

27th ANNUAL REPORT 2007-2008



देशरक्षक

DESHRAKSHAK AUSHDHALAYA LTD.

27th ANNUAL REPORT**देशरक्षक****DESHRAKSHAK AUSHDHALAYA LTD.****27th ANNUAL GENERAL MEETING**

Date : 27th September-2008
 Day : Saturday
 Time : 4:00 P.M.
 Venue : Registered Office
 Kankhal, Haridwar
 Uttarakhand-249 408

BOARD OF DIRECTORS**Shri Paras Kumar Jain**

Chairman & Managing Director

Shri Tosh Kumar Jain [Executive Director]

Shri Manoj Kumar Jain [Director]

Smt. Payal Jain [Director]

Smt. Sudesh Jain [Director]

Report

junction

AUDITORS

M/s Anil Jain & Co.

10, Guru Mandal Ashram,
Devpura, Haridwar (Uttarakhand)**REGISTRAR TO THE TRANSFER AGENT**

Mas Services Ltd.

AB-4, Safdarganj Enclave

New Delhi

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BANKERS

Punjab National Bank

State Bank of India

REGISTERED OFFICE & WORKS

Bhagwant Kuti,

Kankhal, Haridwar

Uttarakhand-249 408

27th ANNUAL REPORT**देशरक्षक****NOTICE**

NOTICE is hereby given that the 27th Annual General Meeting of the Members of the company M/s Deshrakshak Aushdhalaya Limited shall be held on Saturday the 27th day of September 2008 at 4:00 P.M. at Bhagwant Kuti, Kankhal, Haridwar, the Registered office of the Company to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st of March, 2008 and Profit & loss account for the year ended on that date and reports of Directors and Auditors thereon;
2. To appoint a director in place of Smt. Manoj Jain who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in connection therewith to pass, with without modifications, the following resolution:

"RESOLVED THAT pursuant to the provisions of section 224 A and other applicable provisions, if any, of the Companies Act, 1956, M/s Anil Jain & Co. Chartered Accountants, the retiring auditors be and are hereby re-appointed as Auditors of the company, to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company, at such remuneration as may be fixed by the Board of Directors, from time to time and reimbursement of out-of-pocket expenses incurred by them to carry out the audit.

SPECIAL BUSINESS:

4. To increase the remuneration of Shri Paras Kumar Jain, Chairman and Managing Director of the company from the existing of Rs. 18,000/- per month to Rs. 25,000/- per month with effect from 1st of April 2008 and the following resolution is required to pass with or without resolution:

RESOLVED THAT subject to the provisions of section 269 read with Schedule XIII and any other provisions of the companies Act, 1956 and subject to approval of the shareholders, the remuneration of the Chairman and managing Director of the Company be and is hereby increased from Rs. 18,000/- per month to Rs. 25,000/- per month with effect from 1st of April 2008 and the said remuneration is within the permissible limit of Part II of Schedule XIII of the Companies Act, 1956.

5. To increase the remuneration of shri Tosh Kumar Jain, Executive Director of the company from the existing of Rs. 18,000/- per month Rs. 25,000/- with effect from 1st of April 2008 and the following resolution is required to pass with or without resolution:

"RESOLVED THAT subject to the provisions of section 269 read with Schedule XIII and any other provisions of the companies Act, 1956 and subject to approval of the shareholders, the remuneration of the Executive Director of the Company be and is hereby increased from Rs. 18,000/- per month to Rs. 25,000/- per month with effect from 1st of April 2008 and the said remuneration is within the permissible limit of part II of Schedule XIII of the companies Act, 1956."

6. To consider and if through fit, to pass with or without modification (s), the following resolution as on ordinary resolution:

"RESOLVED THAT Mr. Chandra Bhushan Gupta, be and is hereby appointed as the non executive director of the company as independent director liable to retire by rotation and in respect of whom the Company has received the notice under section 257 of the Companies Act, 1956, from a member, in writing, proposing his candidature for the office of Director."

27th ANNUAL REPORT**देशरक्षक**

7. To consider and if thought fit, to pass with or without modification (s), the following resolution as a ordinary resolution:
8. "RESOLVED THAT Mr. Amit Kumar Singh, be and is hereby appointed as the non-executive director of the company as independent director liable to retire by rotation and in respect of whom the Company has received the notice under section 257 of the Companies Act, 1956, from a member, in writing, proposing his candidature for the office of Director."

For Desh Rakshak Aushdhalaya Limited

PLACE : HARDWAR

Sd/-

DATED: 01.09.2008

(PARAS KUMAR JAIN)

Chairman And Managing Director

EXPLANATORY STATEMENT**Pursuant to Section 173 (2) of the Companies Act, 1956**

As required by section 173 of the Companies Act, 1956 the following explanatory statement set out all material facts relating to the business mentioned under item No. 4 to 7 of the accompanying notice dated 1st of September 2008.

ITEM NO. 4 AND 5

The Salary of the Chairman and Managing Director and the Executive Director is not significant to the present scenario and such a meagre salary does not fulfil the requirements of both the directors hence it is proposed to increase the remuneration of Chairman and managing Director and the Executive Director of the company.

ITEM NO. 6 AND 7

pursuation of SEBI guidelines and the provisions of the Listing Agreement with the stock exchanges requite to appoint indepdent directors for the various committee such as Audit Committee, shareholders/Investors grievance Committee and Remuneration Committee. The Company has to appoint these directors under the provisions of clause 49 of the Listing Agreement.

Shri Paras Kumar Jain, Shri Tosh Kumar Jain, Mr. Chandra Bhushan Gupta and Mr. Amit Kumar Singh are deemed to be interested in the item No. 4 to 7 respectively.

Your directors recommend to pass the resolution.

PLACE : HARDWAR

For Desh Rakshak Aushdhalaya Limited

DATED: 01.09.2008

Sd/-

(PARAS KUMAR JAIN)

Chairman And Managing Director

27th ANNUAL REPORT**देशरक्षक****DIRECTORS' REPORT**

The Members,

DESHRAKSHAK AUSHDHALAYA LTD.

The Directors have pleasure in presenting the 27th Annual Report with the Audited Statement of Accounts for the period from 1st April 2007. to 31st March 2008.

FINANCIAL PERFORMANCE

The Company recorded total income sales during the year 2007-2008 of Rs 250.15 lacs as compared to the previous year of Rs. 211.06 lacs.

Brief highlights of the financial performance are as under:

	2008	2007 (Rupees in lacs)
Sales	250.11	210.22
Other Income	.05	.84
Total Receipts	250.15	211.06
Profit/Loss before Depreciation Financial Charges and tax	26.91	8.25
Interest & Financial charges	5.62	8.45
Depreciation	16.92	16.84
Profit/Loss before tax	4.37	(17.04)
Provision for tax	0.00	0.00
Profit after tax	4.37	(17.04)

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 OUTGO

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 Direction) Rule 1988 are given under:-

(a) ENERGY CONSERVATION

Energy consumed during the year does not constitute a significant amount which is Rs. 6.33 lacs.

(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	44.38
Out Go	NIL

PARTICULARS OF EMPLOYEES

There is no employee drawing remuneration above that prescribed u/s (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 Corporate Governance Code.

27th ANNUAL REPORT**देशरक्षक****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 account 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. In pursuance of SEBI guidelines and the provisions of the Listing Agreement with the stock exchanges require to appoint independent directors for the various committee such as Audit Committee, shareholders/Investors grievance Committee and Remuneration Committee. The Company has to appoint these directors under the provisions of clause 49 of the Listing Agreement.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 Shri Manoj Kumar Jain being retiring Directors and liable to retire by rotation at the forth coming Annual General Meeting 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 reappointments Auditors of the Company.

ACKNOWLEDGMENT

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 : HARDWAR

DATED: 01.09.2008

Sd/-

(PARAS KUMAR JAIN)

Chairman Cum Managing Director