

Established in 1901

CIN No L33119 UR 1981 PLC006092

DESH RAKSHAK AUSHDHALAYA LIMITED

BHAGWANT KUTI KANKHAL-249408, HARIDWAR (UTTARAKHAND) INDIA

Manufacturers of Ayurvedic and Herbal Product

Phone: (01334) 243833, 245877, 242333 Tele Fax: (01334) 245866

E-mail: dral95@yahoo.com, dral96@yahoo.in website: www.deshrakshak.in

Dated: 02-09-2016

To,
BSE Limited
P.J. Towers, Dalal Street
Mumbai-400 001

BSE Scrip Code : 531521

Sub: 35th Annual Report

Dear Sir,

Please find attached herewith 35th Annual Report of the Company as per regulation 34 of SEBI (LODR), 2015.

Thanking you.

Yours faithfully
for Deshrakshak Aushdhalaya Ltd.

For Deshrakshak Aushdhalaya Ltd.

Tosh Kumar Jain
M. Director/Director

(Tosh Kumar Jain)
Chairman Cum Managing Director

DESHRAKSHAK AUSHDHALAYA LTD.

XXXVth (35th) ANNUAL GENERAL MEETING

Corporate Information

BOARD OF DIRECTORS

Shri Tosh Kumar Jain
(Chairman cum Managing Director)

Smt. Monika Jain
(Director)

Smt. Sudesh Jain
(Director)

Shri Sachin Agarwal
(Independent Director)

Dr. Surendra Kumar
(Independent Director)

Shri Arihant Kumar Jain (Director)

Shri Harsh Agarwal
(Company Secretary)

BANKERS

State Bank Of India
Punjab National Bank

REGISTRAR & TRANSFER AGENT

M/s Mas Services Limited
T-34, IInd Floor, Okhla Phase-II
New Delhi

AUDITORS

M/s Anil Jain & Co.
10, Guru Mandal Ashram, Devpura
Hardwar (Uttarakhand)

Registered Office

Bhagwant Kuti, Kankhal
Haridwar-249408
(Uttarakhand)
Telephone Nos. 01334-243833,
245877, FAX 245866
CIN-L33119UR1981PLC006092
E-mail: dral96@yahoo.in
dral95@yahoo.com

Plant Location

Bhagwant Kuti, Kankhal
Haridwar-249408 (Uttarakhand)

INVESTOR HELPDESK

01334-243833, 245877, 245866
E-mail: deshrakshak@yahoo.com
www.deshrakshak.in

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NOTICE

Notice is hereby given that the 35th Annual General Meeting of M/s Desh Rakshak Aushdhalaya Limited will be held on Saturday, 24th day of September, 2016 at Bhagwant Kuti, Kankhal, Haridwar Uttarakhand-249408 at 04:00 P.M. to transact the following business:-

ORDINARY BUSINESS:

1. To Receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and the Profit & Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director Mr. Arihant Kumar Jain(holding DIN: 06401053) ,who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of M/s Anil Jain & Co., Chartered Accountants and fix their remuneration and in connection therewith to pass, with without modifications, the following resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 (1) & (2) and other applicable provisions, if any, of the Companies Act, 2013, Appointment of M/s Anil Jain & Co., Chartered Accountants, be and are hereby ratified as Statutory Auditors of the company, to hold the office until the conclusion of the Annual General Meeting to be held in the year 2017, at such remuneration as may be fixed in this behalf 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 consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

Appointment of Independent Director

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in compliance with regulation 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and subject to the approval of shareholders in the ensuing Annual General Meeting, Mrs. Anjul Agarwal (holding DIN: 06897907), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6)

of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, for five consecutive years with effect from 24th September, 2016 and whose appointment shall not be liable by rotation."

"**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149 and 197 of the Companies Act, 2013 read with Schedule IV of thereof (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mrs. Anjul Agarwal, Independent Director of the Company be paid, sitting fees, within the limits prescribed under the Act and Rules there under and as approved by the Board of Directors of the Company, for attending the meeting(s) of the Board or any Committee thereof and reimbursement of any expenses for participation in the board and other meetings."

5. Remuneration to Mr. Arihant Kumar Jain (Non-Executive Director) of The Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 197 (1) read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the members be and is hereby accorded for providing the remuneration to Mr. Arihant Kumar Jain [DIN:06401053] of Rs. 10,000 (Ten Thousand Only) per month non-executive director of the company.

"**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) be and is hereby authorized to modify his salary from time to time.

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

PLACE: Haridwar

For and on behalf of the Board

DATE: 27.08.2016

For Desh Rakshak Aushdhalaya Limited

S/d-

(Tosh Kumar Jain)

Chairman & Managing Director

IMPORTANT NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should 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. Proxies submitted on behalf of the companies must be supported by an appropriate resolution as applicable.
3. The Independent Directors have furnished the requisite declarations for their appointment as per Section 149(6) of the Companies Act, 2013.
4. Electronic copy of the Annual Report for 2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.
5. Members may also note that the Notice of the 35th Annual General Meeting and the Annual Report for 2016 will also be available on the Company's website www.deshrakshak.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Agra for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: deshrakshak@yahoo.com
6. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on all working days except Sunday, up to and including the date of the Annual General Meeting of the Company.
7. The Register of Members and Share Transfer Books of the company will remain closed from 18th Day of September 2016 to 24th Day of September 2016 (both days inclusive)

8. Members holding shares in physical form are requested to intimate immediately to the Registrars & Share Transfer Agents of the Company, M/s MAS Services Ltd., T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110 020 quoting registered Folio No. (a) details of their bank account/change in bank account, if any, to enable the Company to print these details on the dividend warrants; and (b) change in their address, if any, with pin code number.
9. The following information to be incorporated on the dividend warrants may be furnished.
 - i) Name of Sole/First joint holder and the folio number.
 - ii) Particulars of Bank Account, viz.
 - iii) Name of the Bank
 - iv) Name of the Branch
 - v) Complete address of the Bank with Pin Code number
 - vi) Bank Account Number allotted by the Bank and nature of the Account (Savings/ Current etc.)
10. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
11. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in SH-13.
12. The Company has entered into agreements with CDSL and NSDL to offer depository services to the Shareholders. Shareholders can open account with any of the depository participant registered with CDSL and NSDL.
13. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to the Company Secretary by 16th September, 2016.
14. Members are requested to bring their copies of Annual Report at the meeting, as extra copies will not be supplied.

15. Pursuant to the requirement of the listing agreement, the Company declares that its equity shares are listed on the stock exchange at Mumbai . The Company has paid the annual listing fee for the year 2015-16 to the above stock exchange(s).
16. In respect of the matters pertaining to Bank details, ECS mandates, nomination, power of attorney, change in name/address etc., the members are requested to approach the Company's Registrars and Shares Transfer Agents, in respect of shares held in physical form and the respective Depository Participants, in case of shares held in electronic form. In all correspondence with the Company/Registrars and Share Transfer Agents, members are requested to quote their account/folio numbers or DP ID and Client ID for physical or electronic holdings respectively.
17. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend the meeting.
18. The Securities and Exchange Board of India vide its circular no. CIR/CFD/DIL/10/2010 dated 16 December 2010, amended clause 5A of the Equity Listing Agreement for dealing with unclaimed shares in physical form. In compliance with this amendment, the Company has sent all three reminders to such shareholders whose share certificates are in undelivered form and requesting them to update their correct details viz. postal addresses, PAN details etc. registered with the Company. The Company has transferred all the shares into the folio in the name of "Unclaimed Suspense Account."
19. As a part of "Green initiative in the Corporate Governance", The Ministry of Corporate Affairs vide its circular nos. 17/2011 and 1/2011 dated 21.04.2011 and 29.04.2011, respectively, has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, Statement of Profit & Loss, Auditors' Report, Directors' report, etc., to the members through e-mail. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants)
20. **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 as amended by the Companies(Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services 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") will be

provided by National Securities Depository Limited (NSDL).

- 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 paper.
- 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 on Wednesday, September 21st, 2016 (09:00 a.m.) and ends on Friday, September 23rd, 2016 (05:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 17th, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The procedure and instructions for members for remote e-voting are as under:

- I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):
 - a. Open e-mail and open PDF file viz. "Desh Rakshak Aushdhalaya Limited e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting.

Please note that the password is an initial password
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
 - c. Click on Shareholder-Login.
 - d. Put user ID and password as initial password noted in step (i) above. Click Login.
 - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. Select "EVEN" of "Desh Rakshak Aushdhalaya Limited"

- h. Now you are ready for remote e-voting as Cast Vote page opens.
- i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- j. Upon confirmation, the message "Vote cast successfully" will be displayed.
- .k. Once you have voted on the resolution, you will not be allowed to modify your vote.
- I. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail to naveen@nkrassociate.com with a copy marked to e-voting@nsdl.co.in.
- II. In case of Members receiving Physical copy of Notice of 35th Annual General Meeting (for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy)
 - a. Initial password is provided at the bottom of the Attendance Slip for the 35th AGM
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (I) above, to cast vote.
- E. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on 01334-245877.
- F. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- G. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- H. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 17th, 2016.
- II. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 17th, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot

your password, you can reset. Your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- J. For as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- K. 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.
- L. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- M. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.Deshrakshak.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

Section 149 of the Companies Act, 2013, provides that every listed public company shall have at least one third of the total number of directors as independent directors. The term of Mr. Sachin Agarwal has expired, so as to comply with the provisions of the stated section, Company wants to appoint Mrs. Anjul Agarwal as an independent director of the company. Pursuant to Section 160 of the Companies Act, 2013, the Company has received notice in writing from the member of the company for appointment of Mrs. Anjul Agarwal as independent Director on the Board of the Company.

The application received from the member of the company, were accompanied with the relevant documents declaring that, if appointed, she shall be considered

independent Director for the purpose of Section 149, read with Schedule IV of the Companies Act, 2013 and the rules made there under. The Board has undertaken due diligence of aforesaid persons to determine her eligibility for appointment as an Independent Director on the Board, based upon her qualification, expertise, track record integrity etc. recommended her appointment to the shareholders for a period of five years. Further in the opinion of the Board, the independent director proposed to be appointed fulfill the conditions specified in the Act and the rules made there under and that the proposed director is independent of management."

None of the directors ,managers ,key managerial personnel of the company and their respective relatives other than Mrs. Anjul Agarwal are in any way interested in the resolution

Item No. 2

Mr. Arihant Kumar Jain one of the director of the company having professional skill and expertise. He was appointed as director of the company on 19th, March ,2015. He took keen interest in day to day affairs of the company along with other executive directors .he is devoting his maximum focus on the business of the company therefore the board of directors in its meeting held on 3rd of February,2016 recommended a salary of Rs 10,000 per month starting from 1st of april,2016.the board proposed approval of members for his remuneration.

None of the directors ,Managers, Key Managerial Personnel of the company and their respective relatives other than Mr Arihant Kumar Jain are in any way interested in the resolution.

PLACE: Haridwar

For and on behalf of the Board

DATE: 27.08.2016

For Desh Rakshak Aushdhalaya Limited

S/d-

(Tosh Kumar Jain)

Chairman & Managing Director

To,
 DeshrakshakAushdhalayaLimited
 BhagwantKuti, Kankhal,
 Haridwar-249408 (Uttarakhand)

Updation of Shareholder Information

I / We request you to record the following information against my / our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN / Registration No.: * (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC: (11 digit)	
MICR: (9 digit)	
Bank A/c Type:	
Bank A/c No.: *	
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details.

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No. / beneficiary account.

Place: _____

Date: _____ (Signature of Sole / First holder)

DIRECTORS' REPORT To THE SHAREHOLDERS

The directors have pleasure in presenting the twenty-second annual report and the audited accounts for the year ended 31st March 2016.

FINANCIAL PERFORMANCE:

The Company's Financial Performance for the financial year ended on 31st March, 2016 under review along with previous year figures are given here under:

Particulars	2015-16	2014-15
Total Income	50,173,998.00	44,588,267.00
Profit before tax	3,824,918.00	807,572.00
Profit/(Loss) after tax	29,13,556.00	241,689.00
Profit for Appropriation Sub Total (A)	29,13,556.00	241,689.00
Transfer to General Reserve	2,913,556	0.00
Proposed Dividend	0.00	0.00
Tax on Dividend	0.00	0.00
Sub Total (B)	0.00	0.00
Balance carried to Balance sheet (A-B)	0	0

CORPORATE SOCIAL RESPONSIBILITY:

The Company has not developed and implemented any Corporate Social Responsibility initiatives, as the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company.

STATUTORY AUDITORS

At the AGM held on 29th November, 2014, M/s Anil Jain & Co., Chartered Accountants, were appointed as statutory auditors of the company to hold office till the conclusion of the annual general meeting to be held in the year, 2017. In Terms of the first proviso to section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every annual general meeting. accordingly, the appointment of M/S Anil Jain & Co. Chartered Accountants, as statutory auditors of the company, is placed for ratification by the Members.

The Company has obtained necessary certificate under Section 141 of the Act 2013 from the auditor conveying their eligibility for the above appointment. The audit committee and board reviewed their eligibility criteria, as laid down under Section 141 of the Act 2013 and recommended their appointment as auditors for the aforesaid period.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR

ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualification, reservation or adverse remark made by the Auditors in their report.

The Secretarial Audit Report made by practicing company secretary contains no qualification, reservation or adverse remark.

DIRECTORS

As per Section 152 of the Companies Act, 2013, Mr. Arihant Kumar Jain, Director of the Company will retire by rotation at the Annual General Meeting, and being eligible, offer himself for re-appointment.

DISCLOSURE OF REMUNERATION OF EMPLOYEES COVERED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

None of the employee of your company, who was employed throughout the financial year, was in receipt of remuneration in aggregate of sixty lakh rupees or more or if employed for the part of the financial year was in receipt of remuneration of five lakh rupees or more per month.

DIVIDEND

Your Directors have not recommended any dividend on equity shares for the year under review. As mentioned earlier, the directors are not recommending any dividend for the year under review.

TRANSFER TO RESERVES

The Company has transferred 2.91 Lacs to reserves for the year under scrutiny and aggregate balance of reserves and surplus is Rs 24,558,808.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE

REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There are no significant and material orders were passed by the regulators or courts or tribunals which affect the going concern status and future operation of the Company. Hence, disclosure pursuant to Rule 8(5)(vii) of Companies (Accounts) Rules, 2014 is not required.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013

Your Company has not entered into transactions with the related parties, and hence the provisions of Section 188 are not applicable.

FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits from the public, and as on March 31, 2016 the Company had no unclaimed deposits or interest thereon due to any depositor.

CAPITAL STRUCTURE

There is no change in the Authorised and paid up share capital of the company during the year.

The Authorised Share Capital of the Company is Rs. 10,000,0000/- (Rupees Ten Crore only) divided into 1,00,000,00 (One Crore) equity shares of Rs. 10/- each.

The Paid up share capital of the Company is Rs. 4,43,83,240/- (Rupees Four Crore Forty Three Lakh Eighty Three Thousand Two Hundred And Forty only) divided into 44,38,324 (Forty Four Lakh Thirty Eight Thousand Three Hundred And Twenty Four) equity shares of Rs. 10/- each.

INDUSTRY SCENARIO AND STATE OF COMPANY'S AFFAIRS

Your company mainly engaged in the business activities as specifically mentioned in the memorandum of association of the company and summarised as below :-

1. To carry on business of manufacturing, buying, selling importing and exporting commission agents of all types of Ayurvedic preparations, pharmaceuticals and biological preparation, Ayurvedic Composite Drug Kits, Allopathic Composite Drug Kits, C.H.W. Kits DAI Kits, ayurvedic and Allopathic patent and proprietary, fine and heavy chemicals bulk and basic drugs, Dyes, In-termediate, U.S.P., B.P, B.P.C. and T.P. Products such as Syrups, Tablets, Capsules, Injections, Mixtures,

Ointments, Tinctures, Spirilis Acids, Liquors, Lini-ments and all products and by-products and perfumes, toilet requisites indigenous drugs, disinfectants chemicals and by-products thereof.

2. To start and carry on the business of manufacturing, buying, importing and exporting of medicines, chemicals, fertilizers, basic drugs, food and tonic, sulphuric ether commercial and industrial alcohols testors, paints and varnishes, starch and electrical, photographic surgical and scientific material apparatus, instrument and machinery and also to deal dental optical and similar goods and antiseptic cotton dressing, bottles, tins and other wares and appliances pertaining to laboratory.
3. To construct, erect, establish, carry and maintain laboratory for the purposes of research and development and for analytical testing, examination of blood, sputum, urine and for all other sample of the chemicals purchased or produced by the above company or another company and to establish clinics, nursing homes and charitable and other dispensaries.
4. To acquire, construct, own, operate laboratories, chemical and pharmaceutical refineries, buildings, factories, distilleries, foundries and other works and to plant, cultivate, produce and raise or purchase medicinal and other plants, crops and trees.

CORPORATE GOVERNANCE

Company is committed to focus on good Corporate Governance in line with emerging Local and Global Standards. Company understands and respects its fiduciary role in the corporate world and besides adhering to the prescribed corporate practices, it voluntarily governs itself as per the highest national and international standards of corporate governance. Strong governance practices has earned for it recognition and has strengthened its bond of trust not only with the stakeholders but with the society at large.

We are committed to defining, following and practicing the highest level of corporate governance across all our business functions. Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices and performance and ensure that we retain and gain the trust of our stakeholders at all times.

The compliance Report on Corporate Governance filed with the Stock Exchanges and a certificate from Auditors of the Company regarding compliance of the conditions of

Corporate Governance, as stipulated under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as 'Annexure 1' and forms part of Annual report.

Declaration by the CEO, inter alia, confirming that the members of Board of Directors have affirmed compliance with the code of conduct of the Board of Directors

Certificate of the CEO/CFO, inter alia, confirming the correctness of the financial statements, compliance with Company's Code of Conduct, adequacy of the Internal Control measures and reporting of matters to the Audit Committee in terms of Regulation 17 of SEBI'S (Listing Obligation and Disclosure Requirements), 2015 with the Stock Exchanges, is attached in the corporate governance Report and forms part of Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. DIRECTORS

Mr. Arihant Kumar Jain, director, of the company shall be liable to retire by rotation at the commencement of the ensuing Annual General Meeting and being eligible, he offers himself for re-appointment.

2. DECLARATION BY THE INDEPEDNENT DIRECTORS

The company being listed company fall under the criteria of the provisions of section 149 pertaining to the appointment of independent directors .

Independent Director's certify that:

- We possess relevant expertise and experience to be an independent director in the Company;
- We are/were not a promoter of the company or its holding, subsidiary or associate company;
- We are not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, we have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;

- None of our relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither we nor any of our relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with our relatives 2% or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any non profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- We are not a material supplier, service provider or customer or a lessor or lessee of the company;
- We are not less than 21 years of age

S/d

Mr. Surendra Kumar

S/d

Mr. Sachin Agarwal

3. CHANGES IN KEY MANAGERIAL PERSONNEL

The appointment of Key Managerial Personnel is mandatory as per Section 203 of the Companies Act, 2013 as the company fall in the limits as prescribed under section 203 of Companies Act 2013

As per Section 152 of the Companies Act,2013 Mr. Arihant Kumar Jain Director of the Company will retire by rotation at the Annual General Meeting, and being eligible, offer himself for re-appointment.

During the year, the Ministry of Corporate Affairs (MCA) has notified majority of the provisions inter alia provisions relating to selection, manner of appointment, roles, functions, duties, re-appointment of independent directors (IDs) and the relevant rules under the Companies Act, 2013 (the Act2013) and made them effective 1st April 2014.

The existing composition of the Company's board is fully inconformity with the applicable provisions of the Act 2013and Regulation 17 of the SEBI(Listing Obligation And Disclosure Requirement) 2015of the Listing Agreement having the following directors as non-executive IDs, namely Mr. Surendra Kumar and Mr. Sachin Agarwal.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company met six times during the year on 25.05.2015 ,27.05.2015, 08.08.2015, 31.08.2015, 14.11.2015 , 03.02.2016, in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013

AUDIT COMMITTEE

The company being a listed company falls under the criteria as defined under section 177 of the Companies Act,2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules,2014 .The company has duly constituted the Audit Committee with Mr. Surendra Kumar(Chairman) Mr. Tosh Kumar Jain(Member) And Mr. Sachin Agarwal (Member) .

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI (Listing Obligation And

Disclosure Requirements), 2015

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed,

meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

The performance evaluation of Independent Directors was done by the entire Board and in the evaluation the Director who was subject to evaluation did not participate. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, as and when their respective term expires.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:-

- i. That in the preparation of annual accounts for the financial year ended 31st March 2016, the applicable Accounting Standards had been followed and that there were no material departures;
- ii. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review;

- iii. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. That the directors had prepared the accounts for the financial year ended 31st March 2016 on a "going concern basis."

SECRETARIAL AUDITORS

As required under Section 204 of the Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company is required to appoint a Secretarial Auditor for auditing the secretarial and related records of the Company and to provide a report in this regard. M/s N.K. Rastogi & Associates was appointed as the secretarial auditor of the company.

VIGIL MECHANISM

As Per Regulation 22 (1) Of SEBI (Listing Obligation And Disclosure Requirements), 2015 it is mandatory for every listed company to formulate a vigil mechanism for directors and employees to report genuine concern. According to section 177(10) of the Companies Act, 2013 it is mandatory for the company to disclose the establishment of such mechanism on the website of the company and in the Board's Report.

RISK MANAGEMENT

The Board of the Company has evaluated a risk management to monitor the risk management plan for the Company. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management has been covered in the management discussion and analysis, which forms part of annual report.

COST AUDITORS

The Company has obtained Compliance Report as per the Cost Accounting Records Rules 2011 from M/s Rajesh Kumar Gupta & Co., Cost Accountants in Practice and were re-appointed as Cost Auditors to conduct cost audit of the accounts maintained

by the Company, for the financial year 2015-16.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loans:

SL No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd)	Rate of Interest	Security
				NIL					

Details of Investments:-

SL No	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd)	Expected rate of return
				NIL			

Details of Guarantee / Security Provided:

SL No	Date of providing security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
				NIL			

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company is pleased to report that during the year under reporting, the industrial relations were cordial.

INTERNAL CONTROL SYSTEM

The Company has a well placed, proper and adequate internal control system, which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Company's internal control system comprises audit and compliance by in-house Internal Audit Division, supplemented by internal audit checks. Independence of the audit and compliance is ensured by direct reporting of Internal Audit Division to the Audit Committee of the Board.

NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the year.

PARTICULARS OF EMPLOYEES

In terms of the provisions of section Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment (Appointment and Remuneration Remuneration of Managerial Managerial Personnel) Rules, 2014 there is no employee drawing remuneration above the limits set under section Section 197 (12) of the Companies Act, 2013

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information regarding Energy Conservation, Technology absorption and Foreign Exchange earnings and outgo as per Section 134 of the Companies Act, 2013 read with the Rule 8(3) of The Companies (Accounts) Rules, 2014), are given under:

(a) Energy Conservation

Energy consumed during the year does not constitute a significant amount which is Rs 8,55,267/-

(b) Technology Absorption

The techniques of preparation of medicines are 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 and Out Go

Export Sales of Rs. 42,05,333/-

Out Go NIL

OPERATIONS REVIEW

For detailed operational review kindly refer to Management Discussion and Analysis and the Report on Corporate Governance, which forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis of financial condition including the result of operations of the Company for the year under review, as required under Regulation 34 of SEBI(Listing Obligation And Disclosure Requirements) 2015 with the stock exchanges, is given as a separate statement in Annual Report.

INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to maintain efficiency in the industry. It has taken various steps to improve productivity across organization.

ACKNOWLEDGMENT

The Directors would like to place on record their gratitude to the Central Government and the State Government of Uttarakhand, the Financial Institutions and Banks for their invaluable support and cooperation. The Directors would like to record their appreciation of the contribution made by the employees of the company at all levels.

PLACE: Haridwar

For and on behalf of the Board

DATE: 27.08.2016

For Desh Rakshak Aushdhalaya Limited

S/d-

Monika Jain

Executive Director

S/d-

(Tosh Kumar Jain)

Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE AS ON MARCH 31, 2016

Corporate governance refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. A well- defined and enforced corporate governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws.

Desh Rakshak Aushdhalaya Ltd is committed to run its business in a legal, ethical and transparent manner with dedication that originates from the very top and permeate throughout the organization. Besides adhering to the prescribed corporate practices as per 27 SEBI (Listing Obligations And Disclosure Requirements), 2015 it voluntarily governs itself as per highest ethical and responsible standard of business. This chapter, along with the chapters on Management Discussion and Analysis, reports Company's compliance with Regulation 27 SEBI (Listing Obligations And Disclosure Requirements) 2015. Desh Rakshak Aushdhalaya Limited believes in managing business ethically and in a transparent manner with the profit objective balanced by long term value equitably for all stakeholders. Stakeholders would include everyone ranging from the board of directors, management, shareholders to customers, employees and society at large.

Company's Philosophy On Code On Corporate Governance

In terms of the requirement of Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing and Disclosure Obligations) Regulations 2015 ("LODR Regulations 2015") (earlier Clause 49(II)(E) of the Listing Agreement) & Section 149(8) read with Schedule IV of the Companies Act, 2013, the Board of Directors of the Company, in line with the Corporate Philosophy, laid down the Code of Conduct ("Code") for all Board Members and Senior Management of the Company.

Company's philosophy is to constantly achieve business excellence and optimize long term value through ethical business conduct. Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with.

The corporate governance structure in the Company ensures that its Board of Directors is well informed and well equipped to fulfill its overall responsibility by way of providing strategic direction to the senior management, employees, etc. which is needed to meet the aspirations of all stakeholders, including societal expectations. It's initiatives towards adhering to highest standards of governance include: professionalization of the Board; fair and transparent processes and reporting systems; and going beyond the mandated Corporate Governance Code requirements of SEBI. Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it has an impact on.

Board of Directors**I. Composition & Category**

The Board of the Company at present consists of Six Directors. Besides Chairman who is an Executive Promoter Director, One Executive Director, Two Non-Executive Non-Independent Directors and Two Non Executive Independent Directors. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations And Disclosure Requirements) 2015, laying down an optimum combination of Executive and Non-Executive Directors, with not less than 50 per cent of the Board comprising of Non-Executive Directors, and at least one-half comprising of Independent Directors for a Board chaired by Executive Promoter Director.

Classification of Board

Category	Number of Directors	% to total number of Directors
Executive Directors	2	33.34%
Non-Executive Independent Directors	2	33.34%
Other Non Executive Directors	2	33.34%
Total	6	100%

Number of Board Meetings Held

The Company has held at least one meeting in every Three months and the maximum time gap between any two Board meetings was not more than four Months. None of the Directors of the Company was a member of more than ten committees or the Chairman of more than five committees across all the companies in which he is a Director.

During the year ended 31st March 2016, Six meetings of Board of Directors were held i.e. on 25.05.2015, 27.05.2015, 08.08.2015, 31.08.2015, 14.11.2015, 03.02.2016 as against the minimum requirement of four meetings. The attendance is as follows:

Name of the Directors	Category	Attendance	
		No of BM	Last AGM
Mr. Tosh Kumar Jain	ED	6	Yes
Mr. Sudesh Jain	NED	3	No
Mrs. Monika Jain	ED	6	Yes
Mr. Arihant Kumar Jain	NED	6	Yes
Mr. Sachin Agarwal	ID	3	No
Mr. Surendra Kumar	ID	3	No

** CMD- Chairman cum Managing Director; ED-Executive Director, NED - Non-Executive Director, ID - Independent Non-Executive Director.

Director's Attendance Record And Their Other Directorships/ Committee Memberships

As mandated by Regulation 26 of the Listing Regulations, none of the Directors is a member of more than ten Board level Committees (considering only Audit Committee and

Stakeholders' Relationship Committee) or Chairman of more than five Committees across all public limited companies (listed or unlisted) in which he/she is a Director. Further all Directors have informed about their Directorships, Committee Memberships/ Chairmanships including any changes in their positions. Relevant details of the Board of Directors attendance and their directorship's / committee membership as on March 31, 2016 is mentioned in the corporate governance report .

Limit on the Number of Directorships

In compliance with the Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven Listed Companies or in case he/she is serving as a Whole-Time Director in any Listed Company, does not hold such position in more than three Listed Companies

Shareholding of Directors

Name of the Directors	Category	No. of Shares held
Tosh Kumar Jain	ED	1252200
Sudesh Jain	NED	150000
Monika Jain	ED	1212020
Arihant Kumar Jain	NED	213380
Sachin Agarwal	ID	0
Surendra Kumar	ID	0

Terms And Conditions of Appointment of Independent Directors

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company www.deshrakshak.in

Maximum Tenure of Independent Directors

In accordance with Section 149(11) of the Companies Act, 2013, the current tenure of Mr. Sachin Agarwal and Mr. Surendra Kumar Independent Director of the Company is for a term of 5 consecutive years from the date of 18th of August 2010 and 25th day of May ,2012 respectively (Subject To Approval of Shareholders In Forthcoming Annual General Meeting) .

Separate Meeting of The Independent Directors

All Independent Directors of the Company met separately on February 03rd, 2016 In accordance with the Listing Regulations, following matters were, inter alia , reviewed and discussed in the meeting

Performance of Non-Independent Directors and the Board of Directors as a whole. Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors. assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

Familiarization Programme for The Independent Directors

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its business model and various operations and the industry of which it is a part.

Information Supplied To the Board

The Board has complete access to all information with the Company. All Board meetings are governed by a structured agenda which is backed by comprehensive background information. The following information are regularly provided to the Board, as part of the agenda papers at least 2 weeks in advance of the Board meetings.

1. Detailed Business Review.
2. Annual and Quarterly financial results of the Company
3. Minutes of the meetings of the Audit Committee and other committees of the Board.
4. Information on recruitment and remuneration of senior officers just below the level of Board.
5. Materially important show cause, demand, prosecution notices and penalty notices.
6. Any material default in financial obligations to and by the Company.
7. Non-compliance of any regulatory, statutory or listing requirements

Board Membership Criteria

The selection of Board members is based on appropriate characteristics, skills and experience. The skill profile of Independent Board members is driven by the key performance indicators defined by the Board, broadly based on:

- Independent Corporate Governance
- Enhancing Shareholders' Value
- Monitoring Performance and Development
- Legal Compliances

Remuneration Paid To Directors

Details of remuneration paid to Directors for the Financial Year 2015-2016 is as under:-

Name of Director	Sitting Fees	Salary & Perquisites	Total
Tosh Kumar Jain	0	480000/-	480000/-
Sudesh Jain	0	0/-	0/-
Monika Jain	0	180000/-	180000/-
Arihant Kumar Jain	0	0	0
Sachin Agarwal	7000/-	0	7000/-
Surendra Kumar	7000/-	0	7000/-

Code of Conduct

Commitment to ethical professional conduct is a must for every employee, including Board members and senior management. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. All Board members and senior management personnel affirm compliance with the Code of Conduct annually. A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.

Committees of the Board

The Company has three Board Level Committees

- Audit Committee
- Shareholders/ Investors Grievance Committee
- Remuneration Committee
- Audit Committee

The Audit Committee meets periodically to review reports of Statutory/ internal Auditors and discuss their findings and suggestions.

The committee comprises of Three Directors i.e. Shri Surendra Kumar (Chairman/Independent Director), Shri Sachin Agarwal (Independent Director) and Shri Tosh Kumar Jain (Executive Director). The Audit Committee members have adequate financial and accounting knowledge. The Audit Committee met Four times on 21.05.2015, 03.08.2015, 09.11.2015, 01.02.2016 during the financial Year 2015-2016. Both of the members were present at the Four Audit Committee meetings.

The functions of the Audit Committee include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(5) of the Companies Act, 2013

- Changes, if any, in accounting policies and practices and reasons for the same
- Major accounting entries involving estimates based on the exercise of judgment by

- management
- Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
 - 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 8. Discussion with internal auditors any significant findings and follow up there on.
 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 - 12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee reviews the following information:

- Management discussion and analysis of financial condition and results of operations;

- Statement of significant related party transactions submitted by management;
- Letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor.

The Composition and details of Attendance during the year are as given below:

Name	Designation	No of Meetings	
		Held	Attended
Surendra Kumar	ID (Chairman)	4	4
Sachin Agarwal	ID (Member)	4	4
Tosh Kumar Jain	ED (Member)	4	4

NED - Non-Executive Director, ID - Independent Non-Executive Director, ED - Executive Director

Audit Committee Report for the year ended March 31, 2016

To the Board of Directors,

Desh Rakshak Aushdhalaya Limited

Two Third members of the Audit Committee are Independent Directors, according to the definition laid down in Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.

The Management is responsible for the Company's internal controls and financial reporting process. The independent auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the Indian GAAP and for issuing a report thereon. The Committee is responsible for overseeing the processes related to financial reporting and information dissemination.

The Management presented to the Committee the Company's financial statements and also represented that the Company's financial statements had been drawn in accordance with the Indian GAAP.

Based on its review and discussions conducted with the Management and the independent auditors, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with Indian GAAP in all material aspects.

The Committee has also reviewed Management Discussion and Analysis, Directors' Responsibility Statement, compliance relating to Financial Statements and draft Auditors' Report. The Committee also affirms that in compliance with the Whistle-Blower Policy no personnel had been denied access to the Audit Committee.

In conclusion, the Committee is sufficiently satisfied that it has complied with the responsibilities

PLACE: Haridwar
DATE: 07.05.2016

S/d-
Surendra Kumar
Chairman, Audit Committee

Stakeholder Relationship Committee

(Rs.)

The Shareholders/ Investors Grievance Committee constituted by Board of Directors, Shri Surendra Kumar (Chairman/Non-executive-Independent Director), Shri Sachin Agarwal (Independent Director) and Shri Tosh Kumar Jain, (Executive Director). The details of attendance of Members is given below

Name	Designation	No of Meetings	
		Held	Attended
Shri Surendra Kumar	ID(Chairman)	4	4
Shri Sachin Agarwal	ID(Member)	4	4
Shri Tosh Kumar Jain	ED(Member)	4	4

The committee looks into the redressal of shareholders/ investor grievance, if any, like Transfer/ Transmission of Shares, Loss of Share Certificates, Non Receipt of Annual report, Repayment of Principal and/or interest on Fixed Deposits etc. During the year under review 4 meetings on 13.04.2015, 10.07.2015, 16.10.2015, 13.01.2016 were held. The Company has no complaints/ transfers pending at the close of Financial Year.

Stakeholders' Relationship Committee Report For The Year Ended March 31,2016

To the Board of Directors of

Desh Rakshak Aushdhalaya Limited

The Stakeholders' Relationship Committee comprises of three Members. The main responsibility of the Committee is to ensure cordial investor relations and supervise the mechanism for redressal of investor grievances pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc. It performs the functions of transfer/transmission/remat/demat/ split-up/sub-division and consolidation of shares, issue of duplicate share certificates and allied matter(s).

PLACE: Haridwar

DATE: 20.05.2016

S/d-

Surendra Kumar

Chairman

Stakeholders' Relationship Committee

Nomination and Remuneration Committee

The Board of Directors of your company constituted the Remuneration Committee. Remuneration Committee should consist of at least three directors, all of whom should be non-executive directors, the Chairman of committee being an independent director. The role of Committee inter alia is to determine on behalf of the Board of Directors and on behalf of the Shareholders, the Company's policy on specific remuneration packages for Executive Directors. Four meeting were held during the Financial Year 2015-2016 on 21.05.2015,01.08.2015,07.11.2015,03.02.2016 The Composition and details of attendance during the year are given below:

Name	Designation	No. of Meetings	
		Held	Attended
Shri Surendra Kumar	ID(Chairman)	4	4
Shri Arihant Kumar Jain	NED(Member)	4	4
Shri Sachin Agarwal	ID(Member)	4	4

The terms of appointment and remuneration of the directors are in accordance with the terms and conditions specified in the agreements entered into by the Company with them.

Nomination and Remuneration Committee Report for the year ended March 31, 2016

To the Board of Directors of

Desh Rakshak Aushdhalaya Limited,

The Nomination and Remuneration Committee comprises of two Independent Directors and One Non-Executive Promoter Directors. The main responsibility of the Committee is to incentivize and reward Executive performance that will lead to long-term enhancement of shareholder performance. Further the Committee is also responsible for formulating policies asto remuneration, performance evaluation, Board diversity, etc. in line with Companies Act, 2013 and SEBI Listing Regulations.

PLACE: Haridwar

DATE: 20.05.2016

S/d-

Surendra Kumar

Chairman

Nomination and Remuneration Committee

Remuneration Policy

The nomination and remuneration policy has been disclosed on company's website www.deshrakshak.in and forms part of this annual report.

Disclosures**Disclosure of Accounting Treatment In Preparation Of Financial Statements**

Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations

The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations. The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause(b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

Related Party Transactions

There is no such related party transaction as per section 188.

Whistle Blower Policy

The whistle blower policy has been disclosed on company's website www.deshrakshak.com and forms part of this annual report

CEO/ CFO Certification

The CEO and CFO certification of the financial statements and the cash flow statement for the year is enclosed at the end of the report.

Risk Management

Company has established comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. At every Board meeting, the risk register is reviewed by the Board, new risks are identified, the same are then assessed, controls are designed, put in place and enforced through the process owner, and a fixed timeline is set for achieving the same.

Legal Compliance Reporting:

The Board of Directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

Means of Communication with Shareholders

Board recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication. Financial Results, Quarterly Results are published in Hindi and English News Papers. Results are also available at Company's Web Site www.deshrakshak.in. The Company's website contains details for use of investors. The quarterly and annual financial results are promptly and prominently displayed on the website. Annual Reports, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website.

Annual Report containing Financial Statements, Directors' Report, Report on Corporate Governance, Auditors Report and other important information is circulated to the members and others entitled thereto for each financial year. It is sent electronically to shareholders whose email ids are with the Company. Members who have not yet provided their email ids to the Company / its Registrar, are requested to do the same at the earliest.

Investor Relations

There is a conscious effort towards effective dissemination of information to the shareholders to communicate the company's vision and mission. The growing requirements of transparency and corporate governance have made it indispensable for companies to communicate more effectively with shareholders. Communication is done on transparent grounds.

Details of Last Three Annual General Meetings

General body meetings

- i. **General meeting**
- a. **Annual general meeting:**

Meeting	Year	Venue of AGM	Date	Time
32 nd AGM	2012-13	Bhagwant Kuti, Kankhal, Haridwar	21.09.2013	4:00 P.M
33 rd AGM	2013-14	Bhagwant Kuti, Kankhal, Haridwar	29.11.2014	4:00 P.M
34 th AGM	2014-15	Bhagwant Kuti, Kankhal, Haridwar	26.09.2015	04:00 P.M.

b. Extraordinary general meeting:

Meeting	Year	Venue of EGM	Date	Time
Extra Ordinary General Meeting	2015-16	Hotel LG Residency Avdhoot Mandal Ashram Road, Jwalapur, Haridwar, Uttarakhand-249407	27.02.2016	11:15 A.M.

ii. Special resolutions

Three special resolution was passed by the Company in any of its previous three AGMs.

iii. Details of special resolution passed through postal ballot have been Disclosed in Extra-Ordinary General Meeting.

During the year under review, special resolution has been passed through the exercise of postal ballot.

VIII. General shareholder information**i. Annual General Meeting:**

Date : 24th September ,2016

Time :04:00 P.M.

Venue :Bhagwant Kuti, Kankhal Haridwar Uttarakhand-249002

As required under Listing Regulations entered into with the stock exchanges, particulars of director Mr. Arihant Kumar Jain seeking re-appointment at the forthcoming AGM are the same as received at the time of his appointment.

RESUME

Arihant Kumar Jain

Date of Birth: 15th May 1989

Permanent Address:

Desh Rakshak Aushdhalaya Ltd.Kankhal,Hardwar-24940,Uttarakhand, India.

E- Mail : arihantjain7@yahoo.com

Mobile: +91 9012312065

Educational Qualifications:

Year	Qualifications	Institute / School
2008-2012	B.A (Hons.) in Hotel Management	Institute of Hotel Management, Aurangabad, Maharashtra, India Affiliated to University of Huddersfield, U.K
2008 India	10 th +2 or equivalent	Delhi Public School, BHEL, Ranipur, Haridwar,
2006 India	10 th or equivalent	Delhi Public School, BHEL, Ranipur, Haridwar,

Hobbies:

- Playing and watching football, listening music.

Training Experience:

Industrial Exposure: The Oberoi Cecil, Shimla from 27th April 2009 to 28th June 2009: Accommodations, Food and Beverage Service and Housekeeping.

On The Job Training: Taj Residency, Aurangabad from January till May, 2010 in the Food and Beverage (8 weeks), Front Office (6 weeks) and Housekeeping (6Weeks)

Industrial Understudy: Hyatt Regency, New Delhi, India from June 2010 till 16th August 2010 in the Front Office department.

Internship: Starwood Class Associate at The Westin Gurgaon Hotel, New Delhi from July 2011 till 19th May 2012.

Management Training Programme: Graduate Management Associate at The Westin Gurgaon Hotel, New Delhi from 02nd July 2012 till 22nd June 2013.

Assistant Manager Front Desk: The Le Meridien Hotel, Pune from 01st July 2013 till January 2014.

ii. Financial Year : The financial year of the Company is from April 1, 2015 to March 31, 2016

AGM : 24th September, 2016

Dividend payment : N/A

iii. Financial Calendar

Financial year: April 1, 2015 to March 31, 2016

For the Financial Year ended March 31, 2016, results were announced on:

- First Quarter :08th August, 2015
- Half Yearly :14th November, 2015
- Third Quarter :03rd February, 2016
- Fourth Quarter and Annual :31st May, 2016

iv. Dates of Book Closure

Our register of members and share transfer books will remain closed from Sunday, 18-09-2016 to Saturday, 24-09-2016 (both days inclusive)

Listing Fees as applicable have been paid.

v. Corporate Identification Number (CIN)

The Corporate Identification Number (CIN) allotted by Ministry of Corporate Affairs, Government of India is L33119UR1981PLC006092 and Company registration number is 006092. The Company is registered in the state of Uttar Pradesh with Registrar of Companies, Uttar Pradesh and Uttarakhand.

COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with all applicable mandatory requirements of the Listing Regulations as on 31.03.2016 Quarterly Compliance Report on Corporate Governance, in the prescribed format, duly signed by the compliance officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed.

Dematerialization of Shares:

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- a. Demat Account should be opened with a Depository Participant (DP).
- b. Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- c. DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- d. DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA)
- e. RTA will process the DRF and confirm or reject the request to DP/ Depositories.
- f. Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his Demat Account maintained with the DP.

Dematerialization of Shares and Liquidity

Trading in equity shares of the Company in dematerialized form became mandatory from

May 31, 1999. To facilitate trading in Demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Desh Rakshakh entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

- As on March 31, 2016, 63.48 % shares of the Company were held in dematerialized form.

Service of Documents Through Email

In terms of provisions of the Companies Act, 2013 service of documents on members by a Company is allowed through electronic mode. Further, as per Listing Regulations, Listed Companies shall supply soft copies of full annual reports to all those shareholders who have registered their e-mail addresses for the purpose. Accordingly, the Company proposes to send documents like shareholders meeting notice/other notices, Audited Financial Statements, Directors' Report, Auditor's Report or any other document, to its members in electronic form at the email address provided by them and/or made available to the Company by their depositories. This will definitely help in prompt receipt of communication, reduce paper consumption and save trees as well as avoid loss of documents in transit. Members who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated either with their depositories or by writing to the Company. Format of request letter is available in the Investor section of the Company's website

Reconciliation of Share Capital Audit

An independent firm of Practicing Company Secretary, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL/CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Shareholders and Investors Grievances Committee of the Board.

Share Transfer System & Transfer Agent

Your Company has appointed M/s Mas Services Limited as its Registrar & Share Transfer Agent w.e.f. 01.10.2007. Shareholder/ Investors are requested to forward Share Transfer Documents and other related correspondence directly to M/s Mas Services Limited at their address at T-34, IInd Floor, Okhla Phase-II, New Delhi.

Distribution of Shareholding (as on March 31, 2016)

On the Basis of Shares held

No. of Equity Shares Held (Range)	No. of Shareholders	% to Total Shareholders	No. of shares Held	% to total Shares held
Upto 5000	1585	65.904	615530	13.869
5001-10000	578	24.033	541654	12.204
10001-20000	210	8.732	328000	7.390
20001-30000	14	0.582	33600	0.757
30001-40000	3	0.125	10100	0.228
40001-50000	4	0.166	19040	0.429
50001-100000	5	0.208	35400	0.798
Above 100000	6	0.249	2855000	64.326
TOTAL	2405	100	4438324	100%

Category	No. of Shares Held	% to Total shares
Promoter Holding	264420	59.581
Private Corporate Bodies	1800	0.41
Others (Clearing Members)	500	0.011
Indian Public	1791604	40.367
Total	4438324	100%

Listing On Stock Exchanges At:

- (a) Bombay Stock Exchange Limited
25th Floor, P.J. Tower, Dalal Street, Mumbai
- (b) The Cochin Stock exchange limited
MES Dr. P.K. AbdulGafoor Memorial Cultural complex
36/1565, 4th Floor, judge Avenue, Kaloore, Cochin 682017

Address For Correspondence

- For Transfer or any other query relating to Shares of the Company:
M/s Mas Services Limited, T-34, IInd Floor, Okhla Phase-II New Delhi.
- Any Query on Annual Report
DeshrakshakAushdhalaya Limited, Bhagwant Kuti, Kankhal Haridwar,
Uttaranchal-249408

Compliance With Secretarial Standards

The Institute of Company Secretaries of India, a statutory body, has issued Secretarial Standards on various aspects of corporate law and practices. All Companies incorporated under the Companies Act, 2013 or under any previous Company law irrespective of the criteria of capital, turnover, profit etc. have to comply with secretarial standards

As Per The Provisions Of Section 118 (10) Of Companies Act, 2013 every Company Shall Observe 'Secretarial Standards' (SS) With Respect To General And Board Meetings Specified By The Institute Of Company Secretaries of India Constituted Under Section 3 Of The Company Secretaries Act, 1980.

Certification By Chief Executive Officer And Chief Financial Officer Of The Company

We, Tosh Kumar Jain, Chief Executive Officer and Rajesh Sharma, Chief Financial Officer, of Desh Rakshak Aushdhalaya Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March, 2016 and its entire schedule and notes on accounts, as well as the Cash Flow Statement.
2. To the best of our knowledge and information:
 - a. These statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company, which are fraudulent, illegal or violate the company's code of conduct.
4. The company's other certifying officers and we are responsible for establishing and maintaining internal controls for financial reporting and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedures.
5. The Company's have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and to the Audit Committee of the Company, the following:
 - a. All significant deficiencies in the design or operation of internal controls, which we are aware and have taken steps to rectify these deficiencies;
 - b. Significant changes in internal control during the year;
 - c. Any fraud, which we have become aware of and that involves Management or other employees who have a significant role in the Company's internal control systems;

Place: Haridwar
Date: 26.05.2016

S/d
Rajesh Sharma
CFO

S/d
Tosh Kumar Jain
CEO

Desh Rakshak Aushdhalaya Ltd Desh Rakshak Aushdhalaya Ltd

CERTIFICATION BY CHIEF EXECUTIVE OFFICER OF THE COMPANY

I declare that all board members and senior management have affirmed compliance with the Code of Conduct for the Current Financial Year Ended March 2016.

Place: Haridwar
Date: 26.05.2016

S/d
Tosh Kumar Jain
CEO

Desh Rakshak Aushdhalaya Ltd

COMPLIANCE REPORT

Format To Be Submitted By Listed Entity On Quarterly Basis

I. COMPOSITION OF BOARD OF DIRECTORS								
TITLE (Mr./Ms)	Name Of The Director	PAN & DIN	Category (Chairperson /Executive /Non -Executive /Independent /Nominee)	Date of Appointment in the current term /cessation	Tenure	No. of Independent Directorship in Listed entities including this listed entity (Refer Regulation 25(1) of Listing Regulation)	Number of Memberships in Audit/Stakeholder Committee(s) including this Listed entity (Refer Regulation 26(1) of Listing Regulations)	No. of post of Chairperson in Audit/Stakeholder Committee held in Listed entities including this listed entity(Refer Regulation 26 (1) of Listing Regulations)
Mrs.	Sudesh Jain	ADYR2838D 01540383	Non-Executive Director	16/06/2007		0	0	0
Mr.	Sachin Agarwal	AGCPW097D 03193253	Non-Executive, Independent Director	18/08/2010		1	3	0
Mr.	Tosh Kumar Jain	ACCP17964L 01540363	Chairperson, Executive Director	02/09/1988	5	0	2	0
Mr.	Surendra Kumar	AJCPK8501H 00355256	Non-Executive, Independent Director	25/05/2012		1	0	3
Mrs.	Monika Jain	ADYR2815I 03403491	Executive Director	25/05/2012		0	0	0
Mr.	Arihant Kumar Jain	AUBP9381J 06401053	Non-Executive Director	19/09/2015		0	1	0
II. COMPOSITION OF COMMITTEES								
NAME OF THE COMMITTEE			NAME OF COMMITTEE MEMBERS		CATEGORY(Chairperson/Executive/Non - Executive/Independent/Nominee)			
1.Audit Committee			Surendra Kumar		Chairperson Non-Executive,Independent Director			
			Sachin Agarwal		Non-Executive,Independent Director			
			Tosh Kumar Jain		Executive Director			
2.Nomination & Remuneration Committee			Surendra Kumar		Chairperson Non-Executive,Independent Director			
			Sachin Agarwal		Non-Executive,Independent Director			
			Arihant Kumar Jain		Non-Executive Director			

3. Stakeholders Relationship Committee		Surendra Kumar	Chairperson Non-Executive, Independent Director
		Sachin Agarwal	Non-Executive, Independent Director
		Tosh Kumar Jain	Executive Director
4. Risk Management Committee. Not Applicable			
Category of directors means executive/non-executive/independent/Nominee. If a director fits into more than one category write all categories separating them with hyphen			
I. MEETING OF BOARD OF DIRECTORS			
Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Maximum gap between any two consecutive meetings in number of days	
14/11/2015	03/02/2016	80 Days	
	03/02/2016	80 Days	
II. MEETING OF COMMITTEES			
Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met(details)	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
Audit Committee Meeting	Yes-All members present		
01/02/2016		09/11/2015	83 days
Nomination And Remuneration Committee Meeting			
03/02/2016	Yes-All members present	07/11/2015	87 days
Stakeholders Relationship Committee Meeting			
13/01/2016	Yes-All members present	16/10/2015	119 days
This information has to be mandatorily be given for audit committee, for rest of the committees giving this information is optional			
III. RELATED PARTY TRANSACTIONS			
Subject		Compliance status (Yes/No/NA) refer note below	
Whether prior approval of audit committee obtained		N.A	
Whether shareholder approval obtained for material RPT		N.A	
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee		N.A	
<p>Note</p> <p>1. In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated.</p> <p>2. If status is "No" details of non-compliance may be given here.</p>			
IV. AFFIRMATIONS			
<p>1. The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015.</p> <p>2. The composition of the following committees is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015</p> <p>a. Audit Committee</p> <p>b. Nomination & Remuneration committee</p> <p>c. Stakeholders relationship Committee</p> <p>d. Risk Management Committee (applicable to top 100 listed entities)-Not Applicable</p> <p>3. The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015</p> <p>4. The meetings of board of directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.</p> <p>5. This report and/or the report submitted in the previous quarter has been placed before board of directors. Any comments/observations/advice of board of directors may be mentioned here:</p>			
Name: Tosh Kumar Jain			
Designation: Managing Director			

Format to be submitted by listed entity at the end of the financial year (for the whole of financial year)

I. Disclosure on website in terms of Listing Regulations		
<i>Item</i>	<i>Compliance status (YES / NO / N.A)</i>	
Details of business	Yes	
Terms and conditions of appointment of independent directors	Yes	
Composition of various committees of board of directors	Yes	
Code of conduct of board of directors and senior management personnel	Yes	
Details of establishment of vigil mechanism/ Whistle Blowecpoli	Yes	
Criteria of making payments to non-executive directors	Yes	
Policy on dealing with related party transactions	Yes	
Policy for determining 'material' subsidiaries	N.A	
Details of familiarization programmes imparted to independent directors	Yes	
Contact information of the designated officials of the listed entity responsible for assisting and handling investor grievances	Yes	
email address for grievance redressal and other relevant details	Yes	
Financial results	Yes	
Shareholding pattern	Yes	
Details of agreements entered into with the media companies and associates	N.A	
New name and the old name of the listed entity	N.A	
II Annual Affirmations		
<i>Particulars</i>	<i>Regulation Number</i>	<i>Compliance status (YES / NO / N.A)</i>
<i>Independent director(s) have been appointed in terms of specified criteria 'independence' and/or 'eligibility'</i>	<i>16(1)(b) & 25(6)</i>	Yes
<i>Board composition</i>	<i>17(1)</i>	Yes
<i>Meeting of Board of directors</i>	<i>17(2)</i>	Yes
<i>Review of Compliance Reports</i>	<i>17(3)</i>	Yes
<i>Plans for orderly succession appointments</i>	<i>17(4)</i>	Yes
<i>Code of Conduct</i>	<i>17(5)</i>	Yes
<i>Fees/compensation</i>	<i>17(6)</i>	Yes
<i>Minimum Information</i>	<i>17(7)</i>	Yes
<i>Compliance Certificate</i>	<i>17(8)</i>	Yes
<i>Risk Assessment & Management</i>	<i>17(9)</i>	Yes
<i>Performance Evaluation of Independent Directors</i>	<i>17(10)</i>	Yes
<i>Composition of Audit Committee</i>	<i>18(1)</i>	Yes
<i>Meeting of Audit Committee</i>	<i>18(2)</i>	Yes
<i>Composition of nomination & remuneration committee</i>	<i>19(1) & (2)</i>	Yes
<i>Composition of Stakeholder Relations Committee</i>	<i>20(1) & (2)</i>	Yes
<i>Composition and role of risk management committee</i>	<i>21(1),(2),(3),(4)</i>	N.A
<i>Vigil Mechanism</i>	<i>22</i>	Yes
<i>Policy for related party Transaction</i>	<i>23(1),(5),(6),(7) & (8)</i>	Yes
<i>Prior or Omnibus approval of Audit Committee for all related party transactions</i>	<i>23(2), (3)</i>	Yes

Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	N.A
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	N.A
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

Note

- 1 In the column "Compliance Status", compliance or noncompliance may be indicated by Yes/No/N.A. For example, if the Board has been composed in accordance with the requirements of Listing Regulations, "Yes" may be indicated. Similarly, in case the Listed Entity has no related party transactions, the words "N.A." may be indicated.
- 2 If status is "No" details of non-compliance may be given here.
- 3 If the Listed Entity would like to provide any other information the same may be indicated here.

III Affirmations:

The Listed Entity has approved Material Subsidiary Policy and the Corporate Governance requirements with respect to subsidiary of Listed Entity have been complied.

Name & Designation:

Tosh Kumar Jain

(Managing Director)

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,

The Members of Desh Rakshak Aushdhalaya Limited,

We have examined the Compliance of conditions of Corporate Governance by Desh Rakshak Aushdhalaya Limited, for the year ended March 31, 2016, as stipulated in the Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to procedures, and implementation thereof, adopted by the Company for ensuring the compliance of the 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We state that all investor grievances were redressed within 30 days of lodgment of grievance and as on 31.03.2016, no investor complaint is pending against the Company as per the records maintained by the Stakeholders Relationship Committee. 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 Anil Jain & Co.

Chartered Accountants

FRN-000189C

Anil Kumar Jain

(Partner)

Membership No.: 070253

Place: Haridwar

Date: 26.05.2016

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,

The Members,

Desh Rakshak Aushdhalaya Limited

Bhagwant Kuti, Kankhal, Haridwar

Uttarakhand-249408

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DESH RAKSHAK AUSHDHALAYA LIMITED (hereinafter called the Company). 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 DESH RAKSHAK AUSHDHALAYA LIMITED 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 authorised representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 generally 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 made available to us and maintained by DESH RAKSHAK AUSHDHALAYA LIMITED for the financial year ended on 31st March, 2016 according to the applicable provisions of:

- i. The Companies Act, 1956 and the Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (a.) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the

Audit)

- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period under review);
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period under review);
- (g) 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 (Not applicable to the Company during the Audit Period under review);
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period under review);
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period under review); and
- (v) Laws specifically applicable to the industry to which the Company specifically belongs, as identified by the management are:-NIL

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

- i. Secretarial Standards of The Institute of Company Secretaries of India with respect to board and general meetings are yet to be specified under the Act by the Institute.
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review and as per the explanations and clarifications given to us the Company has generally complied with the provisions of the Act,

Rules, Regulations, Guidelines, etc. mentioned above. However, the Company has an unspent amount during the year in the amount to be spent towards Corporate Social Responsibility.

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 was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us 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.

N.K. RASTOGI & ASSOCIATES

COMPANY SECRETARIES

S/D

Naveen Kumar Rastogi

FCS No. 3685

C. P. No. 3785

Proprietor

Place : DELHI

Date : 27.08.2016

Form No.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31-03-2016

[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:

i.	CIN	L33119UR1981PLC006092
ii.	Registration Date	14/09/1981
iii.	Name of the Company	DESH RAKSHAK AUSHDHALAYA LIMITED
iv.	Category/Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
v.	Address of the Registered office and contact details	BHAGWANT KUTI, KANKHAL, HARIDWAR, UTTARAKHAND-249002 Phone No.: 01334-243833, 245877, Fax: 01334-245868
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Mas Services Limited T-34, IInd Floor, Okhla Phase-II, New Delhi

II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
			NIL		

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
<i>1) Indian</i>									
a) Individual/HUF	2536920	319380	2856300	64.35	2538420	106000	2644420	59.581	(4.769)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Subtotal(A)(1):-	2536920	319380	2856300	64.35	2538420	106000	2644420	59.581	(4.769)
<i>2) Foreign</i>									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
Any Other...	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
<i>1. Institutions</i>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0

g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(1)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	1900	200	2100	0.047	1600	200	1800	0.041	(0.005)
b) Individuals	0	0	0	0	0	0	0	0	0
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	52800	1527124	1579924	35.58	63800	1514424	1578224	35.559	(0.02)
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakhs	0	0	0	0	213380	0	213380	4.608	4.608
c) Others	0	0	0	0	500	0	500	0.011	0.011
Clearing member									
Sub-total(B)(2)	54700	1527324	1582024	35.644	279280	1514624	1793904	40.419	4.775
Total Public Shareholding(B)=(B)(1)+ (B)(2)	54700	1527324	1582024	35.644	279280	1514624	1793904	40.419	4.775
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2591620	1846704	4438324	100	2817700	1620624	4438324	100	0

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	TOSH KUMAR JAIN	1249700	28.154	0	1252200	28.213	0	(0.112)
2.	MONIKA JAIN	1213020	27.328	0	1212020	27.308	0	(0.02)
3.	SUDESH JAIN	150000	3.379	0	150000	3.38	0	0
4.	HANUJ KUMAR JAIN	2300	0.052	0	2300	0.052	0	0
5.	PAYAL JAIN	27900	0.629	0	27900	0.629	0	0
6.	PARAS KUMAR JAIN	213380	4.807	0	0	0	0	4.807
	Total	2863900	64.52	0	2644420	59.58	0	(4.94)

iii. Change in Promoters' Shareholding:

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2856300	64.349	2644420	59.582
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	As it is available on RTA website			
	At the End of the year	2856300	64.349	2644420	59.582

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	59340	0.176	57940	1.306
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	As it is disclosed on RTA website			
	At the End of the year (or on the date of separation, if separated during the year)	59340	0.176	82340	1.856

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Share holding at the Beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2612720	58.86	2827600	63.70
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat Equity etc):	As available on RTA Website			
	At the End of the year	2612720	58.86	2827600	63.70

IV. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	10584776	0	0	10584776
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	10584776	0	0	10584776
Change in Indebtedness during the financial year				
- Addition	4155490	0	0	4155490
- Reduction				
Net Change	4155490	0	0	4155490
Indebtedness at the end of the financial year				
i) Principal Amount	14740266	0	0	14740266
ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	14740266	0	0	14740266

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	Tosh Kumar Jain	480000
2.	Stock Option		0
3.	Sweat Equity		0
4.	Commission - as % of profit - others, specify.		0
5.	Others please specify		0
6.	Total(A)		480000
	Ceiling as per the Act		

B. Remuneration to other directors: NIL

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Independent Directors - Fee for attending board committee meetings - Commission - Others ,please specify	1. Sachin Agarwal 2. Surendra Kumar	7000 7000
	Total(1)		14000
	Other Non-Executive Directors - Fee for attending board committee meetings - Commission - Others ,please specify	Monika Jain	160000
	Total(2)		
	Total(B) = (1 + 2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		194000

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:
NIL**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel:			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	480000			
2.	Stock Option	0			
3.	Sweat Equity	0			
4.	Commission - as % of profit - others, specify...	0			
5.	Others, please specify	0			
6.	Total	480000			

V. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment / Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations 2015"), Please find Management Discussion and Analysis Report forming part of Annual Report

1. INDUSTRY STRUCTURE & DEVELOPMENTS

Company recognizes operations as an important source of competitive advantage and further believes in continually striving for higher and better levels of quality not just in its products, but also in its operations, without losing sight of its commitments towards the environment and communities where it operates. A host of initiatives are continually rolled out by the company to improve productivity while reducing its energy usage.

Company is committed to create an open and transparent organization that is focused on people and their capability, and fostering an environment that enables them to deliver superior performance. Company continued to focus on expanding its product offerings to consumers by way of new product launches and expansion of existing products, thereby continuing to address the growing and ever changing needs of its consumers.

Health care has been identified as an important growth engine for the future. Your Company is lining up a host of new initiatives for the same in Ayurveda and range of Ayurveda Based ethical and Classical and Health care products

2. OPPORTUNITIES AND THREATS

The consumer landscape has been continuously evolving and one has to keep pace with the changing trends in order to win consumer confidence. The Herbal Wave in India offers a significant growth opportunity to be tapped and appropriate strategies need to be formulated to capture this opportunity. Desh Rakshak is capturing these opportunities by investing in brands that are positioned strongly on the herbal platform and appeal to the contemporary consumers. Desh Rakshak is leveraging its deep experience and heritage in the field of Ayurveda and building its business based on the Health and Wellness theme across categories. Currency volatility, slowdown in category growth rates and unpredictable weather patterns are some of the threats to the company's prospects.

3. SEGMENT-WISE/ PRODUCT-WISE PERFORMANCE

Products ranging from AmalkiChurna, Ashwagandha Tablet, Triphala Churna, Lavana Bhaskar Churna, Sat Shilajeet, Shunthi Churna, Hingwad iChurna, Gashar Vati, Buddhi vardhak Yog, Balamrit, Lodhra Churna, Narayan Churna, Gangadhar Churna, MustakaChurna, ShatavariChurna Tablet, Ashwagandha Tab., LavangadiChurna, ShringyadiChurna, ShatavaryadiChurna, MulethiChurna Tab., DantMohiniManjan, GokshurChurna, BhiringrajChurna, MulethiChurna, DashmoolKwath, PunamavastakKwath, SomkalpChurnaVachChurna, AshwagandhaLehyaBansavaleha, Chyavanprash Special, ChyavanprashVishesh, GiloySatva, HaridraKhanda, BrahmiGharit, TrifalaGharit,

NeemTaila, JatyadiTailaDashmoolTaila, DhanvantaraTaila are products which are famous amongst the consumers. The list is far-reaching and faster consumption of all types of rasRasayan, Churna, Avaleha-Pak, Kwath Churn, Bhasma-Pisti, Guggul, LouMandoor, Parpati, KupipakwaRasayan, Asava-Rishta, AushadhiTaila, Avaleha-Pak, Kshar-Satva making the Company's Products Competitive and best in the Ayurvedic Industry.

With a portfolio of Ayurvedic and natural products, nature and herbs are the key to our existence and company continues to invest in Research & development in order to establish beyond the boundaries of Uttaranchal

Company has a wide range of ethical healthcare products based upon the age-old system of Ayurveda. It has a wide range of ethical medicines that are derived from herbs and form part of this holistic healthcare system, focusing on all-round well-being. The range was promoted aggressively through focused activities. This centre seeks to promote Ayurveda among the urban Indians, besides enhance availability and visibility of Ayurvedic medicines

4. OUTLOOK

An improvement in the macro-economic fundamentals is expected to ramp up demand by improving the overall consumer sentiment. The Company expects demand to pick up as and when the disposable income in the hands of consumers increases due to pick up in economic activity and various government initiatives like NREGA, 7th Pay commission, implementation of DBT schemes etc. The company has a good product pipeline and has also been investing in various distribution channels to service the demand all across geographies. We are well poised to effectively capture the growth opportunities in the FMCG domain

5. RISKS AND CONCERNS

The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions. One of the key risks faced by the Company in today's scenario is the continued inflationary trend which is not only increasing cost pressures, but may also lead to demand compression for its products. Increase of imitation/fake products and brands can hamper our growth. The input Cost Pressures were managed effectively and the Company did not take any significant price increases during the year. Growth rates across quarters have been consistent and reflect your company's sound business strategies and strong execution capabilities. A slowdown in overall economic growth can lead to pressure on disposable incomes and spending power of people.

To overcome the hurdles posed by a challenging external environment, Company has been taking proactive measures in portfolio, product and channel optimization. The focus of the Company is on ensuring deeper penetration and more effective distribution of products. Company is committed to its motto of being dedicated to the health and well-being of every household. With a legacy and experience, company is today trusted

healthcare brand and Ayurvedic and Natural Health Care Company.

The Company increased its efforts to improve productivity by deploying various cost reduction and energy saving initiatives, resulting in a reduction in manufacturing costs to lower levels..

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a proper and adequate system of internal control including internal financial controls. Your Company has an Audit Committee headed by a non-executive independent director, inter-alia, to oversee your Company's financial reporting process, disclosure of financial information, and reviewing the performance of statutory and internal auditors with management. The internal control system, including internal financial controls of the Company, is monitored by an independent internal audit team, which encompasses examination/ periodic reviews to ascertain adequacy of internal controls and compliance to Company's policies. Weaknesses noted along with agreed upon action plans are shared with audit committee, which ensures orderly and efficient conduct of the business and effectiveness of the system of internal control. The audit function also looks into related party transactions, preventive controls, investigations, as well as other areas requiring mandatory review per applicable laws. The powers of the Audit Committee, inter-alia, include seeking information from any employee, obtaining outside legal or other professional advice, and investigating any activity of the Company within the committee's term of reference. Your Company's internal audit department verifies the information of the financial statements as well as the compliance with your Company's policies to maintain accountability and ensuring controls are in place to safeguard of all its assets and correctness of accounting records. The internal audit department shares regular updates regarding the work done, coverage, weaknesses noted and other relevant issues with appropriate management levels including Audit Committee. Observations/ weaknesses noted from time to time are suitably acted upon and followed up at different levels of management. The internal control is supplemented by an extensive program of audits and periodic review by the management.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the turnover of the Company is Rs. 501.73 Lacs in comparison with the last years 445.88Lacs. The profit after tax of the company is Rs2.91 lacs. Despite high inflationary and cost pressures throughout the year, company capitalized on every available opportunity and undertook strategic initiatives coupled with to exploit the full industry potential, besides making efforts towards cost reduction and improved efficiency which enable the company to grow reasonably well.

In continuation of its efforts towards offering innovative, more effective and value added products to the consumers for providing them with value for money. Company continued combining traditional Ayurvedic Science with adoption of the modern manufacturing technology.

8. CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Desh Rakshak objectives, projections, estimates and expectations might be construed as 'forward looking statements' within the meaning of applicable laws and regulations.

Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downward trend in the FMCG industry, rise in input costs, exchange rate fluctuations and significant changes in political and economic environment, environment standards, tax laws, litigation and labour relations.

To ensure our Long term corporate success, company implements risk management system which includes recording, monitoring and controlling internal enterprise business risks and addressing them through informed and objective strategies.

AUDITOR'S REPORT

To,
The Members,
M/s Desh Rakshak Aushdhalaya Limited,
Haridwar
Gentlemen,

REPORT ON THE FINACIAL STATEMENTS

We have audited the accompanying Consolidated Balance Sheet of **M/s DESH RAKSHAK AUSHDHALAYA LIMITED, HARIDWAR** as at 31st March 2016 and the relative Consolidated manufacturing, Trading, Profit & Loss Account & Cash & Fund Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation of these financial statements in terms of the requirements of the Companies Act 2013 that give a true and fair view of the financial position, performance and cash flows 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 Rules 2016. The respective Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities, the selection and application of appropriate accounting policies, making judgment and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial control, 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, which have been used for the purpose of preparation of consolidated financial statements by the Directors of the company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the 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 there under.

We conducted our audit in accordance with the standards on auditing specified under Section 143(10) of the Act, 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 judgment, 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, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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, of the state of affairs of the Company as at 31st March 2016 and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL THE REGULATORY REQUIREMENTS

1. As required by the companies (Auditor's report) order 2016, issued by the Central Govt. of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016
 - (e) On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the Directors is

disqualified as on 31st March, 2016 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 Auditor's) Rules 2016 in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has made provision, as required under the applicable law or accounting standards.
 - ii. Provident Fund and ESI deposited by the company every month.

For and on behalf of
M/s Anil Jain & Co.
Chartered Accountants.
Firm Regn. No. 000189C

Place: HARIDWAR
Dated: 26.5.2016

Anil Kumar Jain
Proprietor
Membership No.070253
PAN NO. ACDPJ9361N

M/S DESH RAKSHAK AUSHDHALAYA LIMITED, HARIDWAR

(ANNEXURE TO AUDITOR'S REPORT)

As per paragraph 3 of CARO - 2016, the annexure referred to in our Auditor's Report to the members of the Company on the financial statements for the year ended 31st March 2016, we report that;

FIXED ASSETS - CLAUSE 3 (I)

Proper Records

The company has maintained proper records showing full particulars including quantitative details and situations of its fixed assets.

Physical Verification

As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification and the same have been properly dealt with in the books of accounts.

In our opinion, the company has not disposed of substantial part of fixed assets during the year and the going concern status of the company is not affected.

Title Deed

Land Account No. 88, Khasra No. 58/3M, total area 0.2780 Hec. situated at BhagwantKuti, Kankhal, Haridwar 249408, the title deed of immovable property are held in the name of the company through its Managing Director Sh. Paras Kumar Jain, but after the death of Sh. Paras Kumar Jain the name has been changed as Managing Director Sh. Tosh Kumar Jain w.e.f. 16.03.2015 by Court Order of dated 14.03.2015.

IN RESPECT OF INVENTORIES - CLAUSE 3 (II)

As explained to us inventories have been physically verified by the management at regular intervals during the year.

In our opinion and according to the information's and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

The Company has maintained proper records of the inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the books of account.

LOAN GIVEN BY THE COMPANY - CLAUSE 3 (III)

The company has not granted any loans, secured or unsecured to companies, firms, Limited

Liability Partnership (LLP) or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.

LOAN TO DIRECTORS AND INVESTMENT BY COMPANY - CLAUSE 3 (IV)

In respect of loans, the company has not given any loan to its directors. Some advance has been given to its staff and the recovery of advances is regular.

The company has invested some amount in the security deposited to the various departments in shape of FDRs against taking tender from them. The company has not taken any guarantee and the provision of sec. 185 & 186 of the Companies Act, 2013 have been complied with.

DEPOSITS - CLAUSE 3 (V)

The company has taken one Unsecured Loan from one party without interest which is covered in the register of deposits as per the Companies Act 2013.

The company has not accepted any deposits during the year.

COST RECORDS - CLAUSE 3 (VI)

Maintenance of cost records under section 148 (1) of the Companies Act, 2013 does not apply on the company.

STATUTORY DUES - CLAUSE 3 (VII)

According to the information's and explanations given to us, no undisputed amount payable in respect of income tax, wealth tax, sales tax and excise duty were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.

The company is regular in depositing undisputed statutory dues with the appropriate authorities including:

Provident Fund

Employees State Insurance

Income Tax

Sales Tax,

Service Tax,

Duty of Excise

Custom duty

Value Added Tax VAT

Cess etc.

According to the records of the company, there are no dues of sales tax, income tax, excise duty, service tax, value added tax which have been deposited on account of any dispute during the year.

REPAYMENT OF LOAN - CLAUSE 3 (VIII)

The company has taken secured loans (Term loan and Cash Credit Limit) from Punjab National Bank. After the verification of documents we found that the company is regular in repayment of loan including interest and there is no any default noticed during the year. The term loan is against the hypothecation of the such assets of the company against which the loan is disbursed and cash credit limit is against the hypothecation of all type of stock and finished goods & against the receivable of the company.

UTILISATION OF IPO - CLAUSE 3 (IX)

The company has raised money by way of initial public offer since long time back and term loan raised in previous financial years were applied for the purposes for which those are raised. In our opinion it has been fully utilized in the benefit of the company.

The company has accumulated losses and there is no any cash loss during the financial year covered by our audit.

REPORTING OF FRAUD - CLAUSE 3 (X)

In our opinion and according to the information's and explanations given to us by the management of the company, no any fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the financial year.

APPROVAL OF MANAGERIAL REMUNERATION - CLAUSE 3 (XI)

The managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 with Schedule V to the Companies Act 2013.

NIDHI COMPANY - CLAUSE 3 (XII)

The company is not a Nidhi Company which has complied with the net owned fund to deposits in the ratio of 1:20 to meet out the liability and maintained 10% unencumbered term deposit as specified in the nidhi rules 2014 to meet out the liability

RELATED PARTY TRANSACTION - CLAUSE 3 (XIII)

All transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 have been disclosed in the financial statements etc. as required by the applicable accounting standard.

PRIVATE PLACEMENT OR PREFERENTIAL ISSUE - CLAUSE 3 (XIV)

The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

NON CASH TRANSACTION - CLAUSE 3 (XV)

The company has not entered into any non-cash transaction with Directors or persons connected with him, hence the provisions of section 192 of the Companies Act 2013 shall not apply.

According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets.

REGISTER UNDER RBI ACT 1934 - CLAUSE (XVI)

The company is not required to be registered under section 45IA of the Reserve Bank of India Act 1934, hence no registration has been obtained.

FOR AND ON BEHALF OF
M/S ANIL JAIN & CO.
CHARTERED ACCOUNTANTS.

Place: HARIDWAR
Dated: 26.5.2016

S/d
(ANIL KUMAR JAIN)
PROPRIETOR
MEMBERSHIP NO.070253

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(देशरक्षक)

DESH RAKSHAK AUSHDHALAYA LTD., KANKHAL, HARIDWAR
Balance Sheet as at 31st March, 2016

PARTICULARS	NOTE NO.	FIGURES AS AT THE END OF THE CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF THE PREVIOUS REPORTING PERIOD
I. EQUITY AND LIABILITIES			
(1) Shareholder's Fund			
(a) Share Capital	1	48,831,740	48,831,740
(b) Reserves and Surplus	2	24,556,808	21,529,841
(c) Money received against share warrants		0	-
(2) Share Application Money pending Allotment			
(3) Non-Current Liabilities			
(a) Long Term borrowings	3	12,640,268	7,764,778
(b) Deferred Tax Liabilities (Net)		0	-
(c) Other Long term Liabilities		0	-
(d) Long Term Provisions		0	-
(4) Current Liabilities			
(a) Short Term Borrowings	4	2,100,000	2,800,000
(b) Trade Payables	5	13,994,941	16,248,887
(c) Other Current Liabilities	6	258,874	259,374
(d) Short term Provisions	7	589,024	832,117
TOTAL		100,873,653	95,886,715
II. Assets			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	61,158,898	50,418,475
(ii) Intangible Assets		0	-
(a) Capital work in progress		0	-
(b) Intangible assets under development		0	-
(b) Non-current investments		0	-
(c) Deferred Tax Assets (Net)		0	-
(d) Long term loan and advances		0	-
(e) Other non-current assets		0	-
(2) Current Assets			
(a) Current investments	9	1,175,000	1,175,000
(b) Inventories	10	11,450,820	14,131,239
(c) Trade receivables	11	17,131,660	15,538,801
(d) Cash and Cash equivalents	12	6,669,940	2,469,667
(e) Short Term loans and advances	13	1,389,516	12,123,203
(f) Other current assets		0	-
TOTAL		100,873,653	95,886,715

Significant Accounting Policies

Notes on Financial Statements

AUDITOR'S REPORT

AS PER OUR REPORT OF EVEN DATE.

Sd-

Tosh Kumar Jain
(Managing Director)

Sd-

Harsh Aggarwal
(Company Secretary)

Place: Haridwar
Dated: 26.05.2016

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Sd-

Monika Jain
(Director)

Sd-

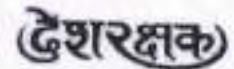
Arihant Jain
(Director)

Sd-

Rajesh Sharma
(Chief Financial Officer)

For and on behalf of
M/S Anil Jain & Co.
Chartered Accountant
Sd-
Anil Kumar Jain
(Proprietor)

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DESH RAKSHAK AUSHDHALAYA LTD., KANKHAL, HARIDWAR
Profit & Loss Statement for the year ended 31st March, 2016

PARTICULARS	NOTE NO.	FIGURES AS AT THE END OF THE CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF THE PREVIOUS REPORTING PERIOD
I. Revenue from operations	14	50,120,437	44,582,156
II. Other Income	14	53,561	26,111
III. Total Revenue (I+II)		50,173,998	44,608,267
IV. Expenses:			
Cost of materials consumed	15	28,128,603	23,877,610
Purchase of Stock in Trade		-	-
Changes in inventories of finished goods, work-in progress and stock in trade		-	-
Employee Benefit Expenses	16	6,671,670	6,437,679
Financial Costs	17	1,062,951	1,163,256
Depreciation and amortization Expenses	5	2,410,565	4,509,114
Other Expenses	18	9,775,292	7,783,036
Total Expenses		48,349,080	43,780,695
V. Profit before exceptional and extra ordinary items and tax	(III - IV)	3,824,918	807,572
VI. Exceptional items		-	-
VII. Profit after extraordinary items and tax	(V-VI)	3,824,918	807,572
VIII. Extraordinary items		-	-
IX. Profit before Tax (VII-VIII)		3,824,918	807,572
X. Prior year Income tax FY 2014-15		128,783	71,362
(a) Current tax F.Y. 2015-16		782,579	494,501
(b) Deferred Liabilities		-	-
XI. Profit (Loss) from the period from continuing operations	(VII-VIII)	2,913,556	241,689
XII Profit(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV Profit(Loss) from Discontinuing Operations (XII-XIII)		-	-
XV. Profit(Loss) for the period (XI+XIV)		2,913,556	241,689
XVI. Earning per equity share:			
(1) Basic			
(2) Diluted			
EARNING PER SHARE FY 2015-16 RS. 0.88 PAISE			
Significant Accounting Policies			
Notes on Financial Statements	1 - 19		
AUDITOR'S REPORT			
AS PER OUR REPORT OF EVEN DATE.			

Sd-
Tosh Kumar Jain
(Managing Director)

Sd-
Harsh Aggarwal
(Company Secretary)

Place: Haridwar
Dated: 26.05.2016

Sd-
Monika Jain
(Director)

Sd-
Arihant jain
(Director)

Sd-
Rajesh Sharma
(Chief Financial Officer)

For and on behalf of
M/S Anil Jain & Co.
Chartered Accountant
Sd-
Anil Kumar Jain
(Proprietor)

DESH RAKSHAK AUSHDHALAYA LIMITED, KANKHAL, HARIDWAR

SCHEDULES FORMING PART OF BALANCE SHEET 31.3.2016

SCHEDULES		RUPEES 31.3.2016	RUPEES 31.3.2016
AUTHORISED CAPITAL			
1000000 EQUITY SHARES OF RS. 10/- EACH		100,000,000	100,000,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL :-			
[A] 4438324 EQUITY SHARES OF RS. 10/- EACH	[1]	44,383,240	46,631,740
ADD: SHARE FORFEITTED ACCOUNT		2,248,500	46,631,740
RESERVE & SURPLUS :-			
INVESTMENT ALLOWANCE RESERVE	[2]	46,118	46,118
REVALUATION RESERVE		559,562	559,562
PREMIUM ON SHARE CAPITAL		37,229,400	37,229,400
OP BALANCE OF GENERAL RESERVE		(16,305,239)	(16,305,239)
PROFIT & LOSS ACCOUNT		2,913,558	(13,391,683)
ADD: DIFFERENCE OF DEPRECIATION AS PER CO. ACT 2013		115,411	0
		24,558,808	21,529,841
LONG TERM BORROWINGS			
PNB CIVIL LINES ROORKEE MACHINERY LOAN	[3]	0	92,858
BANK OF BARODA 1501		37,550	0
PNB KANKHAL TATA ACE LOAN		107,102	183,198
PNB CASH CREDIT CIVIL LINES, ROORKEE		12,498,614	7,508,710
		12,640,266	7,784,776
SHORT TERM BORROWINGS			
GANGA CORPORATION PVT. LTD. DEHRADUN	[4]	2,100,000	2,800,000
CURRENT LIABILITIES			
SUNDRY CREDITORS	[5]	13,994,841	16,248,807
OTHER CURRENT LIABILITIES			
PETTY SECURITY CUSTOMERS	[6]	258,874	259,374
		258,874	259,374
SHORT TERM PROVISIONS			
AUDITOR REMUNERATION	[7]	54,000	60,000
SALARY		73,000	65,000
ESI		19,074	19,300
PROVIDENT FUND		89,483	93,827
ELECT. & WATER		0	38,655
TELEPHONE		5,561	6,010
INCOME TAX FY 2015-16	782,579		
LESS: ADVANCE TAX & TDS	761,349	1,231	0
CSY		110,422	36,647
VAT		171,897	174,556
T.D.S.		104,356	138,122
		689,024	632,117

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<u>CURRENT INVESTMENTS</u>	[9]		
SHRI BHAGWANT FINANCE CO. LTD.		1,175,000	1,175,000
		<u>1,175,000</u>	<u>1,175,000</u>
<u>INVENTORIES</u>	[10]		
RAW MATERIAL & FINISHED GOODS		9,160,496	11,304,891
PACKING MATERIALS		2,290,124	2,828,248
		<u>11,450,620</u>	<u>14,131,239</u>
		=====	=====
<u>TRADE RECEIVABLES</u>	[11]		
<u>OUTSTANDING MORE THAN</u>			
MORE THEN NINETY DAYS		7,403,329	10,162,166
LESS THAN NINTY DAYS		9,728,351	5,376,615
		<u>17,131,680</u>	<u>15,538,801</u>
		=====	=====
<u>CASH & CASH EQUIVALENTS</u>	[12]		
CASH IN HAND HEAD OFFICE		882,319	721,846
CASH IN HAND BRANCH OFFICE		462,183	296,100
CASH AT BANKS			
INTEREST ACCRUED		29,903	21,985
SBI KANKHAL 30979380188		642,431	322,868
PNB KANKHAL 1433		743,104	496,708
PNB ROORKEE		5,600,000	0
PNB FDR		0	400,000
BANK OF BARODA 1501		0	240,430
		<u>8,669,940</u>	<u>2,499,997</u>
		=====	=====
<u>SHORT TERM LOANS/ADVANCES</u>	[13]		
<u>SECURITY DEPOSITS</u>		1,389,616	12,123,203

DESH RAKSHAK AUBHDHALAYA LIMITED
SCHEDULES FORMING PART OF MANUFACTURING, TRADING, PROFIT & LOSS ACCOUNT

SCHEDULES	[14]	31.3.2018	31.3.2016
REVENUE FROM OPERATIONS			
SALES HO DOMESTIC		16,696,116	11,214,336
SALES HO EXPORT		4,206,333	5,951,252
SALES BRANCH OFFICE		29,218,888	27,398,568
TOTAL		50,120,437	44,562,156
OTHER INCOME, INTEREST	[14]	53,561	28,111
		50,173,998	44,588,267
COST OF MATERIAL CONSUMED AND INVENTORY	[15]		
ADJUSTMENTS & MANUFACTURING EXP.			
OPENING STOCKS		14,131,239	13,215,650
ADD PURCHASES		22,398,869	22,354,862
ADD EXCISE DUTY PRODUCTION		0	1,340,930
		36,528,108	36,911,472
LESS: CLOSING STOCK OF RAW MATERIALS, W.I.P. SEMI FINISHED & FINISHED GOODS			
CLOSING STOCK BRANCH OFFICE	11,450,620	11,450,620	14,131,239
		25,077,488	22,780,233
FREIGHT INWARDS		195,848	219,858
ELECTRICITY & POWER		855,267	877,519
		26,128,603	23,877,610
EMPLOYEES BENEFIT EXPENSES	[16]		
PRODUCTION WAGES		1,869,685	1,821,088
PRINTING MIC STAFF SALARY		105,677	117,484
SALARIES STAFF		1,389,727	1,499,214
SALARIES MARKETING STAFF		1,267,051	1,223,500
SALARY MANAGERIAL		802,500	780,000
E.S.I.		165,432	167,681
PROVIDENT FUND		580,297	600,131
GRATUITY		509,114	0
EMPLOYEES WELFARE		63,642	74,811
HOUSE RENT ALLOWANCE		158,545	153,860
		6,971,670	6,437,679
FINANCIAL COST	[17]		
BANK COMMISSION		83,824	82,742
INTEREST		879,127	1,080,514
		1,062,951	1,163,256
OTHER EXPENSES	[18]		
ADVERTISEMENT/EXHIBITION EXPENSES		231,069	92,814
AUDITOR REMUNERATION		60,000	60,000
BONUS ON SALES		179,175	190,408
CAR REPAIR & RUNNING EXPENSES		265,482	351,171
CARTAGE & FREIGHT		515,800	486,584
COMMISSION		1,391,129	1,207,310
CONVEYANCE EXPENSES		47,009	0
DISCOUNT		349,005	239,482
DIWALI EXPENSES		77,625	3,000
EXSIDE DUTY		800,064	0

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FEE & TAXES	354,792	351,458
KAMINI VIORAVAN DUTY	595,563	0
FILING FEE	23,000	42,500
HOUSE/WATER TAX	51,354	4,658
INSURANCES	132,532	96,629
LOADING & UNLOADING	21,459	0
LEAKAGE & BREAKAGE	233,551	227,218
LEASE RENT CAR	120,000	120,000
LEGAL/PROFESSIONAL CHARGES	185,042	122,404
LISTING FEE	224,720	112,360
MACHINERY REPAIRS	288,688	208,721
INTEREST INCOME TAX	19,472	38,421
MEETING EXPENSES	1,135	213,350
MISC. EXPENSES	14,394	28,409
NEWSPAPER EXP.	6,981	2,521
POSTAGE	52,424	60,785
RENT OFFICE/DEPOT	37,200	34,800
REPAIRS & MAINTENANCE	261,948	248,942
SALES PROMOTION/INCENTIVE	487,088	546,260
PENALTY ON PF LATE DEPOSIT	0	708,632
SCOOTER RUNNING/REPAIR	2,955	5,385
SALES TAX EXPENSES	109,054	0
SELLING/DISTRIBUTION	674,500	240,000
SERVICE TAX	23,699	21,676
STATIONERY & PRINTING	99,275	65,271
TELEPHONE/MOBILE EXP.	124,997	130,332
TENDER DOCUMENT	17,300	11,910
TRAVELLING EXPENSES	1,875,793	1,491,426
	<u>9,775,292</u>	<u>7,783,038</u>
	*****	*****

M/S DESH RAKSHAK AUSHDHALAYA LIMITED, HARIDWAR
CASH FLOW STATEMENT FOR THE PERIOD APRIL 2015 TO MARCH 2016

A. CASH FLOW FROM OPERATING ACTIVITIES:

Net Profit before tax as per Profit & loss Account	3,824,918
Adjusted for	
Miscellaneous Expenditure written off	0
Net prior year adjustment	0
(Profit)/Loss on sale of discarded assets	0
Depreciation	2,410,565
	6,235,483
Operating Profit before working capital changes	6,235,483
Adjusted for	
Trade and other receivables	7,811,709
Inventories	(2,680,619)
Trade payables	2,197,592
	13,564,165
Cash generated from operations	13,564,165
Net prior year adjustments	128,783
Taxes paid	782,506
	12,652,876

B. CASH FLOW FROM INVESTING ACTIVITIES:

Purchase of fixed assets	(10,738,423)
Sale of fixed assets	0
Purchase of investment	0
Sale of investments	0
Movement in loans	4,155,490
Interest income	0
Dividend Income	0
	(6,582,933)

C. CASH FLOW FROM FINANCING ACTIVITIES:

Proceeds from Issue of Share Capital net	0
Redemption of preference share capital	0
Proceeds from long term borrowings	0
Repayment of long term borrowings	0
Short term loans	0
Dividends paid	0
Interest paid	0
	0

NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS

6,069,943

OPENING BALANCE OF CASH & CASH EQUIVALENTS

2,499,697

CLOSING BALANCE OF CASH & CASH EQUIVALENTS

8,569,940

FOR AND ON BEHALF OF
M/S ANIL JAIN & CO.
CHARTERED ACCOUNTANTS.

Place: HARIDWAR

Dated: 26.5.2016

S/d
(ANIL KUMAR JAIN)
PROPRIETOR
MEMBERSHIP NO.070253

M/S DESH RAKSHAK AUSHDHALAYA LIMITED, KANKHAL, HARIDWAR
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO
ACCOUNTS FOR THE YEAR 2015-2016

1.A. **SYSTEM OF ACCOUNTING**

The company follows the mercantile system of accounting and recognize Income and Expenditure on an accrual basis except in case of significant uncertainties. The Accounting policies applied by the company are consistent with those used in the previous year. The financial statement are prepared to comply in all material respects with the mandatory accounting standards issued by The Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

- B. The accounts of the company have been prepared based on the going concern concept and the company is operating at a low capacity utilization level.

2. **REVENUE RECOGNITION**

Revenue from the sale of manufactured products are recognised upon passage of title to the customer and generally coincides with the delivery and acceptance.

3. **FIXED ASSETS AND DEPRECIATION**

FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. The cost of an asset comprises purchase price and any directly attributable cost of bringing the assets to its present condition or intended use.

The fixed assets includes a sum of Rs. 13515861- capital work in progress in FY 2014-15 and it has been increased by Rs. 10142000/- during the FY 2015-16. Total Rs. 23657861- under this head.

DEPRECIATION

Depreciation has been provided on fixed assets as per the guidelines of the Companies Act 2013 on the basis of life of the assets uses at SLM.

4. **TECHNICAL KNOW-HOW FEES**

No technical know-how fee is paid during the year.

5. **INVESTMENTS**

Investment Rs. 11.75 lacs held on a long term basis and are valued at cost of acquisition since the shares are not quoted in any exchange.

6. **INVENTORIES**

INVENTORIES		BASIS OF VALUATION
a.	Raw Materials	At cost
b.	Work - in - progress	At cost
c.	Finished goods	Sales - G.Profit Margin
d.	stores and spares	At cost

7. SALES

The company has done an export sales of Rs. 4205333- to Nepal country.

8. RESEARCH AND DEVELOPMENT EXPENDITURE

No research and development expenditure is incurred during the year.

9. RETIREMENT BENEFITS

a. Retirement benefits are accounted for as and when paid.

b. Provision of Gratuity has not been made since it is paid as and when due.

c. Provident Fund contributions Rs. 89483/-, ESI Rs. 19074-, Vat Rs. 171897- TDS Rs. 164356- are payable as on 31.3.2016.

d. Accounting policies not specifically referred to are consistent with generally accepted accounting practices.

10. PROPOSED DIVIDEND

No provision has been made for the payment of Dividend.

11. PROVISION FOR TAXATION

The company have profit of Rs. 3824918- as per P&L account on which Income Tax works out Rs. 782579- after add - back of depreciation. The company has deposited a sum of Rs. 781348- as Advance tax Rs. 700000 + TDS Rs. 81348-, Hence a sum of Rs. 1231- has to be paid to Income Tax. Provision of which has been made under the head Provisions.

NOTES TO THE ACCOUNTS

Additional information pursuant to the provisions of paragraph 3 & 4 [c] [d] of part II of schedule VI of the Companies Act, 1956.

1. LICENCED AND INSTALLED CAPACITY

a. Licensed Capacity	Tablet, Syrup, Powder, Awaleha etc.	
b. Installed capacity	Tablet	2050 lacs Nos.
	Liquid	41 lacs bottles
	Pills	27.50 lacs Nos.
	Awaleha	280 Tones
	Kwach	40 Tones
	Capsules	60 lacs Nos.

2. PARTICULARS OF OPENING & CLOSING STOCK & SALES

Opening stock	Rs. 14131239.00
Closing stock	Rs. 11450620.00
Sales incl. Other Receipts	Rs. 50173998.00

Note: Since the number of items of raw materials and finished goods are more than one thousand, hence quantitative details are not given.

3. **DETAILS OF RAW MATERIAL CONSUMPTION**

As the number of raw materials are more than one thousand and none of them amount to reasonable parts of total consumption, no item wise details of raw material consumption in quantity has been given.

4. **TOTAL MANAGERIAL REMUNERATION PAID/PAYABLE DURING THE YEAR**

a. Managing Director	Rs. 480000/-
b. Director	Rs. 180000/-

5. A interest free Long Term loan of Rs. 2100000- is outstanding during the financial year 2015-2016.

6. The branch office of the company is situated at Muzaffarnagar, UP.

7. Confirmation of balances of few parties appearing under the heads current liabilities, current assets, capital work in progress and loans & advances are still awaited.

8. Particular of Auditors remuneration -
Audit Fee Rs. 60000/-

9. Sundry Debtors / Creditors includes various amounts which are more than 6 months old and no confirmation of the outstanding amount are available. Figures has been taken in such heads as per the confirmation of the management of the co.

10. There are previous losses in the company, however the company has profit during the year on which Income Tax has to be deposited as per the computation of Income Tax.

11. As informed to us by the management no balances are outstanding for more than 45 days at the Balance Sheet date to the suppliers registered themselves under the micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

12. **EARNING PER SHARE**

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the numbers of equity shares outstanding during the year.

13. **BUSINESS INFORMATION**

Based on the analysis of the company's internal organization and management structure, the management of the company has classified its business activities as

"Manufacturing & processing of Ayurvedic, Medicines Ayurvedic composit drug kits, dye kits & CHW kits". The company has not done manufacturing on job work basis during this year under audit.

14. DEFERRED TAX LIABILITY

Difference of Depreciation as per the Companies Act & as per I. Tax Act, has been add back in the net profit of the company and then Tax has been calculated.

15. EXPENDITURES ON EMPLOYEE

Break up of expenditure incurred on employees who were employed throughout financial year and were in receipt of remuneration aggregating to net less than Rs. 60,00,000/- per annum or if employed for a part of financial year were in receipts of remuneration aggregating to net less than Rs. 500,000/- per month.

PARTICULARS	CURRENT YR.	PREVIOUS YR.
a. Salaries & Allowances Including perquisites	NIL	NIL
b. Contribution to Provident Fund Superannuation & Gratuity Fund	NIL	NIL
c. Number of Employees	NIL	NIL

16. The company has taken Cash Credit Limit & availed Rs. 124.96 lacs approximately from Punjab National Bank, Civil Lines, Roorkee against the hypothecation of all type of stocks and personal guarantee of the Directors.

17. Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

18. Notes 1 to 18 form integral part of Balance Sheet and Profit & Loss account and have been duly annexed.

Sd-
Tosh Kumar Jain
(Managing Director)

Sd-
Harsh Aggarwal
(Company Secretary)

Place: Haridwar
Dated: 26.05.2016

Sd-
Monika Jain
(Director)

Sd-
Arhant Jain
(Director)

Sd-
Rajesh Sharma
(Chief Financial Officer)

For and on behalf of
M/S Anil Jain & Co.
Chartered Accountant
Sd-
Anil Kumar Jain
(Proprietor)

BALANCE SHEET ABSTRACT
&
COMPANY'S GENERAL BUSINESS PROFILE
AS AT 31ST MARCH 2016

Registration Details

CIN No.	L33119UR1981PLC006092	State Code	20
Balance Sheet Date	31-03-2016		

Capital raised during the year

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
Govt. Contribution	NIL		

Position of Mobilization and Deployment of Funds

Total Liabilities	Rs. 100,873,653 /-	Total Assets	Rs. 100,873,653 /-
-------------------	--------------------	--------------	--------------------

Source of Funds

Paid up capital	Rs. 4,43,83,240/-	Reserve & Surplus	Rs. 24,558,808 /-
Secured Loans	14740266		
Unsecured Loans	NIL/-		

Application of Funds

Net Fixed Assets	Rs. 37499037/-	Investment	1,175,000/-
Capital Work in Progress (Including Advance)	Rs. 23657861/-	Deferred Tax Assets(Net)	NIL
Accumulated Losses	NIL		

Performance of the Company

Turnover	Rs. 50,173,998 /-	Total Expenditure	Rs. 46,349,080 /-
Profit/(Loss) before tax	Rs. 3,82,4918 /-	Profit/(Loss) after tax (Excluding Deferred Tax implication)	2,913,556/-
Earnings per share - Basic	-	Dividend rate	NIL
Diluted	-		

DESH RAKSHAK AUSHDHALAYA LIMITED
Regd. Office Bhagwant Kuti, Kankhal, Haridwar
ADMISSION SLIP

I hereby record my presence at the Annual General Meeting of Members of the company held on 24th day of September 2016 at Bhagwant Kuti, Kankhal, Haridwar at 4.00P.M.

Regd. Folio No./ *DP ID/* Client ID	
No. of Equity Shares held	
Name of the Shareholder(s)	
Joint Holder 1	
Joint Holder 2	

1. I/We hereby record my / our presence at the 35th Annual General Meeting of the members of the Company held on Tuesday, 24th Day of September, 2016 at 4.00 P.M. at Bhagwant Kuti, Kankhal, Haridwar
2. Signature of the Shareholder/Proxy Present
3. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

.....XXXXX.....XXXXXXXX.....XXXXX

ELECTRONIC VOTING PARTICULARS

E Voting Event	Number	User ID	Password
(EVEN)			

Note: Please read the instructions provided in Notice dated August 27th August, 2016 of the 35th Annual General Meeting. The Voting period starts from 9.00 a.m. on Wednesday, September 21st, 2016 and ends at 5.00 p.m. on Friday, September 23rd, 2016. The voting module shall be disabled by NSDL for voting thereafter

DESH RAKSHAK AUSHDHALAYA LIMITED

Regd. Office Bhagwant Kuti, Kankhal, Haridwar

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:
EmailId: _____ FolioNo./Client Id: _____ DP ID: _____

I/We, being the member (s) of..... shares of the above named company, hereby appoint

1. Name
Address:
E-mail Id:
Signature

2. Name
Address:
E-mail Id:
Signature

3. Name
Address:
E-mail Id:
Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company to be held on September 24th ,2016 at 4.00 P.M.

Resolution No.	Particulars
Ordinary Business	
1.	1. To Receive, consider and adopt the Audited Balance Sheet as at 31 st March, 2016 and the Profit & Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2.	4. To appoint a Director Mr. Arihant Kumar Jain(holding DIN: 06401053) ,who retires by rotation and being eligible offers himself for re-appointment.
3.	5. To Ratify the appointment of Auditors and fix their remuneration
Special Business	
4.	Appointment of Mrs. Anjul Agarwal as Independent Director
5.	Remuneration to Mr. Arihant Kumar Jain (Non-Executive Director) of the Company

Signed this..... day of..... 2016

Signature of shareholder: _____

Signature of Proxy holder(s) _____

Please Affix
Re. 1/Revenue
Stamp and
sign across

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.