Out go as per Section 217 (i) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 are given under:-

- (a) **ENERGY CONSERVATION**  
Energy consumed during the year does not constitute a significant amount which is Rs. 5.58 lacs paid for electricity and power.
- (b) **TECHNOLOGY ABSORPTION**  
The techniques of preparation of medicines is based on ancient Ayurvedic pattern subject to time to time modification in accordance with the modern development. So the entire method is indigenous and no foreign technology is involved.
- (c) **FOREIGN EXCHANGE EARNINGS & OUT GO**
- |         |     |
|---------|-----|
| Earning | NIL |
| Out Go  | NIL |

**PARTICULARS OF EMPLOYEES**

There is no employee drawing remuneration above that prescribed u/s 217 (2A) of the Companies Act, 1956.

**CORPORATE GOVERNANCE**

The Securities and Exchange Board of India has through the Listing Agreement directed the listed companies to follow a Uniform Code of Corporate Governance, with necessary disclosures in the Annual Report. Necessary initiatives are being taken to ensure that the Company is fully compliant with the

**XXI<sup>st</sup> Annual Report**

Corporate Governance Code well before the deadline for implementation i.e. March 2003. However pursuant to clause 49 of Listing agreement two committees of Board of Directors namely Audit Committee comprising of Shri Manoj Kumar Jain, Smt. Payal Jain, Smt. Sudesh Jain and Share Holders/investors grievances committee comprising of Shri Manoj Kumar Jain, Smt. Payal Jain, Smt. Sudesh Jain were formed and have been functioning.

**DIRECTORS RESPONSIBILITY STATEMENT:****YOUR DIRECTORS CONFIRM**

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed. There are no material departures;
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgements 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 the end of the financial year and of the profit or loss of the company for that year.
- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors have prepared the annual accounts on a going concern basis.

**SEGMENT REPORTING**

The Institute of Chartered Accountants of India issued an Accounting Standard AS-17 for reporting on the basis of each segment in which the companies are engaged. Since your company is engaged in Ayurvedic Medicines only therefore there is only one segment, hence the AS-17 is not applicable to your company.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 Shri Manoj Kumar Jain being retiring Director of liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

Smt. Sudesh Jain who was appointed as an Additional Director and liable to retire on the conclusion of the A.G.M. and being eligible offers herself for re-appointment.

Shri R.C. Sharma who was appointed as an Additional Director and liable to retire on the conclusion of the A.G.M. and being eligible offers himself for re-appointment.

**AUDITORS' REPORT**

Auditors observations as contained in the Auditors' Report are self-explanatory and do not call for any explanations.

**AUDITORS**

M/s Anil Jain & Company, Chartered Accountants, retire and are eligible for reappointment. They have submitted a certificate as required under section 224 of the Companies Act, 1956 to the effect of their reappointment if considered, would be in conformity with the limits specified in the said section. Your directors recommend their reappointment as Auditors of the Company.

**ACKNOWLEDGEMENT**

The Directors would like to place on record their gratitude to the Central Government and the State Government of Uttaranchal, the Financial Institutions and Banks for their invaluable support and cooperation.

The Directors would also like to record their appreciation of the contribution made by the employees of the Company at all levels.

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : KANKHAL, HARIDWAR**

**DATED : 30-08-2002**

**Sd/-**

**PARAS KUMAR JAIN**

**Chairman Cum Managing Director**

**XXI<sup>st</sup> Annual Report****Auditor's Report**

To,  
The Members,  
M/s. Deshrakshak Aushdhalaya Limited  
Haridwar

Gentlemen,

We report that we have audited the attached Balance Sheet of **M/s. DESHRAKSHAK AUSHDHALAYA LTD. HARIDWAR** as at 31st March 2002 and the relative Profit & Loss Account for the year ended from 31/3/2002 annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Manufacturing and other companies (Auditor's report) order 1988 issued by the department of company affairs, Govt. of India in terms of sub section 4A of section 227 of the companies Act 1956 and on the basis of such checks as we consider appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the annexure a statement on the matters specified in para 4 and 5 of the said order:

1. Further to our comments in the annexure referred to above, we report that:
  - (i) We have obtained all the informations and explanations which is to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books.
  - (iii) The Balance Sheet and Profit & Loss account dealt with by the report are in agreement with the books of accounts, as submitted to us.
  - (iv) In our opinion the Balance Sheet and Profit & Loss Account are drawn up in compliance with the accounting standards refer to in sub section (3C) of section 211 of the companies Act 1956.
  - (v) On the basis of the written representations received by us from the directors of the company as at March 31, 2002 and taken on record by the Board of Directors, we report that no director is disqualified from being appointed as a director of the company under clause (g) of the such section (1) of section 274 of the Companies Act, 1956.
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said account give the information required by the companies Act 1956 in the manner so required and give a true and fair view.
    - a. In the case of Balance Sheet of the statement of affairs of the company as at 31st March 2002.
    - b. In the case of Profit & Loss Account of the loss for the year ended on that date.

FOR AND ON BEHALF OF  
M/S. ANIL JAIN & CO.  
CHARTERED ACCOUNTANTS  
SD/-  
(ANIL KUMAR JAIN)  
PROPRIETOR

PLACE: HARIDWAR  
DATED : 30-5-2002